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RED HERRING PROSPECTUS
Dated September 19, 2025
(Please read Section 32 of the Companies Act, 2013)
100% Book Built Offer

TRUALT BIOENERGY LIMITED

CORPORATE IDENTITY NUMBER: U15400KA2021PLC145978

REGISTERED OFFICE	CORPORATE OFFICE	CONTACT PERSON	TELEPHONE AND EMAIL	WEBSITE
Survey No. 166, Kulali Cross, Jamkhandi Mudhol Road, Bagalkot – 587313, Karnataka, India	No S-904/A 9th Floor, World Trade Center, Brigade Gateway Campus, No. 26/1, Malleswaram West, Bangalore – 560055, Karnataka, India	Deepak Kumar Gulati, Company Secretary and Compliance Officer	Tel: 080 2325 5000 Email: cs@trualtbioenergy.com	https://www.trualtbioenergy.com/

PROMOTERS OF OUR COMPANY: VIJAYKUMAR MURUGESH NIRANI, VISHAL NIRANI AND SUSHMITHA VIJAYKUMAR NIRANI

DETAILS OF THE OFFER

Type	Fresh Issue size	Offer for Sale Size	Total Offer Size	Eligibility and Share Reservation among QIBs, NIIs and RIIs
Fresh Issue and an Offer for Sale	Fresh issue of up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹75,000 lakhs	Offer for sale of up to 18,00,000 Equity Shares of face value of ₹10 each aggregating up to ₹[●] lakhs	Up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹[●] lakhs	The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**") read with Regulation 31 of the SEBI ICDR Regulations and pursuant to Regulation 6(1) of the SEBI ICDR Regulations. For details of share reservation among QIBs, NIIs and RIBs, see "*Offer Structure*" on page 605. For further details, see "*Other Regulatory and Statutory Disclosures - Eligibility for the Offer*" on page 581.

DETAILS OF OFFER FOR SALE

Name of Selling Shareholder	Type	Number of Equity Shares offered / amount (₹ in lakhs)	Weighted average cost of acquisition per Equity Share on a fully diluted basis (in ₹)*
Dhraksayani Sangamesh Nirani	Promoter Group Selling Shareholder	Up to 9,00,000 Equity Shares^^ of face value of ₹10 each, aggregating up to ₹[●] lakhs	15.96
Sangamesh Rudrappa Nirani	Promoter Group Selling Shareholder	Up to 9,00,000 Equity Shares^^ of face value of ₹10 each, aggregating up to ₹[●] lakhs	17.08

**As certified by N.M. Raiji & Co., Chartered Accountants by way of their certificate dated September 19, 2025.*
^^Subject to finalization of basis of allotment.

RISKS IN RELATION TO THE FIRST OFFER

The face value of the Equity Shares is ₹10 per Equity Share. The Floor Price, the Cap Price and the Offer Price (as determined by our Company, in consultation with the BRLMs), on the basis of the assessment of market demand for the Equity Shares by way of the book building process, as stated in "*Basis for Offer Price*" on page 160, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

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

ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, each of the Selling Shareholders, severally and not jointly, accept responsibility for only such statements specifically confirmed or specifically undertaken by such Selling Shareholder in this Red Herring Prospectus to the extent such statements specifically pertain to itself/its Offered Shares and confirms that such statements are true and correct in all material respects and are not misleading in any material respect. However, none of the Selling Shareholders assume any responsibility for any other statements, disclosures or undertakings, including without limitation, any and all of the statements, disclosures or undertakings made by or in relation to our Company, its business, or the other Selling Shareholders, in this Red Herring Prospectus.

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the Stock Exchanges being BSE and NSE. For the purposes of the Offer, BSE is the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS

Name of the BRLMs and Logo	Contact Person	Email and Telephone
DAM Capital Advisors Limited	Chandresh Sharma / Puneet Agnihotri	**E-mail**: trualt.ipo@damcapital.in **Tel.:** +91 22 4202 2500
SBI Capital Markets Limited	Raghavendra Bhat / Aditya Deshpande	**E-mail**: trualt.ipo@sbicaps.com **Tel.:** +91 22 4006 9807

REGISTRAR TO THE OFFER

Name of Registrar	Contact Person	Email and Telephone
Bigshare Services Private Limited	Jibu John	**E-mail**: ipo@bigshareonline.com **Tel.:** +91 22 6263 8200

BID/OFFER PROGRAMME

ANCHOR INVESTOR BIDDING DATE	Wednesday, September 24, 2025*	BID/OFFER OPENS ON	Thursday, September 25, 2025*	BID/OFFER CLOSES ON	Monday, September 29, 2025

**Our Company may, in consultation with the Book Running Lead Managers, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.*
*** UPI mandate end time and date shall be at 5:00 PM on Bid/Offer Closing Date.*

RED HERRING PROSPECTUS
Dated: September 19, 2025
Please read Section 32 of the Companies Act, 2013
100% Book Built Offer

TRUALT BIOENERGY LIMITED

Our Company was originally incorporated as "TruAlt Energy Limited" as a public limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated on March 31, 2021, by the Registrar of Companies, Karnataka at Bangalore ("**RoC**"). The name of our Company was subsequently changed to "TruAlt Bioenergy Limited", pursuant to a special resolution passed in the extra-ordinary general meeting of the Shareholders held on June 1, 2022, pursuant to which a fresh certificate of incorporation consequent upon change of name was issued by the RoC on July 1, 2022. For further details of change in name of the Company, see "*History and Certain Corporate Matters*" on page 328.

Corporate Identity Number: U15400KA2021PLC145978
Registered Office: Survey No. 166, Kulali Cross, Jamkhandi Mudhol Road, Bagalkot – 587313, Karnataka, India; **Tel:** 083502 00005
Corporate Office: No S 904/A 9th Floor WTC Brigade Gateway Campus No 26/1, Malleswaram West, Bangalore – 560055, Karnataka, India; Tel: 080-23255000
Contact Person: Deepak Kumar Gulati, Company Secretary and Compliance Officer; **E-mail**: cs@trualtbioenergy.com; **Website:** https://www.trualtbioenergy.com/

OUR PROMOTERS: VIJAYKUMAR MURUGESH NIRANI, VISHAL NIRANI AND SUSHMITHA VIJAYKUMAR NIRANI

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF TRUALT BIOENERGY LIMITED (OUR "COMPANY" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹[●] PER EQUITY SHARE) (THE "OFFER PRICE") AGGREGATING UP TO ₹[●] LAKHS (THE "OFFER") COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH BY OUR COMPANY AGGREGATING UP TO ₹ 75,000 LAKHS (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 18,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹[●] LAKHS, COMPRISING AN OFFER FOR SALE OF UP TO 9,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹[●] LAKHS BY DHRAKSAYANI SANGAMESH NIRANI, AND UP TO 9,00,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AGGREGATING UP TO ₹[●] LAKHS BY SANGAMESH RUDRAPPA NIRANI (COLLECTIVELY, THE "SELLING SHAREHOLDERS", AND EACH INDIVIDUALLY, AS A "SELLING SHAREHOLDER" AND SUCH OFFER FOR SALE OF EQUITY SHARES BY THE SELLING SHAREHOLDERS, THE "OFFER FOR SALE"). THE OFFER WILL CONSTITUTE [●]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLMS AND WILL BE ADVERTISED IN ALL EDITIONS OF THE FINANCIAL EXPRESS (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), ALL EDITIONS OF JANSATTA (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND BELAGAVI EDITION OF VISHWAVANI (A WIDELY CIRCULATED KANNADA DAILY NEWSPAPER, KANNADA BEING THE REGIONAL LANGUAGE OF KARNATAKA, WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SUCH ADVERTISEMENT SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH THE BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

THE FACE VALUE OF THE EQUITY SHARES IS ₹10 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES

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

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**") read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("**QIBs**", and such portion, the "**QIB Portion**"), provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis (the "**Anchor Investor Portion**"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than Anchor Investor Portion) ("**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors ("**Non-Institutional Portion**") in accordance with the SEBI ICDR Regulations, out of which (a) one third shall be reserved for Bidders with Bids exceeding ₹2.00 lakhs and up to ₹10.00 lakhs; and (b) two-third shall be reserved for Bidders with Bids exceeding ₹10.00 lakhs, provided that the unsubscribed portion in either of such sub-categories may be allocated to Bidders in the other sub-category of Non-Institutional Investors. Further, not less than 35% of the Offer shall be available for allocation to Retail Individual Investors ("**Retail Portion**") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All potential Bidders, other than Anchor Investors, are mandatorily required to participate in the Offer through the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective ASBA Account (as defined hereinafter) and UPI ID in case of UPI Bidders (as defined hereinafter), as applicable, pursuant to which the corresponding Bid Amount, which will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or the Sponsor Bank, as the case may be, to the extent of their respective Bid Amounts. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see "*Offer Procedure*" beginning on page 609.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public Offer of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10. The Floor Price, Cap Price and Offer Price as determined and justified by our Company, in consultation with the BRLMs, in accordance with the SEBI ICDR Regulations, as stated under "*Basis for Offer Price*" on page 160, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

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

ISSUER'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect. Further, the Selling Shareholders, severally and not jointly, accept responsibility for and confirm only those statements specifically made by such Selling Shareholders in this Red Herring Prospectus, to the extent of information specifically pertaining to them and their respective portion of the Offered Shares, and assume full responsibility that such statements are true and correct in all material respects and are not misleading in any material respect.

LISTING

The Equity Shares to be Allotted through this Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to their letters each dated November 5, 2024. For the purposes of the Offer, the Designated Stock Exchange shall be BSE. A signed copy of this Red Herring Prospectus has been filed with the RoC and a signed copy of the Prospectus shall be delivered to the RoC in accordance with Section 26(4) of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of this Red Herring Prospectus up to the Bid/ Offer Closing Date, see "*Material Contracts and Documents for Inspection*" on page 664.

BOOK RUNNING LEAD MANAGERS TO THE OFFER		REGISTRAR TO THE OFFER
DAM Capital Advisors Limited Altimus 2202, Level 22 Pandurang Budhkar Marg Worli, Mumbai 400 018 Maharashtra, India **Tel.:** +91 22 4202 2500 **E-mail**: trualt.ipo@damcapital.in **Investor Grievance E-mail:** complaint@damcapital.in **Website:** www.damcapital.in **Contact person:** Chandresh Sharma/ Puneet Agnihotri **SEBI Registration No.:** MB/INM000011336	**SBI Capital Markets Limited** 1501, 15th Floor A & B Wing, Parinee Crescenzo Building G Block, Bandra Kurla Complex, Bandra East Mumbai 400 051 Maharashtra, India **Tel.:** +91 22 4006 9807 **E-mail**: trualt.ipo@sbicaps.com **Investor Grievance E-mail:** investor.relations@sbicaps.com **Website:** www.sbicaps.com **Contact person:** Raghavendra Bhat / Aditya Deshpande **SEBI Registration No.:** INM000003531	**Bigshare Services Private Limited** S6-2 Pinnacle Business Park Mahakali Caves Road Next to Ahura Centre, Andheri (East) Mumbai 400 093 Maharashtra, India **Tel.:** +91 22 62638200 **E-mail**: ipo@bigshareonline.com **Investor Grievance E-mail:** investor@bigshareonline.com **Website:** www.bigshareonline.com **Contact person:** Jibu John **SEBI Registration No.:** INR000001385

BID/ OFFER SCHEDULE

ANCHOR INVESTOR BIDDING DATE	Wednesday, September 24, 2025*	**BID/ OFFER OPENS ON**	Thursday, September 25, 2025*	**BID/ OFFER CLOSES ON**	Monday, September 29, 2025

* *Our Company may, in consultation with the Book Running Lead Managers, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.*
** *UPI mandate end time and date shall be at 5:00 PM on Bid/Offer Closing Date.*

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

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

The words and expressions used in this Red Herring Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder. Notwithstanding the foregoing, the terms used in "Industry Overview", "Statement of Special Tax Benefits", "Financial Information", "Basis for Offer Price", "History and Certain Corporate Matters", "Financial Indebtedness", "Outstanding Litigation and Material Developments", "Offer Procedure", "Key Regulations and Policies", and "Description of Equity Shares And Terms of Articles of Association" on pages 180, 177, 393, 160, 328, 559, 564, 609, 321 and 631 respectively, shall have the meaning ascribed specifically to such terms in the relevant sections.

General Terms

Term	Description
our Company / the Company / the Issuer	TruAlt Bioenergy Limited, a company incorporated under the Companies Act, 2013 and having its Registered Office at Survey No. 166, Kulali Cross, Jamkhandi Mudhol Road, Bagalkot – 587313, Karnataka, India.
we / us / our	Unless the context otherwise indicates or implies, refers to our Company and our Subsidiary.

Company Related Terms

Term	Description
Articles of Association / AoA	Articles of association of our Company, as amended from time to time
Audit Committee	The audit committee of our Company, constituted in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, as described in "*Our Management*" on page 352.
Audited Standalone Financial Information	The audited standalone financial statements of our Company as at and for Fiscals 2025, 2024 and 2023, prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act, 2013.
Auditors / Statutory Auditors	The current statutory auditors of our Company, being N. M. Raiji & Co., Chartered Accountants.
Board / Board of Directors	The board of directors of our Company, or a duly constituted committee thereof.
Chairman / Chairperson	The Chairman / Chairperson of our Company, being Yagati Badarinarayana Ramakrishna, as disclosed in "*Our Management*" on page 352.
Chief Financial Officer	The chief financial officer of our Company, being Anand Kishore as disclosed in "*Our Management*" on page 352.
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, being Deepak Kumar Gulati, as disclosed in "*Our Management*" on page 352.
Corporate Office	Corporate office of our Company located at No S 904/A 9th Floor WTC Brigade Gateway Campus No 26/1, Malleswaram West, Bangalore – 560055, Karnataka, India
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Company, constituted in accordance with Section 135 of the Companies Act, 2013, the Companies (Corporate Social Responsibility Policy) Rules, 2014, the details of which are provided in "*Our Management*" on page 352.
Director(s)	The directors on our Board
Equity Shares	The equity shares of our Company of face value of ₹10 each
Erstwhile Nirani Sugars Limited / Erstwhile NSL	Nirani Sugars Limited, which, pursuant to the Scheme of Amalgamation, merged with MRN Chamundi Canepower and Biorefineries Private Limited with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the

Term	Description
	name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024
Erstwhile NSL BTA	The business transfer agreement dated September 26, 2022, entered into between our Company and Erstwhile NSL
Executive Director(s)	The executive directors of our Company, being Vijaykumar Murugesh Nirani, Vishal Nirani and Anand Murugan Jakkampati Durairaj, as disclosed in "*Our Management*" on page 352.
Group Companies	The companies identified as 'group companies' in accordance with Regulation 2(1)(t) of the SEBI ICDR Regulations, and as described in "*Our Group Companies*" on page 385.
Independent Directors	The independent director(s) of our Company, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013, the details of whom are provided in "*Our Management*" on page 352.
ITCOT DPR	Detailed project report dated September 5, 2025 by ITCOT Limited.
Key Managerial Personnel / KMP	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations, and as described in "*Our Management*" on page 352.
Leafiniti	Leafiniti Bioenergy Private Limited
Managing Director	Managing director of our Company, being Vijaykumar Murugesh Nirani as described in "*Our Management*" on page 352.
Materiality Policy	The policy adopted by our Board pursuant to its resolution dated March 21, 2024 and the amended policy adopted by our Board pursuant to its resolution dated September 6, 2025, for identification of companies to be disclosed as Group Companies, material outstanding litigation involving our Company, Subsidiary, Directors, KMP, SMP and Promoters and outstanding dues to material creditors, in accordance with the requirements under the SEBI ICDR Regulations.
MoA / Memorandum of Association	The memorandum of association of our Company, as amended from time to time
MRN	MRN Cane Power (India) Limited, which, pursuant to the Scheme of Amalgamation, merged with MRN Chamundi Canepower and Biorefineries Private Limited with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024
MRN BTA	The business transfer agreement dated September 26, 2022, entered into between our Company and MRN
Nomination and Remuneration Committee / NRC	The nomination and remuneration committee of our Company, constituted in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013, the details of which are provided in "*Our Management*" on page 352.
Non-executive Director(s)	The non-executive directors of our Company, as disclosed in "*Our Management*" on page 352.
Preference Shares / CCPS	Compulsorily convertible preference shares of our Company of face value of ₹100 each
Proforma Condensed Combined Financial Information	The proforma condensed combined financial information of the Company comprising the proforma condensed combined statement of assets and liabilities as at March 31, 2021, March 31, 2022 and March 31, 2023 and the proforma condensed combined statement of profit and loss (including other comprehensive income) for the years ended March 31, 2021, March 31, 2022 and March 31, 2023, read with selected explanatory notes to the proforma condensed combined financial information, which has been prepared in accordance with the Guidance Note on Combined and Carve Out Financial Statements and Guide to Reporting on Proforma Financial Statements issued by the Institute of Chartered Accountants of India ("**ICAI Guidance Note**") to illustrate the statement of assets and liabilities as at March 31, 2021, March 31, 2022 and March 31, 2023 and statement of profit and loss (including other comprehensive income) for the years ended March 31, 2021, March 31, 2022 and March 31, 2023.
Promoters	Our Promoters, namely, Vijaykumar Murugesh Nirani, Vishal Nirani and Sushmitha Vijaykumar Nirani
Promoter Group	Persons and entities constituting the promoter group in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations. For further details, see "*Our Promoters and Promoter Group*" on page 378.
Registered Office	Registered office of our Company located at Survey No. 166, Kulali Cross, Jamkhandi Mudhol Road, Bagalkot – 587313, Karnataka, India
Registrar of Companies / RoC	The Registrar of Companies, Karnataka at Bangalore, located at 'E' Wing, 2nd Floor, Kendriya Sadana, Kormangala – 560034, Bangalore, Karnataka, India
Restated Financial Information	Our restated standalone statement of assets and liabilities as at March 31, 2023, and restated consolidated statement of assets and liabilities as at March 31, 2024 and March 31, 2025 and the restated standalone statements of profit and loss (including other comprehensive income) for the

Term	Description
	year ended March 31, 2023 and the restated consolidated statements of profit and loss (including other comprehensive income) for the year ended March 31, 2024 and March 31, 2025, restated standalone statement of cash flows for the year ended March 31, 2023 and the restated consolidated statement of cash flows for the year ended March 31, 2024 and March 31, 2025 and restated standalone statement of changes in equity for the year ended March 31, 2023, and restated consolidated statement of changes in equity for the year ended March 31, 2024 and March 31, 2025 of our Company together with the summary of material accounting policies, and other explanatory information thereon, derived from the audited standalone financial statements prepared in accordance with the Ind AS as at and for the year ended March 31, 2023, and the audited consolidated financial statements prepared in accordance with the Ind AS as at and for the year ended March 31, 2024 and March 31, 2025, restated in accordance with the SEBI ICDR Regulations, Section 26 of Part I of Chapter III of the Companies Act, 2013 and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI.
Scheme of Amalgamation	Composite scheme of amalgamation filed by Erstwhile Nirani Sugars Limited ("**Erstwhile NSL**"), MRN Cane Power (India) Limited ("**MRN**"), Shri Sai Priya Sugars Limited ("**SSPSL**"), Badami Sugars Limited ("**BSL**"), Shree Kedarnath Sugar and Agro Products Limited ("**SKSAPL**"), together with NSL, MRN, SSPSL, BSL and SKSAPL, the "**Transferor Companies**") and MRN Chamundi Canepower and Biorefineries Private Limited ("**Transferee Company**") under Sections 230 to 232 of the Companies Act, 2013 for the amalgamation, and transfer and vesting of the business, of BSL and SKSAPL into SSPSL with an appointed date of April 1, 2022 and amalgamation, and transfer and vesting of the business, of Erstwhile NSL, MRN and SSPSL into the Transferee Company with an appointed date of October 1, 2022, as approved by the National Company Law Tribunal, Bengaluru by its order dated January 10, 2024 ("**NCLT Order**"). Pursuant to the Scheme of Amalgamation, on June 13, 2024, the Transferee Company was converted into a public limited company and subsequently, the name of the Transferee Company has been changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.
Senior Management	The senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations and as described in "*Our Management"* on page 352.
Selling Shareholders	Dhraksayani Sangamesh Nirani and Sangamesh Rudrappa Nirani
Shareholders	Shareholders of our Company
SSPSL	Shri Sai Priya Sugars Limited, which, pursuant to the Scheme of Amalgamation, merged with MRN Chamundi Canepower and Biorefineries Private Limited with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024
SSPSL BTA	The business transfer agreement dated September 26, 2022, entered into between our Company and SSPSL
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Company, constituted in accordance with the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations and as described in "*Our Management*" on page 352.
Subsidiary	The wholly owned subsidiary of our Company, i.e. Leafiniti Bioenergy Private Limited
TBL Unit 1	Distillery unit located at Kulali Cross, Jamkhandi Road, Mudhol, in the Bagalkot district of Karnataka
TBL Unit 2	Distillery unit located at Hippargi-Maigur, Jamkhandi Taluk, in the Bagalkot district of Karnataka
TBL Unit 3	Distillery unit located at Kallapur - S.K. Posr, Kulageri, Badami Taluk, in the Bagalkot district of Karnataka
TBL Unit 4	Distillery unit located in Jalageri, Kerakalmatti and Ganganaboodhihala, Taluk, Badami in the Bagalkot district of Karnataka
TBL Unit 5	Distillery unit located in Muttalgeri, Tal, Badami in the Bagalkot district of Karnataka
TBL Unit 1, TBL Unit 2 and TBL Unit 3 Carve-out Financial Statements	The audited special purpose Ind AS combined carve-out financial statements of TBL Unit 1, TBL Unit 2 and TBL Unit 3 as at and for March 2021 and March 2022 and six months ended September 30, 2022

Offer Related Terms

Term	Description
Abridged Prospectus	Abridged prospectus means a memorandum containing such salient features of a prospectus as may be specified by the SEBI in this behalf

Term	Description
Acknowledgement Slip	The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form
Allot / Allotment / Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue and transfer of Offered Shares pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and this Red Herring Prospectus and who has Bid for an amount of at least ₹1,000.00 lakhs
Anchor Investor Allocation Price	Price at which Equity Shares will be allocated to Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which will be decided by our Company, in consultation with the BRLMs during the Anchor Investor Bid/Offer Period
Anchor Investor Application Form	Application form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of this Red Herring Prospectus and Prospectus
Anchor Investor Bid/Offer Period	The date, one Working Day prior to the Bid/ Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLMs will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	Final price at which the Equity Shares will be Allotted to Anchor Investors in terms of this Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company, in consultation with the BRLMs
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the BRLMs, to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Anchor Investor Offer Price. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price, in accordance with the SEBI ICDR Regulations
Anchor Investor Pay-In Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid/ Offer Closing Date.
Application Supported by Blocked Amount / ASBA	Application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorizing an SCSB to block the Bid Amount in the ASBA Account and will include applications made by UPI Bidders, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by UPI Bidders
ASBA Account	Bank account maintained with an SCSB by an ASBA Bidder, as specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the relevant ASBA Form and includes the account of an UPI Bidder which is blocked upon acceptance of a UPI Mandate Request made by the UPI Bidders
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	Application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which will be considered as the application for Allotment in terms of this Red Herring Prospectus and the Prospectus
Banker(s) to the Offer	Collectively, Escrow Collection Bank(s), Public Offer Account Bank(s), Sponsor Bank and Refund Bank(s), as the case may be
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer and which is described in "*Offer Structure*" beginning on page 605.
Bid	Indication to make an offer during the Bid/ Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Offer Period by an Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of this Red Herring Prospectus and the Bid cum Application Form. The term "Bidding" shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and, in the case of Retail Individual Investors Bidding at the Cut-off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such RII and mentioned in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the Bidder, as the case may be, upon submission of the Bid in the Offer

Term	Description
Bid cum Application Form	Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares of face value of ₹ 10 each and in multiples of [●] Equity Shares of face value of ₹ 10 each thereafter
Bid/ Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in all editions of The Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national daily newspaper and Belagavi edition of Vishwavani, a Kannada daily newspaper (Kannada being the regional language of Karnataka, where our Registered Office is located), each with wide circulation. Our Company, in consultation with the BRLMs, may consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations. In case of any revision, the extended Bid/ Offer Closing Date shall also be notified on the websites of the BRLMs and at the terminals of the Syndicate Members and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in the same newspapers in which the Bid/Offer Opening Date was published, as required under the SEBI ICDR Regulations
Bid/ Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in all editions of The Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national daily newspaper and Belagavi edition of Vishwavani, a Kannada daily newspaper (Kannada being the regional language of Karnataka, where our Registered Office is located), each with wide circulation
Bid/ Offer Period	Except in relation to Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof
Bidder/ Applicant	Any prospective investor who makes a Bid pursuant to the terms of this Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers / BRLMs	DAM Capital Advisors Limited and SBI Capital Markets Limited
Broker Centres	Centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
CAN / Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/ Offer Period
Cap Price	Higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted, including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price
Cash Escrow and Sponsor Bank Agreement	Agreement dated September 19, 2025 entered amongst our Company, the Selling Shareholders, the BRLMs, Syndicate Members, the Bankers to the Offer and Registrar to the Offer for, inter alia, appointment of Sponsor Banks in accordance with the UPI Circulars, collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant / CDP	A depository participant as defined under the Depositories Act, 1996 registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI as per the list available on the respective websites of the Stock Exchanges, as updated from time to time
CRISIL	CRISIL Market Intelligence & Analytics, a division of CRISIL Limited
CRISIL Report	Industry report titled "Assessment of Biofuels Market" dated August 2025, prepared and issued by CRISIL Market Intelligence & Analytics, a division of CRISIL Limited, pursuant to an engagement letter dated August 9, 2023, and addendums dated June 18, 2024, November 18, 2024 and June 6, 2025.

Term	Description
	The CRISIL Report has been exclusively commissioned and paid for by us in connection with the Offer
Cut-off Price	The Offer Price, finalised by our Company, in consultation with the Book Running Lead Managers, which shall be any price within the Price Band. Only Retail Individual Investors are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidders' address, name of the Bidders' father/husband, investor status, occupation, bank account details and UPI ID, wherever applicable
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com), as updated from time to time
Designated Date	The date on which the Escrow Collection Bank(s) transfer funds from the Escrow Account to the Public Offer Account or the Refund Account, as the case may be, and/or the instructions are issued to the SCSBs (in case of UPI Bidders, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Offer Account or the Refund Account, as the case may be, in terms of this Red Herring Prospectus and the Prospectus following which Equity Shares will be Allotted in the Offer
Designated Intermediary(ies)	In relation to ASBA Forms submitted by Retail Individual Investors by authorizing an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by UPI Bidders where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such UPI Bidders, as the case may be, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, Registered Brokers, CDPs, SCSBs and RTAs. In relation to ASBA Forms submitted by QIBs and Non-Institutional Investors, Designated Intermediaries shall mean Syndicate, sub-Syndicate/agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Stock Exchange	BSE Limited
Draft Red Herring Prospectus / DRHP	The draft red herring prospectus dated August 16, 2024 issued in accordance with the SEBI ICDR Regulations, which did not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer.
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an Offer or invitation under the Offer and in relation to whom the ASBA Form and this Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Escrow Account	Accounts to be opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through NACH/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank	Bank which is a clearing member and registered with SEBI as banker to an issue under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and with whom the Escrow Account will be opened, in this case being ICICI Bank Limited
First Bidder/Sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	Lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
Fraudulent Borrower	Fraudulent borrower as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations
Fresh Issue	Fresh issue of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 75,000 lakhs by our Company.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020, suitably modified and updated pursuant to, among others, SEBI ICDR Master Circular and

Term	Description
	UPI Circulars as amended from time to time. The General Information Document shall be available on the websites of the Stock Exchanges, and the BRLMs.
Maximum RIB Allottees	Maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot, subject to valid Bids being received at or above the Offer Price
Monitoring Agency	CRISIL Ratings Limited
Monitoring Agency Agreement	The agreement dated September 19, 2025 entered into between our Company and the Monitoring Agency
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares of face value of ₹ 10 each which shall be available for allocation to Mutual Funds only, subject to valid Bids being received at or above the Offer Price
Net Proceeds	Proceeds of the Fresh Issue less our Company's share of the Offer expenses. For further details regarding the use of the Net Proceeds and the Offer expenses, see "*Objects of the Offer*" on page 135.
Net QIB Portion	The QIB Portion less the number of Equity Shares allocated to the Anchor Investors
Non-Institutional Investors / Non-Institutional Bidders / NIIs	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount of more than ₹2,00,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer, being not less than 15% of the Offer or [●] Equity Shares of face value of ₹ 10 each, which shall be available for allocation to Non-Institutional Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price, out of which i) one third shall be reserved for Bidders with Bids exceeding ₹2.00 lakhs up to ₹10.00 lakhs; and ii) two-thirds shall be reserved for Bidders with Bids exceeding ₹10.00 lakhs Provided that the unsubscribed portion in either of the sub-categories specified in (i) or (ii) above, may be allocated to applicants in the other sub-category of Non-Institutional Investors.
Non-Resident	Person resident outside India, as defined under FEMA
Offer	The initial public offer of up to [●] Equity Shares of face value of ₹10 each for cash at a price of ₹[●] each aggregating up to ₹[●] lakhs, consisting of: – Fresh Issue of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 75,000 lakhs; – Offer for Sale of up to 18,00,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹[●] lakhs by the Selling Shareholders.
Offer Agreement	Agreement dated August 16, 2024 read with the First Amendment Agreement to the Offer Agreement, dated September 6, 2025, both entered amongst our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements have been agreed to in relation to the Offer.
Offer for Sale	The offer for sale of up to 18,00,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹[●] lakhs by the Selling Shareholders in the Offer
Offer Price	The final price at which Equity Shares will be Allotted to ASBA Bidders in terms of this Red Herring Prospectus and the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price which will be decided by our Company, in consultation with the BRLMs in terms of this Red Herring Prospectus and the Prospectus. The Offer Price will be decided by our Company, in consultation with the BRLMs on the Pricing Date in accordance with the Book Building Process and this Red Herring Prospectus and the Prospectus.
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholders. For further information about use of the Offer Proceeds, see "*Objects of the Offer*" beginning on page 135.
Offered Shares	Up to 18,00,000 Equity Shares of face value of ₹ 10 each aggregating up to ₹[●] lakhs being offered for sale by the Selling Shareholders in the Offer for Sale.
Price Band	Price band of a minimum price of ₹[●] per Equity Share of face value of ₹ 10 each (Floor Price) and the maximum price of ₹[●] per Equity Share of face value of ₹ 10 each (Cap Price) including any revisions thereof. The Cap Price shall be at least 105% of the Floor Price The Price Band and the minimum Bid Lot size for the Offer will be decided by our Company, in consultation with the BRLMs, and will be advertised, at least two Working Days prior to the Bid/ Offer Opening Date, in all editions of The Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national daily newspaper and Belagavi edition of Vishwavani, a Kannada daily newspaper (Kannada being the regional language of Karnataka, where our

Term	Description
	Registered Office is located), each with wide circulation and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
Pricing Date	Date on which our Company, in consultation with the BRLMs will finalise the Offer Price
Prospectus	Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Offer Price, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	Bank account to be opened with the Public Offer Account Bank, under Section 40(3) of the Companies Act, 2013 to receive monies from the Escrow Account and ASBA Accounts on the Designated Date
Public Offer Account Bank(s)	A bank which is a clearing member and registered with SEBI as a banker to an issue and with which the Public Offer Account will be opened, in this case being Kotak Mahindra Bank Limited
QIB Portion	The portion of the Offer, being not more than 50% of the Offer or [●] Equity Shares of face value of ₹ 10 each to be Allotted to QIBs (including Anchor Investors) on a proportionate basis, including the Anchor Investor Portion (in which allocation shall be on a discretionary basis, as determined by our Company, in consultation with the BRLMs up to a limit of 60% of the QIB Portion), subject to valid Bids being received at or above the Offer Price
Qualified Institutional Buyers / QIBs / QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus / RHP	This red herring prospectus dated September 19, 2025 issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which does not have complete particulars of the Offer Price and the size of the Offer, including any addenda or corrigenda thereto. This Red Herring Prospectus has been filed with the RoC at least three Working Days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date
Refund Account(s)	Account to be opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Bidders shall be made
Refund Bank(s)	Banker(s) to the Offer and with whom the Refund Account will be opened, in this case being ICICI Bank Limited
Registered Brokers	Stock brokers registered under SEBI (Stock Brokers) Regulations, 1992, as amended with the Stock Exchanges having nationwide terminals, other than the BRLMs and the Syndicate Members and eligible to procure Bids in terms of the SEBI ICDR Master Circular and UPI Circulars issued by SEBI
Registrar Agreement	Agreement dated August 16, 2024 entered amongst our Company, the Selling Shareholders and the Registrar to the Offer
Registrar and Share Transfer Agents / RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the list available on the websites of BSE and NSE, and the UPI Circulars
Registrar to the Offer / Registrar	Bigshare Services Private Limited
Retail Individual Bidder(s) / RIB(s)/Retail Individual Investor(s)/RII(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs)
Retail Portion	The portion of the Offer, being not less than 35% of the Offer or [●] Equity Shares of face value of ₹ 10 each, available for allocation to Retail Individual Investors subject to valid Bids being received at or above the Offer Price, which shall not be less than the minimum Bid lot, subject to availability in the Retail Portion
Revision Form	Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable. QIB Bidders and Non-Institutional Investors are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/ Offer Period and withdraw their Bids until Bid/Offer Closing Date
Self-Certified Syndicate Bank(s) or SCSB(s)	The banks registered with SEBI, which offer the facility of ASBA services, (i) in relation to ASBA, where the Bid Amount will be blocked by authorising an SCSB, a list of which is available on the website of SEBI at https:/www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 and updated from time to time and at such other websites as may be prescribed by SEBI from time to time, (ii) in relation to UPI Bidders, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 or such other website as may be prescribed by SEBI and updated from time to time. Applications through UPI in the Offer can be made only through the SCSBs mobile applications (apps) whose name appears on the SEBI website. A list of SCSBs and mobile application, which,

Term	Description
	are live for applying in public issues using UPI Mechanism is provided as Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019. The said list shall be updated on SEBI website
Share Escrow Agent	Share escrow agent appointed pursuant to the Share Escrow Agreement, namely, Bigshare Services Private Limited
Share Escrow Agreement	Agreement dated September 19, 2025 entered amongst our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of the Offered Shares by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding Centres where the Syndicate shall accept ASBA Forms from Bidders
Specified Securities	Specified securities as defined under Regulation 2(eee) of the SEBI ICDR Regulations.
Sponsor Banks	ICICI Bank Limited and Kotak Mahindra Bank Limited, being the Banker(s) to the Offer, registered with SEBI, appointed by our Company to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the RIBs using the UPI and carry out other responsibilities, in terms of the UPI Circulars
Syndicate / Members of the Syndicate	Together, the BRLMs and the Syndicate Members
Syndicate Agreement	Agreement dated September 19, 2025 entered amongst our Company, the Selling Shareholders, the BRLMs and the Syndicate Members, in relation to collection of Bids by the Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to accept bids, applications and place orders with respect to the issue and to carry out activities as an underwriter, namely, Sharekhan Limited, SBICAP Securities Limited and Investec Capital Services (India) Private Limited
Sub-syndicate Members	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members, to collect ASBA Forms and Revision Forms.
Systemically Important Non-Banking Financial Company	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Underwriters	[●]
Underwriting Agreement	Agreement to be entered amongst our Company and the Underwriters on or after the Pricing Date but prior to filing of the Prospectus with the RoC, subject to the nature of underwriting which is determined in accordance with Regulation 40(3) of SEBI ICDR Regulations.
UPI	Unified payments interface which is an instant payment mechanism, developed by NPCI
UPI Bidder(s)	Collectively, individual Bidders applying as (i) Retail Individual Bidders in the Retail Portion, and (ii) Non- Institutional Bidders with an application size of up to ₹500,000 in the Non-Institutional Portion, and Bidding under the UPI Mechanism through ASBA Form(s) submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Pursuant to the SEBI ICDR Master Circular issued by SEBI, all individual investors applying in public issues where the application amount is up to ₹5,00,000 shall use UPI and shall provide their UPI ID in the bid-cum-application form submitted with: (i) a syndicate member, (ii) a stock broker registered with a recognized stock exchange (whose name is mentioned on the website of the stock exchange as eligible for such activity), (iii) a depository participant (whose name is mentioned on the website of the stock exchange as eligible for such activity), and (iv) a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for such activity)
UPI Circulars	The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 (to the extent such circular is not rescinded by the SEBI RTA Master Circular), SEBI RTA Master Circular (to the extent that such circular pertains to the UPI Mechanism), SEBI ICDR Master Circular, along with NSE circulars (23/2022) dated July 22, 2022 and (25/2022) dated August 3, 2022, the BSE circulars (20220722-30) dated July 22, 2022 and (20220803-40) dated August 3, 2022 and any subsequent circulars or notifications issued by SEBI or Stock Exchanges in this regard from time to time.
UPI ID	ID created on the UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the UPI Bidder by way of a notification on the UPI linked mobile application as disclosed by SCSBs on the website of SEBI and by way of an SMS on directing the UPI Bidder to such UPI linked mobile application) to the UPI Bidder initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment. Such request shall be accepted by UPI Bidders at or before 5.00 pm on Bid/Offer Closing Date.
UPI Mechanism	The bidding mechanism that may be used by a UPI Bidder in accordance with the UPI Circulars to make an ASBA Bid in the Offer
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(1)(lll) of the SEBI ICDR Regulations

Term	Description
Working Day	All days on which commercial banks in Mumbai are open for business. In respect of announcement of Price Band and Bid/Offer Period, Working Day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. In respect of the time period between the Bid/ Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, Working Day shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per circulars issued by SEBI

Technical/Industry Related Terms/Abbreviations

Term	Description
1G ethanol	First generation ethanol, manufactured utilizing Sugarcane, corn, wheat, barley as raw material
2G ethanol	Second generation ethanol, manufactured utilizing lignocellulosic biomass as raw material
CBG	Compressed biogas
CGD	City Gas Distribution
CO_2	Carbon dioxide
DDGS	Dried Distillers Grains with solubles, a significant by-product of the ethanol production process, particularly from starch-rich grains like corn, wheat, or barley
EBP	Ethanol Blended Petrol Program of the Government of India
ENA	Extra neutral alcohol
EPA	Ethanol purchase agreement
ESY	Ethanol supply year, being December of a calendar year to November of the following calendar year. With effect from 2023, ethanol supply year will be considered from November of a calendar year to October of the following calendar year
FOM	Fermented organic manure
KL	Kilo litres
KLPD	Kilo litres per day
MDA scheme	Market Development Assistance scheme
MMT	Million metric tonnes
MOU	Memorandum of understanding
MT	Metric tonnes
MVL	Mevalonolactone
OMC	Oil marketing companies
PDM	Potash derived molasses, a potassium rich fertilizer derived from ash in molasses-based distilleries as a by-product of sugar-based ethanol industry
PLI scheme	Production Linked Incentive scheme
Pradhan Mantri JI-VAN Yojana	Pradhan Mantri JI-VAN (Jaiv Indhan- Vatavaran Anukool fasal awashesh Nivaran) Yojana
SAF	Sustainable aviation fuel
SATAT	Sustainable Alternative Towards Affordable Transportation
Sugarcane crushing season	November to March / mid-April of a calendar year

Key Financial and Operational Metrics used in this Red Herring Prospectus

Term	Description
Revenue from Operations	We selected this KPI because it reflects the main income generated by our company's core activities. It's crucial for understanding how well our business is performing financially, without including other sources of income that might skew the picture.
EBITDA	EBITDA is a valuable KPI because it provides a clear view of our operational performance by excluding non-operating expenses. This allows us to focus specifically on how well the business is running without the impact of external factors like taxes or interest payments.
EBITDA margin	This KPI is selected because it shows us the percentage of our revenue that translates into EBITDA, which helps us assess our profitability and margin profile. It's preferred over other margin calculations because it focuses solely on operational performance, excluding non-operating factors
Profit for the period/ year (₹ lakhs)	Profit is essential for understanding our overall profitability representing the income remaining after all expenses, including taxes, have been deducted. It's a straightforward measure of financial health and the Company's ability to generate income.
Working capital cycle	This metric is crucial for understanding how quickly we are able to convert our working capital into revenue. It helps us manage cash flow effectively and identify any inefficiencies in our working capital management.
Return on equity	RoE is selected because it measures how effectively the Company is using shareholder equity to generate profits. It is a key indicator of our efficiency and performance from the

Term	Description
	shareholders' perspective.
Return on capital employed	RoCE helps us understand how efficiently we are utilizing both equity and debt to generate profits. It provides insight into the returns generated from the total capital invested in the business.
Net debt	Net Debt is selected as it provides us with a clear picture of our liquidity position by considering our borrowings and subtracting liquid assets. It's an essential metric for assessing our financial leverage and ability to meet short-term obligations.

Conventional and General Terms or Abbreviations

Term	Description
₹/Rs./Rupees/INR	Indian Rupees
AGM	Annual general meeting
AIFs	Alternative Investments Funds
AS or Accounting Standards	Accounting standards issued by the ICAI
AY	Assessment year
BSE	BSE Limited
CAGR	Compound Annual Growth Rate
Category I AIF	AIFs who are registered as "Category I Alternative Investment Funds" under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as "Category I Foreign Portfolio Investors" under the SEBI FPI Regulations
Category II AIF	AIFs who are registered as "Category II Alternative Investment Funds" under the SEBI AIF Regulations
Category II FPIs	FPIs who are registered as "Category II Foreign Portfolio Investors" under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as "Category III Alternative Investment Funds" under the SEBI AIF Regulations
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Civil Code or CPC	The Code of Civil Procedure, 1908
Companies Act/ Companies Act, 2013	Companies Act, 2013, along with the relevant rules made thereunder
Companies Act, 1956	Companies Act, 1956, along with the relevant rules made thereunder
COVID-19	Coronavirus disease 2019, a respiratory illness caused by the Novel Coronavirus and a public health emergency of international concern as declared by the World Health Organization on January 30, 2020 and a pandemic on March 11, 2020
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (earlier known as the Department of Industrial Policy and Promotion)
DP ID	Depository Participant Identification
DP/ Depository Participant	Depository participant as defined under the Depositories Act
EBITDA	EBITDA is calculated as profit for the year/ period, plus total tax expenses, exceptional items, finance costs and depreciation and amortization expenses, less other income
EGM	Extraordinary General Meeting
EPS	Earnings Per Share
FC-GPR	Foreign Currency-Gross Provisional Return
FDI	Foreign direct investment
FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DPIIT through notification dated October 15, 2020 effective from October 15, 2020
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Non-debt Instruments Rules / FEMA NDI Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
Financial Year/ Fiscal/ Fiscal Year / FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FPI(s)	Foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI(s)	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
GAAR	General Anti Avoidance Rules

Term	Description
GDP	Gross domestic product
Gazette	Gazette of India
GoI / Government / Central Government	Government of India
GST	Goods and Services Tax
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Ind AS/ Indian Accounting Standards	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended
India	Republic of India
IPC	Indian Penal Code, 1860
IPO	Initial public offering
IST	Indian Standard Time
IT	Information Technology
IT Act	The Income Tax Act, 1961
KYC	Know Your Customer
Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
MCA	Ministry of Corporate Affairs
Mutual Fund (s)	Mutual Fund(s) means mutual funds registered under the SEBI (Mutual Funds) Regulations, 1996
NA / N.A. / N/A	Not applicable
National Investment Fund	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India
NACH	National Automated Clearing House
NEFT	National Electronic Funds Transfer
NPCI	National Payments Corporation of India
NRI	Individual resident outside India, who is a citizen of India
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB/Overseas Corporate Body	An entity de-recognised through Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. OCBs are not allowed to invest in the Offer.
p.a.	Per annum
P/E	Price/earnings
P/E Ratio	Price/earnings ratio
PAN	Permanent account number
PAT	Profit after tax
R&D	Research and development
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RTGS	Real Time Gross Settlement
SBO Rules	Companies (Significant Beneficial Owners) Rules, 2018
SCORES	Securities and Exchange Board of India Complaints Redress System, a centralized web based complaints redressal system launched by SEBI
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI ICDR Master Circular	SEBI master circular bearing number SEBI/HO/CFD/PoD-1/P/CIR/2024/0154 dated November 11, 2024
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI RTA Master Circular	SEBI master circular bearing number SEBI/HO/ MIRSD-PoD/P/CIR/2025/91 dated June 23, 2025
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed

Term	Description
	pursuant to the SEBI AIF Regulations
State Government	The government of a state in India
Stock Exchanges	BSE and NSE
STT	Securities transaction tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TAN	Tax deduction account number
Trade Marks Act	Trade Marks Act, 1999, as amended
UIDAI	Unique Identification Authority of India
U.S./USA/United States	United States of America, its territories and possessions, any State of the United States, and the District of Columbia
USD/US$	United States Dollars
U.S. Securities Act	United States Securities Act of 1933
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations

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

Certain Conventions

All references to "India" contained in this Red Herring Prospectus are to the Republic of India, together with its territories and possessions. All references to the "Government", "Indian Government", "GOI", "Central Government" or the "State Government" are to the Government of India, central or state, as applicable. All references in this Red Herring Prospectus to the "U.S.", "USA" or "United States" are to the United States of America, together with its territories and possessions.

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

Financial Data

Restated Financial Information

Unless the context requires otherwise, the financial information in this Red Herring Prospectus is derived from our restated standalone statements of assets and liabilities as at March 31, 2023, and restated consolidated statements of assets and liabilities as at March 31, 2024 and March 31, 2025 and the restated standalone statements of profit and loss (including other comprehensive income) for the year ended March 31, 2023 and the restated consolidated statements of profit and loss (including other comprehensive income) for the year ended March 31, 2024 and March 31, 2025, restated standalone statement of cash flows for the year ended March 31, 2023 and the restated consolidated statement of cash flows for the year ended March 31, 2024 and March 31, 2025 and restated standalone statement of changes in equity for the year ended March 31, 2023, and restated consolidated statement of changes in equity for the year ended March 31, 2024 and March 31, 2025 of the Company together with the summary statement of material accounting policies, and other explanatory information thereon, derived from the standalone audited financial statements as at and for the year ended March 31, 2023, and the consolidated audited financial statements as at and for the year ended March 31, 2024 and March 31, 2025 prepared in accordance with the Ind AS, and restated in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by ICAI. For further information, see "*Financial Information*" beginning on page 393.

Leafiniti Bioenergy Private Limited, was incorporated on February 7, 2020, and became a Subsidiary of our Company by way of share purchase agreement dated October 4, 2023. Accordingly, the Restated Financial Information of our Company as at and for the financial year ended March 31, 2023 is prepared on a standalone basis, and the Restated Financial Information of our Company as at and for the financial years ended March 31, 2024 and March 31, 2025 is prepared on a consolidated basis.

Proforma Condensed Combined Financial Information

The proforma condensed combined financial information of the Company comprising the proforma condensed combined statement of assets and liabilities as at March 31, 2021, March 31, 2022 and March 31, 2023 and the proforma condensed combined statement of profit and loss (including other comprehensive income) for the years ended March 31, 2021, March 31, 2022 and March 31, 2023, read with selected explanatory notes to the proforma condensed combined financial information, which has been prepared in accordance with the Guidance Note on Combined and Carve Out Financial Statements and Guide to Reporting on Proforma Financial Statements issued by the Institute of Chartered Accountants of India ("**ICAI Guidance Note**") to illustrate the statement of assets and liabilities as at March 31, 2021, March 31, 2022 and March 31, 2023 and statement of profit and loss (including other comprehensive income) for the years ended March 31, 2021, March 31, 2022 and March 31, 2023. For further details, see "*Financial Information – Proforma Condensed Combined Financial Information*" on page 445; "*History and Certain Corporate Matters – Shareholders' agreements and other agreements*" on page 333; and "*Risk Factors – The Proforma Condensed Combined Financial Information included in this Red Herring Prospectus is not indicative of our future financial condition or results of operations.*" on page 60 and "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Management's Discussion and Analysis of Financial Condition and Results of Operations based on the Proforma Condensed Combined Financial Information – Presentation of Financial Information*" on page 551.

TBL Unit 1, TBL Unit 2 and TBL Unit 3 Carve-out Financial Statements

In this Red Herring Prospectus, we have also included audited special purpose Ind AS combined carve-out financial statements for TBL Unit 1, TBL Unit 2 and TBL Unit 3 as at and for March 2021 and March 2022 and six months ended September 2022.

There are significant differences between Ind AS, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, the Companies Act, Ind AS, and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Red Herring Prospectus should, accordingly, be limited. For risks relating to significant differences between Ind AS and other accounting principles, see "*Risk Factors – Significant differences exist between Ind AS used to prepare our financial information 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*" on page 61.

Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year or fiscal are to the 12-month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a year in this Red Herring Prospectus are to a calendar year and references to a Fiscal/Fiscal Year are to the year ended on March 31, of that calendar year, except for Fiscal 2022, wherein, pursuant to incorporation of our Company on March 31, 2021, all references to Fiscal 2022 / Financial Year 2022 / Year ended March 31, 2022 / Financial Year ended March 31, 2022, with respect to our Restated Financial Information, in this Red Herring Prospectus are to the period commencing on March 31, 2021 and ending on March 31, 2022.

Unless the context otherwise indicates, any percentage amounts, as set forth in "*Risk Factors*", "*Our Business"* and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 36, 282 and 526 respectively, and elsewhere in this Red Herring Prospectus have been calculated on the basis of the Restated Financial Information of our Company.

Certain figures contained in this Red Herring Prospectus, including financial information, have been subject to rounding adjustments. All decimals have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Further, any figures sourced from third-party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

Non-GAAP Financial Measures

In evaluating our business, we consider and use non-GAAP financial measures such as EBITDA, EBITDA Margin, PAT Margin, Return on Equity and Return on Capital Employed. These non-GAAP financial measures are not defined under Ind AS and are not presented in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. They may not be comparable to similarly titled measures reported by other companies due to potential inconsistencies in the method of calculation. We have included these non-GAAP financial measures because we believe they are indicative measures of our operating performance and are used by investors and analysts to evaluate companies in the same industry. These non-GAAP financial measures should be considered in addition to, and not as a substitute for, other measures of financial performance and liquidity reported in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. These measures should not be considered in isolation or construed as an alternative to Ind AS, Indian GAAP, IFRS or US GAAP measures of performance or as an indicator of our operating performance, liquidity, profitability, or results of operations. These non-GAAP Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies. The presentation of these non-GAAP financial measures is not intended to be considered in isolation or as a substitute for the Restated Financial Information. For further details, see *"Management's Discussion and Analysis of Financial Position and Results of Operations – Non-GAAP Measures"* on page 540.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Red Herring Prospectus has been obtained or derived from the report titled "*Assessment of Bioefuels Market*" dated August 2025, which is exclusively prepared for the purpose of the Offer and issued by CRISIL Market Intelligence & Analytics, a division of CRISIL Limited ("**CRISIL**") and is commissioned and paid for by our Company. CRISIL was appointed by our Company pursuant to an engagement letter dated August 9, 2023, and addendums dated June 18, 2024, November 18, 2024 and June 6, 2025. CRISIL Report will be available on the website of our Company at https://www.trualtbioenergy.com/investor-relations until the Bid / Offer Closing Date. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.

CRISIL is an independent agency and is not, in any manner, related to our Company, our Promoters, any of our Directors or Key Managerial Personnel, Senior Management, or the Book Running Lead Managers. Neither our Company, our Directors, our Promoters, our Senior Management, our Key Managerial Personnel or the Book Running Lead Managers are related parties to CRISIL as per the definition of 'related party' under the Companies Act, 2013, as amended, as on the date of filing this Red Herring Prospectus.

For details of risks in relation to the CRISIL Report, see "*Risk Factors – Industry information included in this Red Herring Prospectus has been derived from an industry report prepared by CRISIL exclusively commissioned and paid for by us for such purpose*" on page 59. The CRISIL Report is subject to the following disclaimer:

*"**About CRISIL Market Intelligence & Analytics***

*CRISIL Market Intelligence & Analytics (**CRISIL MI&A**), a division of CRISIL Limited, provides independent research, consulting, risk solutions, and data & analytics to its clients. CRISIL MI&A operates independently of CRISIL's other divisions and subsidiaries, including, CRISIL Ratings Limited. CRISIL MI&A's informed insights and opinions on the economy, industry, capital markets and companies drive impactful decisions for clients across diverse sectors and geographies. CRISIL MI&A's strong benchmarking capabilities, granular grasp of sectors, proprietary analytical frameworks and risk management solutions backed by deep understanding of technology integration, makes it the partner of choice for public & private organisations, multi-lateral agencies, investors and governments for over three decades.*

For the preparation of this report, CRISIL MI&A has relied on third party data and information obtained from sources which in its opinion are considered reliable. Any forward-looking statements contained in this report are based on certain assumptions, which in its opinion are true as on the date of this report and could fluctuate due to changes in factors underlying such assumptions or events that cannot be reasonably foreseen. This report does not consist of any investment advice and nothing contained in this report should be construed as a recommendation to invest/disinvest in any entity. This industry report is intended for use only within India."

Although the industry and market data used in this Red Herring Prospectus is reliable, industry sources and publications may base their information on estimates and assumptions that may prove to be incorrect. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable.

The extent to which the market and industry data presented in this Red Herring Prospectus is meaningful depends upon the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different market and industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*" on page 36. Accordingly, investment decisions should not be based solely on such information.

In accordance with the SEBI ICDR Regulations, the section "*Basis for the Offer Price*" on page 160, includes information relating to our peer group companies. Such information has been derived from publicly available sources.

Currency and Units of Presentation

All references to "*Rupees*" or *"₹"* or "*Rs.*" or "*INR*" are to Indian Rupees, the official currency of the Republic of

India. All references to "*US$*", "*U.S. Dollar*", "*USD*" or "*U.S. Dollars*" are to United States Dollars, the official currency of the United States of America.

In this Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in lakhs. One lakh represents 1,00,000 and one crore represents 1,00,00,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than lakhs, such figures appear in this Red Herring Prospectus expressed in such denominations as provided in their respective sources.

Exchange Rates

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

The exchange rates of certain currencies used in this Red Herring Prospectus into Indian Rupees for the periods indicated are provided below:

Currency	As on March 31, 2023 (₹)[(1)]	As on March 31, 2024 (₹)[(1)]	As on March 31, 2025 (₹)[(1)]
1 USD	82.22	83.37	85.58

(Source: www.rbi.org.in and www.fbil.org.in)

[(1)] In the event that the respective day of any of the respective years is a public holiday, the previous calendar day not being a public holiday has been considered.

DISCLAIMER

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those 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.

FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements include statements which can generally be identified by words or phrases such as "aim", "anticipate", "believe", "continue", "expect", "estimate", "goal", "intend", "may", "likely to", "objective", "plan", "propose", "project", "should", "will", "will continue", "will achieve", "shall", "seek to", "will pursue", or other words or phrases of similar import. Similarly, statements that describe our Company's strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward looking statements.

These forward-looking statements, whether made by us or a third-party, are based on our current plans, estimates, presumptions and expectations and actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

This may be due to risks or uncertainties or assumptions associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company and Subsidiary operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India or globally which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in the industry and incidence of any natural calamities and/or acts of violence. Important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

- Our business is currently primarily dependent on the sale of ethanol. Any reduction in the sale of ethanol, or our ability to produce and sell ethanol, or in the price at which we are able to sell ethanol, may have an adverse effect on our business, results of operations, cash flows and financial condition;

- Our business is substantially dependent on the policies of the Government of India ("**GoI**"). Any change in GoI policies in this regard could have an impact on our revenue, results of operations and financial condition;

- Our Company has a limited operating history, as our Company commenced ethanol production pursuant to business transfer agreements in September 2022. We may be subject to liabilities and other risks arising out of the business transfer agreements, and we may not be able to derive the anticipated benefits from these acquisitions;

- Our erstwhile group companies have made certain allotments of Equity Shares where the allotment was made to more than 49 persons, which have been compounded pursuant to compounding application filed by our Group Company before the National Company Law Tribunal, Bengaluru bench. Our Group Company had also filed a settlement application with the Securities and Exchange Board of India, and a settlement order has been passed with regard to any proceedings that may be initiated in respect of this matter;

- Our business is dependent on our production units, each of which are located in the Bagalkot district of Karnataka, and we are subject to certain risks in our production processes. Any unscheduled, unplanned or prolonged disruption of our units could materially and adversely affect our business, financial condition, cash flows and results of operations;

- We derive a significant portion of our revenue from a few customers, in particular oil marketing companies ("**OMCs**"). The loss of one or more such customers, or a reduction in their demand for our products may adversely affect our business, results of operations, financial condition and cash flows;

- Under-utilization of our existing production capacities and an inability to effectively utilize our expanded production capacities could have an adverse effect on our business, future prospects and future financial performance;

- We have entered into supply contracts with one member of our Promoter Group, and MRN Bhima Sugar and Power Private Limited and MRN Canepower and Biorefineries Private Limited for supply of a significant portion of our raw material requirements. Any termination of such contracts, failure to renew such contracts on favourable terms or at all, or non-performance of obligations under such contracts, may impact our business, financial condition, cash flows and results of operations;

- Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), our Group Company has filed a compounding application and an adjudication application in connection with financial statements for the year ended March 31, 2023; and

- Our Promoters and members of our Promoter Group had encumbered some of the Equity Shares held by them in favour of IDBI Trusteeship Services Limited pursuant to loans availed by the Company from State Bank of India and Indian Renewable Energy Development Agency by way of pledge, which has subsequently been released and shall be re-pledged after implementation of the statutory lock-in. Any exercise of such encumbrance by such pledgee could dilute the shareholding of such persons and consequently dilute the aggregate shareholding of our Promoters, members of our Promoter Group and such other shareholders, which may adversely affect our business and financial condition.

For a further discussion of factors that could cause our actual results to differ from our expectations, see "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 36, 282 and 526 respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

Although the assumptions on which such forward-looking statements are based are reasonable, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

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

In accordance with regulatory requirements, our Company will ensure that investors in India are informed of material developments from the date of registration of this Red Herring Prospectus with the RoC until receipt of final listing and trading approvals by the Stock Exchanges for this Offer. The Selling Shareholders shall ensure that they will keep our Company and the BRLMs informed of all developments pertaining to Offered Shares and themselves, that may be material from the context of the Offer.

SUMMARY OF THE OFFER DOCUMENT

This section is a general summary of certain disclosures included in this Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Red Herring Prospectus or the Prospectus when filed, or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Red Herring Prospectus, including the sections titled "Risk Factors", "The Offer", "Capital Structure", "Objects of the Offer", "Industry Overview", "Our Business", "Outstanding Litigation and Other Material Developments", "Offer Procedure", and "Description of Equity Shares and Terms of Articles of Association" beginning on pages 36, 88, 117, 135, 180, 282, 609 and 631 respectively of this Red Herring Prospectus.

Summary of primary business of our Company

We are one of India's largest biofuels producers, having strategically positioned ourselves as a prominent and diversified player in the biofuels industry in India, primarily in the production of Ethanol. (*Source: CRISIL Report*). We also produce extra neutral alcohol and sell dry ice and liquid carbon-dioxide, being by-products of our production processes. Through our Subsidiary, Leafiniti Bioenergy Private Limited, we produce compressed biogas.

Summary of industry in which our Company operates

Ethanol demand in India is expected to grow at a CAGR of 17.7% from 828 crore litres in Fiscal 2023 to 1,350 crore litres by 2026. For CBG, only 97 plants have been commissioned in India as of June 2024, out of the planned 5,000 plants expected to be operational by the end of 2024-2025 under the Sustainable Alternative Towards Affordable Transportation scheme. (*Source: CRISIL Report*)

Name of Promoters

As on date of this Red Herring Prospectus, our Promoters are Vijaykumar Murugesh Nirani, Vishal Nirani and Sushmitha Vijaykumar Nirani. For details, see "*Our Promoters and Promoter Group*" on page 378.

Offer size

Offer of Equity Shares (1)	Up to [●] Equity Shares of face value of ₹ 10 each, aggregating up to ₹[●] lakhs
of which:	
Fresh Issue (1)	Up to [●] Equity Shares of face value of ₹ 10 each, aggregating up to ₹ 75,000 lakhs
Offer for Sale (2)	Up to 18,00,000 Equity Shares of face value of ₹ 10 each, aggregating up to ₹[●] lakhs by the Selling Shareholders

Notes:

1 *The Offer has been authorised by a resolution passed by our Board of Directors in their meeting held on August 3, 2024. Our Shareholders through a special resolution passed in their AGM held on August 10, 2024, authorised the Fresh Issue.*

2 *Each of the Selling Shareholders have severally and not jointly consented to participate in the Offer for Sale. Each of the Selling Shareholders have specifically confirmed that their respective portion of the Offered Shares, have been held by each one of them for a period of at least one year prior to the filing of the Draft Red Herring Prospectus with SEBI and are accordingly eligible for being offered for sale in the Offer as required by the SEBI ICDR Regulations. For details on the authorisation of the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures" on page 581.*

For further details, please see "*Offer Structure*" on page 605.

Objects of the Offer

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

(in ₹ lakhs)

Objects	Estimated Amount
Funding capital expenditure towards setting- up multi-feed stock operations to pave- way for utilizing grains as an additional raw material in ethanol plant at TBL Unit 4 of 300 KLPD capacity	15,068.00

Funding our working capital requirements [(1)]	42,500.00
General corporate purpose [(1)]	[●]

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

For further details see "*Objects of the Offer*" on page 135.

Pre-Offer shareholding of Promoters, Promoter Group and Selling Shareholders

Sr. No.	Name of shareholder	Pre-Offer	
		Number of Equity Shares of face value of ₹10 each	Percentage of paid-up equity share capital (%)
(A) Promoters			
1.	Vijaykumar Murugesh Nirani	1,53,36,841	21.71
2.	Vishal Nirani	1,53,25,071	21.70
3.	Sushmitha Vijaykumar Nirani	1,45,74,868	20.64
	Total (A)	**4,52,36,780**	**64.05**
(B) Promoter Group			
1.	Kamala Murigeppa Nirani	42,27,590	5.99
2.	Murugesh Rudrappa Nirani	10,66,000	1.51
3.	Sangamesh Rudrappa Nirani[*]	52,74,450	7.47
4.	Dhraksayani Sangamesh Nirani[*]	52,70,000	7.46
5.	Nirani Holdings Private Limited	12,23,830	1.73
	Total (B)	**1,70,61,870**	**24.16**
	Total (A+B)	**6,22,98,650**	**88.20[^]**

[*] *Selling Shareholder*

[^] *Rounded off*

Pre and post-Offer shareholding of Promoters, Promoter Group and additional top 10 Shareholders

Sr. No.	Name of shareholder	Pre-Offer (*as on the date of this Red Herring Prospectus*)		Post-Offer[*@]			
				At the lower end of the Price Band (₹[●])		At the upper end of the Price Band (₹[●])	
		Number of Equity Shares of face value of ₹10 each	Percentage of paid-up equity share capital (%)	Number of Equity Shares of face value of ₹10 each	Percentage of paid-up equity share capital (%)	Number of Equity Shares of face value of ₹10 each	Percentage of paid-up equity share capital (%)
(A) Promoters							
1.	Vijaykumar Murugesh Nirani	1,53,36,841	21.71	[●]	[●]	[●]	[●]
2.	Vishal Nirani	1,53,25,071	21.70	[●]	[●]	[●]	[●]
3.	Sushmitha Vijaykumar Nirani	1,45,74,868	20.64	[●]	[●]	[●]	[●]
	Total (A)	**4,52,36,780**	**64.05**	[●]	[●]	[●]	[●]
(B) Promoter Group							
1.	Kamala Murigeppa Nirani	42,27,590	5.99	[●]	[●]	[●]	[●]
2.	Murugesh Rudrappa Nirani	10,66,000	1.51	[●]	[●]	[●]	[●]
3.	Sangamesh Rudrappa Nirani	52,74,450	7.47	[●]	[●]	[●]	[●]
4.	Dhraksayani Sangamesh Nirani	52,70,000	7.46	[●]	[●]	[●]	[●]
5.	Nirani Holdings Private Limited	12,23,830	1.73	[●]	[●]	[●]	[●]
	Total (B)	**1,70,61,870**	**24.16**	[●]	[●]	[●]	[●]
(C) Top 10 Shareholders							
1.	Rakeshkumar Viththalbhai Patel (on behalf of Dhruv Khush	32,79,022	4.64	[●]	[●]	[●]	[●]

Sr. No.	Name of shareholder	Pre-Offer (*as on the date of this Red Herring Prospectus*)		Post-Offer*@			
		Number of Equity Shares of face value of ₹10 each	Percentage of paid-up equity share capital (%)	At the lower end of the Price Band (₹[●])		At the upper end of the Price Band (₹[●])	
				Number of Equity Shares of face value of ₹10 each	Percentage of paid-up equity share capital (%)	Number of Equity Shares of face value of ₹10 each	Percentage of paid-up equity share capital (%)
	Business Ventures)						
2.	Chartered Finance and Leasing Limited	12,21,996	1.73	[●]	[●]	[●]	[●]
3.	Vikasa India EIF I Fund	8,53,360	1.21	[●]	[●]	[●]	[●]
4.	Siddhartha Sancheti	6,10,998	0.87	[●]	[●]	[●]	[●]
5.	Mithun Padam Sancheti	6,10,998	0.87	[●]	[●]	[●]	[●]
6.	Narendra Goel (on behalf of Shri. Bajarang Commodity)	3,29,939	0.47	[●]	[●]	[●]	[●]
7.	Vikasa India EIF I Fund - Incube Global Opportunities	3,05,499	0.43	[●]	[●]	[●]	[●]
8.	Chirag D Lakhi	2,54,582	0.36	[●]	[●]	[●]	[●]
9.	Ritesh G Lakhi	2,54,582	0.36	[●]	[●]	[●]	[●]
10.	Mayank Bajaj	2,03,666	0.29	[●]	[●]	[●]	[●]
	Total (C)	**79,24,642**	**11.23**	[●]	[●]	[●]	[●]
	Total (A+B+C)	**7,02,23,292**	**99.42**	[●]	[●]	[●]	[●]

^ *Rounded off*

* *To be filled in at the Prospectus stage.*

@ *Subject to finalisation of Basis of Allotment*

Summary of Restated Financial Information

The following information has been derived from our Restated Financial Information:

(in ₹ lakhs, except per share data)

Particulars	As at and for the Fiscal 2023 *(on a standalone basis)*	As at and for the Fiscals *(on a consolidated basis)*	
		2024	2025
Equity Share Capital	6,107.58	6,107.58	7,063.16
Net Worth/Total equity (Equity Share Capital, other equity)	24,049.47	26,460.66	76,899.90
Revenue from Operations	76,238.03	1,22,340.47	1,90,772.40
Total income	76,238.03	1,28,018.77	1,96,852.78
Profit / (Loss) After Tax	3,545.99	3,180.79	14,663.85
Earnings per share (*attributable to the equity holders of the parent*)			
- *Basic*	7.10	4.25	20.94
- *Diluted*	7.10	4.25	20.94
Net Asset Value per Equity Share of face value of ₹ 10 each	52.48	43.32	110.22
Total Borrowings	1,15,009.93	1,68,468.18	1,54,967.81

The following information has been derived from our Proforma Condensed Combined Financial Information:

Particulars	As at and for the Fiscals		
	2021	2022	2023
Revenue from Operations	52,538.49	69,557.98	1,16,039.01
Total income	52,592.53	69,624.40	1,16,072.74
Profit After Tax	4,949.69	3,760.41	4,900.69
Total Borrowings	40,457.51	77,111.66	1,15,009.93

For further details see "*Financial Information*", "*Other Financial Information*" and "*Basis for the Offer Price*" on pages 393, 522 and 160, respectively.

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

There are no qualifications of our Statutory Auditors which have not been given effect to in the Restated Financial Information.

Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company, our Subsidiary, our Directors, our Promoters, our KMPs and our SMPs as disclosed in the section titled "*Outstanding Litigation and Other Material Developments*" in terms of the SEBI ICDR Regulations have been set out below:

(in ₹ lakhs)

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchange against our Promoters	Material Civil Litigation	Aggregate amount involved (₹ in lakhs)*
Company						
By our Company	Nil	NA	NA	NA	Nil	Nil
Against our Company	Nil	1**	Nil	NA	Nil	1.50**
Directors#						
By our Directors	Nil	NA	NA	NA	Nil	Nil
Against our Directors	2	Nil	Nil	NA	Nil	775.13
Promoters#						
By our Promoters	Nil	NA	NA	NA	Nil	Nil
Against our Promoters	2	Nil	Nil	Nil	Nil	775.13
KMPs#						
By our KMPs	Nil	NA	NA	NA	NA	Nil
Against our KMPs	2	NA	Nil	NA	NA	775.13
SMPs						
By our SMPs	Nil	NA	NA	NA	NA	Nil
Against our SMPs	Nil	NA	Nil	NA	NA	Nil
Subsidiary						
By the Subsidiary	Nil	NA	NA	NA	Nil	Nil
Against the Subsidiary	Nil	3***	Nil	NA	Nil	Not quantifiable** *

**To the extent quantifiable.*

#Includes details of proceedings involving the Promoters of our Company who are also Directors and KMPs.

*** Our Company has received a penalty notice under Section 274 read with Section 271B of the Income Tax Act, 1961, on March 26, 2025 for AY 2023-24 and the same has been duly responded by our Company along with the information / documents sought. The liability in the matter is currently unascertainable. Further, a show cause notice has been issued on July 31, 2025 and the same has been duly responded on August 9, 2025.*

**** Our Subsidiary has received (i) GST ADT 01 under section 65(3) of the CGST Act, 2017 from ACCT (Audit), Jamkhandi, Karnataka for Financial Year 2022 and Financial Year 2023 on May 6, 2025, and (ii) GST DRC 01A under section 73(5) of the CGST Act, 2017 from DCCT (Audit-3), Belagavi, Karnataka for Financial Year 2024 on July 1, 2025, and the same have been duly responded along with the information / documents sought. The probable tax liability in the matters is currently unascertainable.*

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

For further details of the outstanding litigation proceedings, see "*Outstanding Litigation and Other Material Developments*" beginning on page 564.

Risk Factors

Specific attention of Investors is invited to the section "*Risk Factors*" on page 36. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer.

Summary of Contingent Liabilities of our Company

As of March 31, 2025, there were no contingent liabilities of the Company that have not been provided for.

For further information on our contingent liabilities, see "*Financial Information –Financial Statements*" on page 393.

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Summary of Related Party Transactions

The following are the details of the related party transactions for March 31, 2023, March 31, 2024 and March 31, 2025, as per Ind AS 24 – Related Party Disclosures, derived from the Restated Financial Information:

(in ₹ lakhs)

Nature of transaction	Name of the related party	Year ended March 31, 2023 *(on a standalone basis)*	As a percentage of revenue from operations for the year ended March 31, 2023 *(on a standalone basis)* (%)	Year ended March 31, 2024 *(on a consolidated basis)*	As a percentage of revenue from operations for the year ended March 31, 2024 *(on a consolidated basis)* (%)	Year ended March 31, 2025 (*on a consolidated basis*)	As a percentage of revenue from operations for the year ended March 31, 2025 *(on a consolidated basis)* (%)
Sale of power, steam, diesel and chemicals							
	Erstwhile Nirani Sugars Limited[^]	1.01	Negligible	3.72	Negligible	-	-
	Shri Sai Priya Sugars Limited[^]	61.86	0.08	17.95	0.01	-	-
	Nirani Sugars Limited *(formerly known as MRN Chamundi Canepower and Biorefineries Limited)*[^^]	-	-	115.02	0.09	7,730.35	4.05
	MRN Cane Power India Limited[^]	440.42	0.58	695.68	0.57	-	-
	Total	**503.29**	**0.66**	**832.37**	**0.67**	**7,730.35**	**4.05**
Purchase of raw material							
	Erstwhile Nirani Sugars Limited[^]	13,774.58	18.07	23,383.86	19.11	-	-
	Badami Sugars Limited[^]	3,421.02	4.49	3,621.68	2.96	-	-
	Shree Kedarnath Sugar & Agro Products Limited[^]	1,194.44	1.57	5,838.01	4.77	-	-
	Shri Sai Priya Sugars Limited[^]	29,511.91	38.71	21,818.18	17.83	-	-
	MRN Cane Power India Limited[^]	10,400.56	13.64	9,054.95	7.40	-	-
	Nirani Sugars Limited *(formerly known as MRN Chamundi Canepower and*	-	-	20,943.54	17.12	1,08,130.02	56.68

Nature of transaction	Name of the related party	Year ended March 31, 2023 *(on a standalone basis)*	As a percentage of revenue from operations for the year ended March 31, 2023 *(on a standalone basis)* (%)	Year ended March 31, 2024 *(on a consolidated basis)*	As a percentage of revenue from operations for the year ended March 31, 2024 *(on a consolidated basis)* (%)	Year ended March 31, 2025 (*on a consolidated basis*)	As a percentage of revenue from operations for the year ended March 31, 2025 *(on a consolidated basis)* *(%)*
	Biorefineries Limited)^^						
	Total	**58,302.51**	**76.47**	**84,660.22**	**69.20**	**1,08,130.02**	**56.68**
Purchase consideration paid in cash							
	Nirani Sugars Limited^	40,906.00	53.66	-	-	-	-
	MRN Cane Power India Limited^	18,716.09	24.55	-	-	-	-
	Shri Sai Priya Sugars Limited^	27,681.75	36.31	-	-	-	-
	Vijaykumar Murugesh Nirani	-	-	845.76	0.69	-	-
	Total	**87,303.84**	**114.51**	**845.76**	**0.69**	**-**	**-**
Issue of CCPS							
	Nirani Sugars Limited^	14,094.00	18.49	-	-	-	-
	MRN Cane Power India Limited^	10,300.00	13.51	-	-	-	-
	Shri Sai Priya Sugars Limited^	22,525.00	29.55	-	-	-	-
	Total	**46,919.00**	**61.54**	**-**	**-**	**-**	**-**
Service fees							
	Nirani Sugars Limited^	309.15	0.41	63.06	0.05	-	-
	MRN Cane Power India Limited^	286.68	0.38	25.67	0.02	-	-
	Shri Sai Priya Sugars Limited^	556.30	0.73	52.48	0.04	-	-
	Total	**1,152.13**	**1.51**	**141.21**	**0.12**	**-**	**-**
Expenses towards secondary sale of shares							
	Nirani Holdings Private Limited	-	-	-	-	1,507.69	0.79
	Total	**-**	**-**	**-**	**-**	**1,507.69**	**0.79**
Corporate guarantee charges							

Nature of transaction	Name of the related party	Year ended March 31, 2023 *(on a standalone basis)*	As a percentage of revenue from operations for the year ended March 31, 2023 *(on a standalone basis)* (%)	Year ended March 31, 2024 *(on a consolidated basis)*	As a percentage of revenue from operations for the year ended March 31, 2024 *(on a consolidated basis)* (%)	Year ended March 31, 2025 (*on a consolidated basis*)	As a percentage of revenue from operations for the year ended March 31, 2025 *(on a consolidated basis)* *(%)*
	Nirani Sugars Limited^	6.16	0.01	-	-	-	-
	Total	**6.16**	**0.01**	**-**	**-**	**-**	**-**
Issue of shares*							
	Vijaykumar Murugesh Nirani	891.14	1.17	-	-	-	-
	Vishal Nirani	890.34	1.17	-	-	-	-
	Sushmitha Vijaykumar Nirani	840.00	1.10	-	-	-	-
	Sangamesh Rudrappa Nirani	900.00	1.18	-	-	-	-
	Total	**3,521.48**	**4.62**	**-**	**-**	-	-
Dividend on CCPS							
	Erstwhile Nirani Sugars Limited^	88.09	0.12	174.81	0.14	8.21	Negligible
	MRN Cane Power India Limited^	64.38	0.08	128.75	0.11	18.51	0.01
	Shri Sai Priya Sugars Limited^	140.78	0.18	281.56	0.23	4.73	Negligible
	Nirani Holdings Private Limited	-	-	-	-	11.51	0.01
	Total	**293.25**	**0.38**	**585.12**	**0.48**	**42.96**	**0.02**
Remuneration / sitting fees paid to KMPs / Directors							
	Debnath Mukhopadhyay	-	-	95.39	0.08	96.64	0.05
	Sannapaneni Sudheer	-	-	17.98	0.01	24.03	0.01
	Vijaykumar Murugesh Nirani	-	-	102.62	0.08	261.03	0.14
	Vishal Nirani	-	-	-	-	261.03	0.14
	Mohit Kumar Khandelwal	-	-	-	-	1.58	Negligible
	Durairaj Anand Murugan Jakkampati	-	-	14.79	0.01	57.06	0.03
	Sushmitha Vijaykumar Nirani	-	-	1.50	Negligible	-	-

Nature of transaction	Name of the related party	Year ended March 31, 2023 *(on a standalone basis)*	As a percentage of revenue from operations for the year ended March 31, 2023 *(on a standalone basis)* (%)	Year ended March 31, 2024 *(on a consolidated basis)*	As a percentage of revenue from operations for the year ended March 31, 2024 *(on a consolidated basis)* (%)	Year ended March 31, 2025 (*on a consolidated basis*)	As a percentage of revenue from operations for the year ended March 31, 2025 *(on a consolidated basis)* *(%)*
	Chandrasekhar Kanekal	-	-	1.50	Negligible	-	-
	Mallikarjun Bhimappa Dyaberi	-	-	1.50	Negligible	-	-
	Yagati Badarinarayana Ramakrishna	-	-	1.00	Negligible	-	-
	Anand Kishore	-	-	-	-	16.28	0.01
	Total	**-**	**-**	**236.28**	**0.19**	**717.65**	**0.38**
Interest paid on loan from related party							
	Vijaykumar Murugesh Nirani	-	-	8.36	0.01	-	-
	Total	**-**	**-**	**8.36**	**0.01**	**-**	**-**
Rent expense							
	Nirani Sugars Limited *(formerly known as MRN Chamundi Canepower and Biorefineries Limited)*^^	-	-	13.50	0.01	13.50	0.01
	Total	**-**	**-**	**13.50**	**0.01**	**13.50**	**0.01**
Rent income							
	TruAlt Gas Private Limited	-	-	-	-	2.89	Negligible
	Total	**-**	**-**	**-**	**-**	**2.89**	**Negligible**
Purchase of land							
	Shree Kedarnath Sugar and Agro Products Limited	-	-	801.12	0.65	-	-
	Total	**-**	**-**	**801.12**	**0.65**	-	-
Transactions and outstanding balances within the Group that are eliminated in the Restated Financial Information							
Investment in equity shares	Leafiniti Bioenergy Private Limited	-	-	1,691.52	1.38	-	-
Intercorporate loan given	Leafiniti Bioenergy Private Limited	-	-	107.00	0.09	250.00	0.13
Interest income on intercorporate loan	Leafiniti Bioenergy Private Limited	-	-	2.41	Negligible	16.33	0.01

Nature of transaction	Name of the related party	Year ended March 31, 2023 *(on a standalone basis)*	As a percentage of revenue from operations for the year ended March 31, 2023 *(on a standalone basis)* (%)	Year ended March 31, 2024 *(on a consolidated basis)*	As a percentage of revenue from operations for the year ended March 31, 2024 *(on a consolidated basis)* (%)	Year ended March 31, 2025 (*on a consolidated basis*)	As a percentage of revenue from operations for the year ended March 31, 2025 *(on a consolidated basis)* *(%)*
given							
Cost of services	Leafiniti Bioenergy Private Limited	-	-	-	-	43.91	0.02
Rent income	Leafiniti Bioenergy Private Limited	-	-	-	-	3.61	Negligible
Reimbursement of expenses	Leafiniti Bioenergy Private Limited	-	-	-	-	128.75	0.06
Balance as at the end of the period receivable from related party							
Intercorporate loan	Leafiniti Bioenergy Private Limited	-	-	-	-	250.00	0.13
Receivable from related party	Leafiniti Bioenergy Private Limited	-	-	0.18	Negligible	16.33	0.01
Trade payables	Leafiniti Bioenergy Private Limited	-	-	-	-	26.82	0.01

[*] *During the year ended 31 March 2023, the Company issued equity shares through a right issue. The cash consideration was adjusted against the loan amount, including accrued interest.*

[^] *As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Badami Sugars Limited and Shree Kedarnath Sugar and Agro Products Limited stand merged with Shri Sai Priya Sugars Limited with an appointed date of April 1, 2022 and Erstwhile, Nirani Sugars Limited, Shri Sai Priya Sugars Limited and MRN Cane Power India Limited stand merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.*

[^^] *As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.*

For details of the related party transactions and as reported in the Restated Financial Information, see *"Financial Information – Financial Statements – Related Party Disclosures",* beginning on page 431.

[*The remainder of this page is intentionally left blank*]

Financing Arrangements

Our Promoters, members of our Promoter Group, our Directors and their relatives have not financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of this Red Herring Prospectus.

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

The details of price at which Specified Securities were acquired by our Promoters, members of the Promoter Group, Selling Shareholders and Shareholders with right to nominate directors or other rights, in the last three years preceding the date of this Red Herring Prospectus is as follows.

Particulars	Nature of Specified Securities	Face value (in ₹)	Date of acquisition / transfer	Number of Equity Shares / CCPS	Acquisition price per Equity Share / CCPS (in ₹)*
Promoters					
Vijaykumar Murugesh Nirani	Equity Shares	10.00	October 9, 2023	41,15,404	Nil**
	Equity Shares	10.00	April 16, 2024	23,00,000	Nil***
Vishal Nirani	Equity Shares	10.00	October 9, 2023	41,11,688	Nil**
	Equity Shares	10.00	April 15, 2024	23,00,000	Nil***
Sushmitha Vijaykumar Nirani	Equity Shares	10.00	October 9, 2023	38,74,868	Nil**
	Equity Shares	10.00	April 16, 2024	23,00,000	Nil***
Promoter Group@					
Kamala Murigeppa Nirani	Equity Shares	10.00	April 15, 2024	68,75,550	Nil***
Sangamesh Rudrappa Nirani^	Equity Shares	10.00	April 15, 2024	31,40,000	Nil***
Nirani Holdings Private Limited	CCPS	100.00	April 19, 2024	43,00,000	100.00
	CCPS	100.00	April 23, 2024	2,29,99,000	100.00
	CCPS	100.00	May 2, 2024	15,00,000	100.00
	Equity Shares	10.00	May 3, 2024	58,65,377	491.00
Shareholders with right to nominate directors or other rights - Nil					

* *As certified by N.M. Raiji & Co., Chartered Accountants by way of their certificate dated September 19, 2025.*

** *Cost of acquisition is Nil since it involved a gift of Equity Shares pursuant to gift deed dated July 24, 2023.*

*** *Cost of acquisition is Nil since it involved a gift of Equity Shares pursuant to gift deed dated April 15, 2024.*

^ *Selling Shareholder*

Consideration for the application money was adjusted against the unsecured loans availed by the Company from the allottee along with accrued interest

@ *Our Company allotted 1,40,94,000 CCPS of Rs. 100 each to Erstwhile Nirani Sugars Limited, 2,25,25,000 CCPS of Rs. 100 each to Shri Sai Priya Sugars Limited and 1,03,00,000 CCPS of Rs. 100 each to MRN Cane Power (India) Limited on October 20, 2022 (for consideration other than cash), as partial consideration for acquisition of distillery facilities pursuant to business transfer agreements entered into with such entities. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Erstwhile Nirani Sugars Limited, Shri Sai Priya Sugars Limited and MRN Cane Power (India) Limited, stand merged with our Promoter Group member, MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.*

Weighted average price at which the Specified Securities were acquired by our Promoters and the Selling Shareholders in the one year preceding the date of this Red Herring Prospectus

Name of persons	Number of Equity Shares of face value of ₹ 10 each held as on the date of this RHP	Number of Equity Shares of face value of ₹ 10 each acquired in last one year	Weighted average cost of Specified Securities (in ₹)*
Promoters			
Vijaykumar Murugesh Nirani	1,53,36,841	Nil	Nil

Name of persons	Number of Equity Shares of face value of ₹ 10 each held as on the date of this RHP	Number of Equity Shares of face value of ₹ 10 each acquired in last one year	Weighted average cost of Specified Securities (in ₹)*
Vishal Nirani	1,53,25,071	Nil	Nil
Sushmitha Vijaykumar Nirani	1,45,74,868	Nil	Nil
Selling Shareholders			
Dhraksayani Sangamesh Nirani	52,70,000	Nil	Nil
Sangamesh Rudrappa Nirani	52,74,450	Nil	Nil

** As Certified by N.M. Raiji & Co., Chartered Accountants by way of their certificate dated September 19, 2025.*

Average Cost of Acquisition

The average cost of acquisition per Equity Share for the Promoters and the Selling Shareholders as at the date of this Red Herring Prospectus is set forth below:

Name of persons	Number of Equity Shares of face value of ₹ 10 each	Average cost of acquisition per Equity Share of face value of ₹ 10 each (in ₹)*
Promoters		
Vijaykumar Murugesh Nirani	1,53,36,841	5.82
Vishal Nirani	1,53,25,071	5.82
Sushmitha Vijaykumar Nirani	1,45,74,868	5.76
Selling Shareholders		
Dhraksayani Sangamesh Nirani	52,70,000	15.96
Sangamesh Rudrappa Nirani	52,74,450	17.08

** As certified by N.M. Raiji & Co., Chartered Accountants by way of their certificate dated September 19, 2025.*

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

Period	Weighted average cost of acquisition (in ₹)*#	Cap Price is 'x' times the weighted average cost of acquisition^	Range of acquisition price: lowest price – highest price (in ₹)*@
Last one year preceding the date of this Red Herring Prospectus	Nil	[●]	NA
Last 18 months preceding the date of this Red Herring Prospectus	224.05	[●]	491.00** – 491.00
Last three years preceding the date of this Red Herring Prospectus	161.31	[●]	491.00** – 491.00

** As Certified by N.M. Raiji & Co., Chartered Accountants by way of their certificate dated September 19, 2025.*

^ To be updated in the Prospectus.

@ Weighted average cost of acquisition has been calculated post considering acquisition transfer of CCPS also.

Computed based on the Equity Shares acquired/allotted/purchased (including acquisition pursuant to transfer). However, the Equity Shares disposed of have not been considered while computing number of Equity Shares held.

*** Excluding acquisitions pursuant to gifts of Equity Shares.*

Issue of Equity Shares for consideration other than cash or bonus issue in the last one year

Our Company has not issued any Equity Shares for consideration other than cash or bonus issue in the one year preceding the date of this Red Herring Prospectus.

Details of pre-IPO placement

Our Company does not contemplate any issuance or placement of Equity Shares as a pre-IPO placement, from the date of this Red Herring Prospectus till the listing of the Equity Shares.

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

Our Company has not undertaken split or consolidation of its Equity Shares in the one year preceding the date of this Red Herring Prospectus:

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

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

For details in relation to the compounding applications and settlement application filed by Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), one of our Group Companies, see *"Risk Factors – Our erstwhile group companies have made certain allotments of Equity Shares where the allotment was made to more than 49 persons, which have been compounded pursuant to compounding application filed by our Group Company before the National Company Law Tribunal, Bengaluru bench. Our Group Company had also filed a settlement application with the Securities and Exchange Board of India, and a settlement order has been passed with regard to any proceedings that may be initiated in respect of this matter."* on page 40.

SECTION II: RISK FACTORS

An investment in equity shares involves a high degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described in this section are those that we consider to be the most significant to our business, results of operations and financial condition as of the date of this Red Herring Prospectus. The risks set out in this section may not be exhaustive and additional risks and uncertainties, not currently known to us or that we currently do not deem material, may arise or may become material in the future and may also adversely affect our business, results of operations, cash flows and financial condition. If any or a combination of the following risks, or other risks that are not currently known or are not currently deemed material, actually occur, our business, results of operations, cash flows and financial condition could be adversely affected, the trading price of our Equity Shares could decline, and investors may lose all or part of their investment. In order to obtain a complete understanding of our Company and our business, prospective investors should read this section in conjunction with "Industry Overview", "Our Business", "Key Regulations and Policies", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Restated Financial Information" and "Proforma Condensed Combined Financial Information" on pages 180, 282, 321, 526, 399 and 445, respectively, as well as the other financial and statistical information contained in this Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and our business and the terms of the Offer including the merits and risks involved.

Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Offer. Unless specified or quantified in the relevant risk factors below, we are unable to quantify the financial or other impact of any of the risks described in this section. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment which may differ in certain respects from that of other countries.

This Red Herring Prospectus also contains certain forward-looking statements that involve assumptions, estimates and uncertainties. Our actual results could differ from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Red Herring Prospectus. For further information, see "Forward-Looking Statements" on page 21.

*Our Company entered into business transfer agreements, each dated September 26, 2022, with MRN Cane Power India Limited, Nirani Sugars Limited and Shri Sai Priya Sugars Limited ("**Seller Companies**") to acquire their distillery and co-generation facilities with effect from October 1, 2022 (collectively, the "**Acquisition**"). The Seller Companies prior to the execution of the business transfer agreements were collectively managed and operated by members of the Promoter Group and were each engaged in business activities of sugar production, co-generation and distillery. The business transfer agreements as executed by our Company with the three Seller Companies are executed concurrently in contemplation of one another with similar terms linked and form part of a single business acquisition. For further information, see "History and Certain Corporate Matters – Other Agreements" on page 333. The impact of the Acquisition is depicted in our Restated Financial Information only for six months of Fiscal 2023, and in Fiscals 2024 and 2025. Accordingly, our Restated Financial Information for Fiscal 2023 is not comparable with our Restated Financial Information for Fiscal 2024 and Fiscal 2025. For further information, see "Proforma Condensed Combined Financial Information" on page 445. The Proforma Condensed Combined Financial Information has been included in this Red Herring Prospectus to indicate the results of operations and financial position that would have resulted had the Acquisition been completed as of April 1, 2020. Further, we acquired a majority stake in Leafiniti Bioenergy Private Limited ("**Leafiniti**") on October 4, 2023, and as of the date of this Red Herring Prospectus, Leafiniti is our wholly-owned subsidiary. Accordingly, the consolidated financial information for Fiscal 2024 is not directly comparable with the standalone financial information for Fiscal 2022 and Fiscal 2023 as we did not have any subsidiary in such prior periods. Unless the context otherwise requires, in this section, references to "the Company" or "our Company" are to TruAlt Bioenergy Limited on a standalone basis, while "we", "us" and "our" refer to TruAlt Bioenergy Limited on a consolidated basis.*

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications, in particular, the report titled "Assessment of Biofuels Market" dated September 2025 (the "**CRISIL Report**") prepared and issued by CRISIL Market Intelligence & Analytics, a division of CRISIL Limited ("**CRISIL**"), pursuant to an engagement letter dated August 9, 2023 and addenda dated June 18, 2024, November 18, 2024 and June 6, 2025. The CRISIL Report has been exclusively commissioned and paid for by us in connection with the Offer. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. A copy of the CRISIL Report is available on the website of our*

Company at https://www.trualtbioenergy.com/investor-relations. Unless otherwise indicated, 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. For more information, see "– Industry information included in this Red Herring Prospectus has been derived from an industry report prepared by CRISIL exclusively commissioned and paid for by us for such purpose." on page 59. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data" on page 18.

Internal Risks

1. ***Our business is currently primarily dependent on the sale of ethanol. Any reduction in the sale of ethanol, or our ability to produce and sell ethanol, or in the price at which we are able to sell ethanol, may have an adverse effect on our business, results of operations, cash flows and financial condition.***

We may face reduction in sale of ethanol, owing to factors such as reduced demand for our products, seasonality of demand in the end-industries that require ethanol, increased competition, loss of market share (including pursuant to import of ethanol from outside India or increased use of any cheaper substitutes), macro-economic conditions in our key markets or the markets of our key end-customers and changes in government policies and regulations. Any of these factors may have an adverse effect on the sale of ethanol and our business prospects.

Ethanol's applications are diverse and impactful, spanning across multiple industries and contributing to both everyday products and essential industrial processes. Beyond its use in beverages and pharmaceuticals, ethanol plays a significant role in a wide range of applications. In the energy sector, it is used as a fuel and fuel additive, contributing to cleaner-burning fuels and helping to reduce greenhouse gas emissions. Its disinfectant properties make it a critical component in hand sanitizers and other cleaning products, especially important in maintaining hygiene and preventing the spread of infections. In the realm of personal care, ethanol is found in numerous products such as perfumes, lotions, and hair sprays, where it serves as a solvent and helps to preserve the formulations. Industrially, it is used as a solvent in the production of various chemicals and materials, showcasing its versatility. (*Source: CRISIL Report*) Any adverse developments in these industries could also impact the demand for ethanol we supply which in turn could have an adverse impact on our results of operation, financial condition and cash flows.

The table below sets forth the contribution of ethanol to our revenue from operations in the relevant years, as per the Restated Financial Information:

Fiscal					
2023 (Standalone)		2024 (Consolidated)		2025 (Consolidated)	
Sale of ethanol (₹ lakhs)	Percentage of Revenue from Operations (%)	Sale of ethanol (₹ lakhs)	Percentage of Revenue from Operations (%)	Sale of ethanol (₹ lakhs)	Percentage of Revenue from Operations (%)
70,080.78	91.92%	95,635.79	78.58%	143,393.84	79.57%

The table below sets forth the contribution of ethanol to our revenue from operations in the relevant years, as per the Proforma Condensed Combined Financial Information:

Fiscal					
2021		2022		2023	
Sale of ethanol (₹ lakhs)	Percentage of Revenue from Operations (%)	Sale of ethanol (₹ lakhs)	Percentage of Revenue from Operations (%)	Sale of ethanol (₹ lakhs)	Percentage of Revenue from Operations (%)
39,961.07	76.06%	63,382.75	91.12%	1,03,610.59	89.29%

We are also exposed to risks relating to orders which may be issued by the Government of India restricting the production of ethanol. The Ministry of Consumer Affairs, Government of India, under the Essential Commodities Act, 1955, and the Sugar (Control) Order, 1966 issued notification on December 7, 2023, ("**Notification 1**") prohibiting all sugar mills and distilleries from using sugarcane juice/syrup for production of ethanol in ethanol supply year 2023-2024, i.e., from November 1, 2023 till October 31, 2024 with immediate effect. However, the supply of ethanol from existing offers received from OMCs from B-heavy molasses could continue. On December 15, 2023, by a further notification by the Ministry of Consumer Affairs, Government of India ("**Notification 2**" and together with Notification 1, "**Notifications**"), OMCs were also directed to issue a revised allocation of sugarcane juice and B-heavy molasses based ethanol for ESY 2023-24 to each distillery, including our Company.

The Ministry of Consumer Affairs, Government of India also prohibited the use of sugarcane juice and B-heavy molasses for rectified spirit and extra neutral alcohol. Our Company filed a writ petition under Article 226 of the Constitution of India before the High Court of Karnataka ("**Karnataka HC**") against the Union of India, Ministry of Consumer Affairs, Food and Public Distribution, Government of India, ("**Respondent 1**"), Directorate of Sugar and Vegetable Oils, Department of Food and Public Distribution, Ministry of Consumer Affairs, Food and Public Distribution, Government of India, ("**Respondent 2**"), M/s Bharat Petroleum Corporation Limited ("**Respondent 3**"), M/s. Indian Oil Corporation Limited ("**Respondent 4**"), M/s. Hindustan Petroleum Corporation Limited ("**Respondent 5**"), seeking quashing of Notification 1 and Notification 2. Additionally, our Company prayed before the Karnataka HC to direct Respondents 3, 4 and 5 to purchase ethanol and its byproducts/variants manufactured by our Company without being affected by the impugned Notification 1 and Notification 2 during the pendency of the said petition. By way of its order dated December 28, 2023, the Karnataka High Court granted an interim stay on Notification 1 and Notification 2, and has also issued notice to Respondents 3, 4 and 5. By way of its common judgment dated April 25, 2024, the Karnataka High Court disposed off various similar writ petitions including our writ petition. The Karnataka High Court upheld the Notifications observing that the Notifications are a temporary measure and being applicable only for the present ESY and will be subject to review by the Group of Ministers, next year. The Karnataka High Court restrained all petitioners from generating any more 'B' heavy molasses and/or purchasing 'B' heavy molasses from the market, and also directed Respondents 3, 4 and 5, to procure the stock of ethanol already produced by the manufacturers and the ethanol to be manufactured within the next eight weeks from manufacturers who already have certain stock of b-heavy molasses. We cannot assure you that similar notifications that regulate the production or sale of ethanol will not be issued in future. Any such restrictions may have an adverse effect on our business, financial condition, cash flows, and results of operations. In addition, under the Ethanol Blended Petrol Programme introduced in 2003 ("**EBP**"), the Government of India ("**GoI**"), undertook several measures like re-introducing administered price mechanism, exploring alternate routes to ethanol production and differential pricing mechanism for ethanol products *(Source: CRISIL Report)* Raw material procurement and pricing is critical in the ethanol industry, where the price of ethanol is regulated by the Government of India through the purchase prices state OMCs pay for sourcing ethanol. (*Source: CRISIL Report*) End users of OMCs include retail fuel consumers. (*Source: CRISIL Report*) In addition, owing to the seasonal variation in sugarcane supply, there is heavy fluctuation in the price at which ethanol producers are able to obtain sugarcane juice and molasses, although the Government of India sets floor prices for ethanol sourced from various feedstock. *(Source: CRISIL Report)* However, the GoI may revise the pricing mechanism in ways that are not beneficial to producers, particularly as it promotes the increased use of ethanol. If ethanol prices become linked to crude oil prices in the future, it could result in price fluctuations and may impact our profitability, as crude oil prices are subject to global market forces and can fluctuate significantly. Besides pricing regulations, the usage of ethanol as a fuel is subject to the blending rules prescribed by the GoI. The GoI has implemented blending targets to promote the increased use of ethanol in fuel. Any change in these blending rules or governmental policies for procurement or pricing for sugarcane, ethanol or sugar may adversely affect our margins. Any revision of ethanol prices which favours purchasers over producers, in order to incentivize blending by purchasers, may lead to us incurring losses in our production process, which may have an adverse effect on our business, financial condition, cash flows, and results of operations.

2. Our business is substantially dependent on the policies of the Government of India ("GoI"). Any change in GoI policies in this regard could have an impact on our revenue, results of operations and financial condition.

Our Company sells a significant portion of the total production of ethanol to OMCs pursuant to the EBP instituted by the Government of India, under a tender driven process. The EBP is regulated by the Government of India and the demand for ethanol is dependent on the requirements of the EBP. The ethanol market is expected to expand even more due to the ambitious EBP that has targets of achieving 20% blending in petrol by ESY 2025-2026, as well as other growing sectors such as the alcohol, cosmetics, pharmaceuticals, SAF, bioplastics and biochemicals industries where ethanol is applied/ ingredient, which will drive demand in the blending sector. *(Source: CRISIL Report)* Consequently, any change or delays in implementation of such policy may adversely affect the demand for ethanol under the EBP. Our production and pricing of ethanol for the EBP are subject to the policies, notifications and incentives provided by the Government of India, from time to time.

Similarly, we also benefit from incentives provided by the GoI through various schemes under the EBP Programme such as interest subvention schemes, whereby the schemes provide interest subvention which is borne by the Government of India of 6% or 50% of the interest charged by banks/ financial institutions for five years, whichever is lower, accompanied by a one-year moratorium. In a significant development in 2021, the schemes were expanded to encompass ethanol production from grain, further promoting the growth of ethanol production in the country. Further, the Production Linked Incentive ("**PLI**") scheme for the automotive and auto component

industry, of the government of Karnataka, specifically for flex fuel engines (capable of running ethanol 85 fuel) manufacturers, provides them with tax incentives which is expected to accelerate introduction of flex fuel vehicles in India, growing the demand for ethanol in India. Our results of operations are also driven by schemes such as incentive scheme of the government of Karnataka, where certain industries, including distilleries, receive an incentive of 1.75% of their gross revenue for actively participating in and supporting the state's economy and job creation initiatives, the Central Board of Indirect Taxes and Customs' exemption of excise duty in July 2022 on 12% ethanol blended petrol and 15% ethanol blended petrol, and the special incentive package granted to our Company by the Government of Karnataka effective from May 2023, concerning our ethanol production plants, which includes a five-year exemption or reimbursement of all kinds of applicable stamp duty and registration charges in addition to other incentives in line with the New Industrial Policy 2020-2025. (*Source: CRISIL Report*)

Set forth below are details of revenue earned under relevant government policies and incentives in the corresponding years, as per the Proforma Condensed Combined Financial Information:

Policy	Fiscal					
	2021		2022		2023	
	Amount (₹ lakhs)	Percentage of Revenue from Operations (%)	Amount (₹ lakhs)	Percentage of Revenue from Operations (%)	Amount (₹ lakhs)	Percentage of Revenue from Operations (%)
Revenue from sale of ethanol under the EBP	39,961.07	76.06%	63,382.75	91.12%	1,03,610.59	89.29%
Loan availed under interest subvention scheme	8,796.00	16.74%	20,570.10	29.57%	26,917.93	23.20%

Our growth and strategic expansion plans rely on schemes and incentives favouring the biofuels sector. Any cancellation or modification of such schemes may affect our ability to benefit from them further in future. Any reduction in sales of ethanol under the EBP may have an adverse effect on our business, financial condition and results of operations. We cannot assure you that we will be eligible to receive incentives or subsidies in future, or that we will continue to comply with applicable terms and conditions under the schemes and policies that we presently avail of. Any default in complying with the terms of relevant policies may lead to withdrawal of benefits we are entitled to. Any change in governmental policies, or withdrawal of incentives and benefits that we are entitled to or avail of, could adversely affect the business and results of operations of our Company.

3. Our Company has a limited operating history, as our Company commenced ethanol production pursuant to business transfer agreements in September 2022. We may be subject to liabilities and other risks arising out of the business transfer agreements, and we may not be able to derive the anticipated benefits from these acquisitions.

Our Company was incorporated in March 2021. While most of our Promoters have been associated with entities engaged in ethanol production in the past through erstwhile group companies, MRN Cane Power India Limited, Nirani Sugars Limited and Shri Sai Priya Sugars Limited (which now stands merged with MRN Chamundi Canepower and Biorefineries Limited pursuant to the Scheme of Amalgamation), our Company only commenced our primary business of ethanol production pursuant to business transfer agreements dated September 26, 2022 with effect from October 1, 2022 (collectively, the "**BTAs**") with each of the Seller Companies, who hived off their respective distillery business and co-generation facilities to us. For further information, see "*History and Certain Corporate Matters – Other Agreements*" on page 333. Consequently, we have acquired the business of manufacture, production and ancillary activities, including sale and distribution of distillery products, from the Seller Companies with effect from October 1, 2022. Through the BTAs, we have acquired a distillery unit located at Kulali Cross, Jamkhandi Road, Mudhol, District Bagalkot, Karnataka ("**TBL Unit 1**"), a distillery unit located at Hippargi-Maigur, Jamkhandi Taluk, Bagalkot District, Karnataka ("**TBL Unit 2**") and a distillery unit located at Kallapur- S. K. Post: Kulageri, Badami Taluk, Bagalkot District Karnataka ("**TBL Unit 3**", and together the "**Units**"). The BTAs executed by our Company with the Seller Companies were executed concurrently with similar terms and form part of a single business acquisition. Accordingly, information for each of the three distillery businesses acquired from the Seller Companies have not been disclosed separately as part of the Proforma Condensed Combined Financial Information.

While we leverage the industry experience of our Promoters and senior management team, our Company has a limited operating history as a producer of ethanol. We may face unforeseen challenges in operating the Units

which we cannot quantify or remedy at present owing to our Company's limited operating history. Accordingly, investors are cautioned against placing undue reliance on the rapid growth in our business operations and the significant improvement in our financial performance in such periods. In addition, we may be required to discharge obligations in connection with the businesses that arose prior to our acquisition of the Units. We may not be familiar with the operations of the Units or the business. Additional liabilities pursuant to the BTAs or failure to successfully operate the Units as contemplated may adversely affect our financial condition and results of operations.

4. ***Our erstwhile group companies have made certain allotments of Equity Shares where the allotment was made to more than 49 persons, which have been compounded pursuant to compounding application filed by our Group Company before the National Company Law Tribunal, Bengaluru bench. Our Group Company had also filed a settlement application with the Securities and Exchange Board of India, and a settlement order has been passed with regard to any proceedings that may be initiated in respect of this matter.***

During Fiscals 2006, 2011, 2013 and 2014, our former group companies, erstwhile Nirani Sugars Limited and Shri Sai Priya Limited, which have now merged with our Group Company, Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), made allotments of Equity Shares to more than 49 persons ("**Allotments**"). The details of the Allotments are set forth below:

Date of allotment ("Stated Allotments")	No. of Equity Shares allotted ("Eligible Equity Shares")	No. of individuals to whom allotment was made	Face value per equity share (₹)	Issue price per equity share (₹)	Name of the Company in which original allotment was made
April 1, 2005	8,99,998	1,706	100	100	Erstwhile Nirani Sugars Limited
December 8, 2010	13,62,000	1,599	100	100	Erstwhile Nirani Sugars Limited
March 15, 2011	19,55,864	2,977	100	100	Erstwhile Nirani Sugars Limited
May 15, 2012	21,98,202	3,003	100	100	Erstwhile Nirani Sugars Limited
June 2, 2012	9,23,770	1,232	100	100	Erstwhile Nirani Sugars Limited
March 20, 2014	24,82,942	3,128	100	100	Erstwhile Nirani Sugars Limited
March 25, 2014	75,52,900	1,067	10	10	Shri Sai Priya Sugars Limited

Pursuant to Section 67(3) of the Companies Act, 1956, an offer or invitation for subscription of shares made to more than 49 persons was deemed to be a public offering, requiring compliance with the relevant provisions governing public offerings under applicable laws including the Companies Act, 1956, the SEBI Act 1992, the SCRA, 1956 and the respective rules, regulations, guidelines and circulars issued thereunder. Further, section 42(2) of the Companies Act, 2013, prescribes that that an offer made to 200 persons or more would be deemed to be an offer to the public and the relevant provisions applicable to public offers are to be complied with by the Company.

Following the notification of the Companies Act, 2013, SEBI, by vide its circular bearing number CIR/CFD/DIL3/18/2015, dated December 31, 2015 (the "**2015 Circular**") and circular bearing number CFD/DIL3/CIR/P/2016/53, dated May 3, 2016 (the "**2016 Circular**", and such circulars, together with the press release dated November 30, 2015, the "**SEBI Circulars**"), provided that companies involved in issuance of securities to more than 49 persons but up to 200 persons in a financial year could avoid penal action subject to fulfilment of certain conditions. Such conditions include, *inter alia*, an option to surrender such securities being provided to the current holders of the securities at an exit price, which is not less than the subscription amount along with interest at the rate of 15% per annum (net of amounts already paid to such allottees as interest, dividend or otherwise).

While the SEBI Circulars are applicable for issuance of the securities to more than 49 persons but not more than 200 persons in a financial year, recognizing the intent of SEBI through the SEBI circular, our Group Company sought to apply the procedure prescribed in the SEBI Circulars although securities have been issued to more than 200 persons in Fiscals 2006, 2011, 2013, and 2014.

Therefore, the Board of Directors of our Group Company, pursuant to a resolution dated February 20, 2024, decided to authorise Sangamesh Rudrappa Nirani, and our Promoters Vijaykumar Murugesh Nirani and Vishal Nirani, who are also the promoters of our Group Company, to act as acquirers to provide an exit offer in the form of an invitation to offer to the Shareholders who held Eligible Equity Shares, in accordance with the SEBI Circulars. Sangamesh Rudrappa Nirani, Vijaykumar Murugesh Nirani and Vishal Nirani made the exit offer in compliance with the SEBI Circulars and the same was certified by N.M. Raiji & Co., Chartered Accountants ("**Compliance Certificate**"). Our Group Company has undertaken and completed the exit process, and has subsequently filed a compounding application dated April 8, 2024, before the National Company Law Tribunal, Bengaluru bench. By way of its order dated October 24, 2024, NCLT disposed of the compounding application and directed the erstwhile Nirani Sugars Limited and Shri Sai Priya Sugars Limited to pay compounding fees to the tune of ₹ 57,59,400 and ₹ 7,28,600, respectively ("**NCLT Order**"). In terms of the NCLT Order, upon payment of the aforementioned compounding fees and submission of compliance report by Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) to the Registrar of Companies, Karnataka at Bengaluru, the aforesaid offences in connection with the deemed public offers will stand compounded. Pursuant to the NCLT Order, our Group Company deposited the aforementioned compounding fees as mentioned in the NCLT Order and filed the compliance report through form INC-28 on October 25, 2024 and November 21, 2024, respectively.

Additionally, our Group Company also made a settlement application dated April 26, 2024 with SEBI. As part of the settlement terms, our Group Company proposed certain settlement terms to the Settlement Division, Enforcement Department-2, SEBI, wherein they proposed to make a payment of ₹56.00 lakhs to SEBI towards settlement charges. Vide its email dated February 6, 2025, SEBI communicated its in-principle acceptance of the terms of settlement subject to certain statutory provisions, and advised the Group Company to make the payment within 30 calendar days to enable SEBI to proceed further in the matter. Our Group Company has made the said payment on February 13, 2025 and intimated SEBI regarding the same. SEBI has passed a settlement order dated April 1, 2025 which settles any proceedings that may be initiated in respect of this matter.

Further, for the financial year ending March 31, 2023, our former group companies, i.e., erstwhile Nirani Sugars Limited, Shri Sai Priya Sugars Limited, MRN Cane Power (India) Limited, Badami Sugars Limited and Shree Kedarnath Sugar and Agro Products Limited respectively could not convene their shareholders' meetings for the purpose of adoption of audited financial statements for the said period, and subsequently complete the annual filings of the financial statements and the annual return with the Registrar of Companies. The aforementioned erstwhile group companies, by virtue of the Scheme of Amalgamation got merged with MRN Chamundi Canepower and Biorefineries Private Limited wherein the appointed date for the amalgamation of Badami Sugars Limited and Shree Kedarnath Sugar and Agro Products Limited into Shri Sai Priya Sugars Limited was April 1, 2022, and the appointed date for amalgamation of Nirani Sugars Limited, merged Shri Sai Priya Sugars Limited, and MRN Cane Power (India) Limited into MRN Chamundi Canepower and Biorefineries Private Limited was October 1, 2022 respectively. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited was changed to Nirani Sugars Limited, with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

We cannot assure you that SEBI or any other regulatory authority/ies or court/s will not take any action(s) or initiate proceeding(s) against our Promoters who are also the promoters of our Group Company, in respect of the Allotments in the future or in connection with the default in complying with the provisions of Sections 92, 96, 129, 137 and other applicable provisions of the Companies Act, 2013 for the year ended March 31, 2023. Any such action could have an adverse effect on our business, impact our operations, effect cash flows and financial condition.

5. ***Our business is dependent on our production units, each of which are located in the Bagalkot district of Karnataka, and we are subject to certain risks in our production processes. Any unscheduled, unplanned or prolonged disruption of our units could materially and adversely affect our business, financial condition, cash flows and results of operations.***

As on the date of this Red Herring Prospectus, we have established five Units, each of which is located on property owned by us. Our business is dependent on our ability to efficiently manage our Units and the operational risks associated with them, including those beyond our reasonable control.

Geographical risk:

Our existing Units are located in the Bagalkot district of Karnataka. While our strategic location in the 'sugar belt' of India allows us access to our key raw material, the geographical concentration of our Units exposes us to regional adversities in the district and the state. Factors such as famine, water shortage, excessive heat, condition of soil and monsoon, adverse weather conditions, inadequate irrigation techniques, crop disease and pest attacks, earthquakes, other natural disasters, any significant social, political or economic disturbances or infectious disease outbreaks, could reduce our ability to supply our products and adversely affect sales and revenues from operations. While there have been no such instances in the past, we cannot assure you that such instances may not happen in future.

Operational risk:

Any unscheduled, unplanned or prolonged disruption of our production processes, including on account of power failure, industrial accidents, fire, mechanical failure of equipment, performance below expected levels of output or efficiency, obsolescence, non-availability of adequate labour, or disagreements with our workforce, lock-outs, could affect our results of operations. Further, any significant malfunction or breakdown of our equipment or machinery may involve significant repair and maintenance costs and cause delays in our operations. While there have been no such instances of breakdown or equipment failure or non-availability of adequate labour or disagreements with our workforce or lock-outs in the past, we cannot assure you that such instances may not happen in future. We may also be required to carry out planned shutdowns of our Units for maintenance, statutory inspections and testing, or shut down due to equipment upgrades.

Regulatory risk:

We may be subject to production disruptions in case of any contravention by us of applicable regulatory approvals until such regulatory issues are resolved. Also, see, "- *We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business and our Units, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations*" on page 64. We are also exposed to risks relating to orders which may be issued by the Government of India restricting the production of ethanol. Also, see, "-*Our business is currently primarily dependent on the sale of ethanol. Any reduction in the sale of ethanol, or our ability to produce and sell ethanol, or in the price at which we are able to sell ethanol, may have an adverse effect on our business, results of operations, cash flows and financial condition.*" on page 37. We generate effluent that might consist of raw spent wash, spent leese, domestic sewage during our ethanol production process using sugar cane syrup/juice, and these require approval owing to their hazardous nature. Our finished goods are corrosive and/or flammable in nature and require expert handling and storage. Although we have obtained grant of authorisation of hazardous waste issued by the Karnataka State Pollution Control Board under the Hazardous and other Wastes (Management & Transboundary Movement) Rules, 2016 and Petroleum Storage License issued by the Ministry of Commerce and Industry, Petroleum and Explosives Safety Organisation under the Petroleum Rules, 2002, for TBL Unit 1, TBL Unit 2, TBL Unit 3 and TBL Unit 4, any failure in handling these raw materials and products in an appropriate manner, or any mishandling of hazardous chemicals or any adverse incident during the manufacturing process or storage, may cause industrial accidents, fire, loss of human life, damage to our and third-party property and/or environmental damage.

Such instances may result in a loss of property and/ or disruption in our production operations entirely, levy of fines, penalties or compensation and/or adverse action against our employees, officers or management, which may have a material adverse effect on our business operations and financial performance. Further, any delay in providing our products to our customers may result in loss of such customers to our competitors.

6. We derive a significant portion of our revenue from a few customers, in particular oil marketing companies ("OMCs"). The loss of one or more such customers, or a reduction in their demand for our products may adversely affect our business, results of operations, financial condition and cash flows.

We undertake supply of ethanol to OMCs pursuant to a competitive bid process. Following selection under the bid process, we are issued letter of intents by OMCs for supply of ethanol. Based on these letters of intent, we receive purchase orders for supply of specified quantities of ethanol. During Fiscal 2025, we successfully bid and were issued letters of awards in our favour to supply ethanol to three OMCs. Accordingly, we derive a significant portion of our revenues from a limited number of customers, and in particular from these OMCs, as set forth below as per the Proforma Condensed Combined Financial Information:

Policy	Fiscal					
	2021		2022		2023	
	Amount (₹ lakhs)	Percentage of Revenue from Operations (%)	Amount (₹ lakhs)	Percentage of Revenue from Operations (%)	Amount (₹ lakhs)	Percentage of Revenue from Operations (%)
Revenue from sales to OMCs – as per Proforma Condensed Combined Financial Information	39,961.07	76.06%	63,194.60	90.86%	1,03,519.11	89.21%
Revenue from sales to top one customer – as per Proforma Condensed Combined Financial Information	14,828.75	28.22%	27,655.55	39.76%	48,054.72	41.41%
Revenue from sales to top five customers – as per Proforma Condensed Combined Financial Information	52,176.34	99.31%	68,768.53	98.87%	1,14,548.22	98.72%
Revenue from sales to top ten customers – as per Proforma Condensed Combined Financial Information	52,373.63	99.69%	69,406.01	99.78%	1,15,332.41	99.39%

The terms of the letters of intent specify (i) the price at which ethanol is to be supplied, based on the nature of the raw material, (ii) the required certification from the Department of Food and Public Distribution for differentiating ethanol produced from various feedstock, (iii) the security deposit to be provided, which may be in the nature of bank guarantees or retention of amounts from initial invoices, (iv) conditions at which price reduction may take place, including failure to supply stipulated quantities on a monthly or quarterly basis, (v) conditions under which a supplier may use a different distillery to supply ethanol, from the one initially contemplated, (vi) conditions to be complied with for transportation of ethanol to the OMCs, and (vii) payment mechanism. Non-compliance with the requirements of tenders, letters of intent or purchase orders, or failure to provide the requisite quantum of ethanol under existing arrangements or to meet other terms and conditions may result in *inter alia* the OMCs invoking bank guarantees or security deposits furnished by our Company, recovering the outstanding payments from running bills if not settled by our Company, penal actions as deemed fit by the OMCs, or price reduction as a percentage of basic cost. The decision of OMCs regarding acceptance or rejection of sample during inspection, on quality grounds will be final and binding on our Company. We might also have to indemnify an OMC in case of any damage due to our negligence or wilful misconduct or for claims arising out of any violation of any statute. Cancellation by customers or delay or reduction in their orders or instances where anticipated orders fail to materialize or rejection of expression of interest by the OMC can result in mismatch between our inventories of raw materials and of produced quantities, thereby increasing our inventory costs, which may adversely affect our profitability and liquidity. A majority of the OMCs we supply to are government owned and controlled, any change in position by government on these matters / any constraints placed by government on these OMCs can impact our business.

Our reliance on a select group of customers may impact our ability to competitively negotiate our arrangements. Set forth below is the revenue contribution of our top 10 customers for the Fiscal 2023, 2024 and 2025 (top 10 customers for each year are specifically for that relevant year and have been determined based on their contribution to revenue from operations (excluding other operating revenue) for that relevant year):

Fiscal 2023

S. No.	Customer	Revenue contribution (₹ Lakhs)	Revenue contribution as a percentage of total revenue from operations (excluding other operating revenue) (%)
1.	Customer 1 (OMC)	31,589.51	41.42%
2.	Customer 2 (OMC)	21,230.88	27.84%
3.	Customer 3 (OMC)	17,168.92	22.51%

S. No.	Customer	Revenue contribution (₹ Lakhs)	Revenue contribution as a percentage of total revenue from operations (excluding other operating revenue) (%)
4.	Customer 4	5,271.60	6.91%
5.	Customer 5	204.71	0.27%
6.	Customer 6	91.48	0.12%
7.	Customer 7	76.23	0.10%
8.	Customer 8	27.48	0.04%
9.	Customer 9	12.51	0.02%
10.	Customer 10	11.40	0.01%
	Total	**75,684.71**	**99.24%**

Fiscal 2024

S. No.	Customer	Revenue contribution (₹ Lakhs)	Revenue contribution as a percentage of total revenue from operations (excluding other operating revenue) (%)
1.	Customer 1 (OMC)	33,415.11	27.31%
2.	Customer 2	24,598.03	20.11%
3.	Customer 3 (OMC)	19,137.17	15.64%
4.	Customer 4 (OMC)	17,274.41	14.12%
5.	Customer 5	10,009.60	8.18%
6.	Customer 6	9,336.69	7.63%
7.	Customer 7	4,669.99	3.82%
8.	Customer 8	1,813.84	1.48%
9.	Customer 9 (MRN Cane Power (India) Limited)^	663.51	0.54%
10.	Customer 10	512.94	0.42%
	Total	**1,21,431.29**	**99.26%**

^ As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, MRN Cane Power India Limited stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

Fiscal 2025

S. No.	Customer	Revenue contribution (₹ Lakhs)	Revenue contribution as a percentage of total revenue from operations (excluding other operating revenue) (%)
1.	Customer 1 (OMC)	65,606.90	35.93%
2.	Customer 2 (OMC)	42,252.69	23.14%
3.	Customer 3	28,367.05	15.54%
4.	Customer 4 (OMC)	23,819.13	13.04%
5.	Customer 5	9,171.87	5.02%
6.	Customer 6 (Nirani Sugars Limited)	7,698.95	4.22%
7.	Customer 7	2,182.43	1.20%
8.	Customer 8	1,871.48	1.02%
9.	Customer 9	653.68	0.36%
10.	Customer 10	562.16	0.31%
	Total	**1,82,186.34**	**99.78%**

Additionally, in the event of any disputes, including in relation to payments for the products supplied, we may have limited recourse to seek contractual remedies against our customers. Further, any adverse changes in circumstances, market conditions, demand-supply patterns affecting the industry in which our customers operate or in the economic environment generally, may have an adverse impact on their business, which will affect their requirement for our products. We cannot assure you that we will be able to maintain historic levels of business from our significant customers, or that we will be able to significantly reduce customer concentration in the future. While there have been no such instances in the past, the loss of one or more of our significant customers or a

significant decrease in business from any such customer may adversely affect our business, results of operations and financial condition.

7. Under-utilization of our existing production capacities and an inability to effectively utilize our expanded production capacities could have an adverse effect on our business, future prospects and future financial performance.

As of the date of this Red Herring Prospectus, we have established five distillery units in Karnataka. As of March 31, 2025, four of our units were operational, and we had an aggregate operational ethanol production capacity of 1,800 kilo litres per day ("**KLPD**") and installed capacity of 2,000 KLPD. For further information, see "*Our Business – Business Strategies - Diversify sources of ethanol production*" on page 301. However, the level of our capacity utilization can impact our operating results. High capacity utilization allows us to spread our fixed costs, resulting in higher gross profit margin. The demand and supply balance and the average selling price of our products would in turn affect our gross profit margin. Any future expansion of our operational capacity would also require higher actual production to offset the increase in capacity for higher capacity utilization. Failure to optimally use such capacities could lead to a strain on our financials and operational efficiency.

Our capacity utilization is affected by the availability of working capital, raw materials, industry/ market conditions as well as by the requirements of, and procurement practice followed by, our customers. We have historically witnessed underutilization of our production units primarily on account of unavailability of working capital facilities and on account of the ban imposed by the Government of India on the production of ethanol from sugarcane juice/syrup from December 2023. In Fiscal 2023, 2024 and 2025, we achieved capacity utilization of 74.06%, 42.63% and 45.08%, respectively, for ethanol. Our Subsidiary, Leafiniti, achieved capacity utilization for CBG of 32.28% and 85.73% in Fiscal 2024 and 2025, respectively.

The following tables set forth certain information relating to our capacity utilization for the years indicated:

Ethanol and ENA

Particulars	As of/ For the Year Ended March 31, 2023**			As of/ For the Year Ended March 31, 2024			As of/ For the Year Ended March 31, 2025[7]		
	Installed Capacity (KLPD)[1][4]	Average Actual Production (KLPD)[2][4]	Capacity Utilization (%)[3]	Installed Capacity (KLPD)[1][4]	Average Actual Production (KLPD)[2][4]	Capacity Utilization (%)[3]	Installed Capacity (KLPD)[1][4]	Average Actual Production (KLPD)[2][4]	Capacity Utilization (%)[3]
TBL Unit 1	700[5]	106	53.96%[5]	700	232	33.05%	700	254	36.33%
TBL Unit 2	500[6]	197	79.32%[6]	500	230	45.96%	500	249	49.89%
TBL Unit 3	200	100	100.69%	200	136	67.72%	400	193	66.45%
TBL Unit 4[8]	-	-	-	-	-	-	200	40	19.76%
TBL Unit 5[9]	-	-	-	-	-	-	200	-	-
Total	**1,400**	**403**	**74.06%**	**1,400**	**598**	**42.63%**	**2,000**	**628**	**45.08%**

**As certified by Anudeep Krishna B, independent chartered engineer, by certificate dated September 6, 2025.*

***Production numbers for capacity utlilization have been considered for operations starting from October 2022 upon execution of the BTA to March 2023.*

Notes:

(1) *Installed capacity represents the installed capacity as of the last date of the relevant period. The installed capacity is based on various assumptions and estimates, including standard capacity calculation practice in the Indian ethanol industry and capacity of other machinery installed at the relevant distillery unit. Assumptions and estimates taken into account for measuring installed capacities include 300 operational days in a year at three shifts per day operating for 24 hours a day.*

(2) *Average actual production in KLPD is calculated as the quantum of ethanol produced in the relevant period at a particular distillery unit, divided by the number of days the relevant distillery unit was operational in the same period.*

(3) *Capacity utilization has been calculated on the basis of average actual production in the relevant period divided by the installed capacity in the period. See notes (5) and (6) below.*

(4) *KLPD represents kilolitres per day.*

(5) *In Fiscal 2023 the installed capacity of TBL Unit 1 increased from 150 KLPD to 700 KLPD from February 2023. Accordingly, our capacity utilization is the weighted average of the capacity utilization in the eleven months of Fiscal 2023 ended February 2023 (which is calculated on the basis of installed capacity being 150 KLPD from April 2022 to January 2023) and the capacity utilization in two months, being February and March 2023 (which is calculated on the basis of installed capacity being 700 KLPD in February and March 2023).*

(6) *In Fiscal 2023, the installed capacity of TBL Unit 2 has increased from 240 KLPD to 500 KLPD from November 2022. Accordingly, our capacity utilization for Fiscal 2023 is the weighted average of the capacity utilization in the seven months of Fiscal 2023 ended October 2022 (which is calculated on the basis of installed capacity being 240 KLPD from April 2022 to October 2022) and the capacity utilization in the five months ended March 2023 (which is calculated on the basis of installed capacity being 500 KLPD from November 2022 to March 2023).*

[7] *In Fiscal 2025, the installed capacity of TBL Unit 3 has increased from 200 KLPD to 400 KLPD from November 1, 2024. Accordingly, our capacity utilization is calculated on the basis of installed capacity being 200 KLPD from April 2024 to October 31, 2024 and 400 KLPD from November 1, 2024 till March 31, 2025.*

[8] *TBL Unit 4 has an installed operational capacity of 200 KLPD from March 30, 2025, production in the month of February 2025 and March 2025 was on a trial basis.*

[9] *TBL Unit 5 has an installed capacity of 200 KLPD as of the date of this Red Herring Prospectus and is not operational.*

CBG

The following table sets forth certain information relating to the installed capacity, actual production and capacity utilization in connection with CBG for the years indicated:

Particulars	As of March 31, 2023			As of March 31, 2024			As of March 31, 2025		
	Installed Capacity (Kg per annum)[1]	Actual Production (Kg per annum)[2]	Capacity Utilization (%)[3]	Installed Capacity (Kg per annum)[1]	Actual Production (Kg per annum)[2]	Capacity Utilization (%)[3]	Installed Capacity (Kg per annum)[1]	Actual Production (Kg per annum)[2]	Capacity Utilization (%)[3]
CBG Unit	34,17,000	14,50,697	42.46%	34,17,000	11,03,122	32.28%	34,17,000	29,29,463	85.73%

Notes:

[1] *Installed capacity represents the installed capacity as of the last date of the relevant period. The installed capacity is based on various assumptions and estimates, including standard capacity calculation practice in the Indian CBG industry and capacity of other machinery installed at the distillery unit. Assumptions and estimates taken into account for measuring installed capacities include 335 operational days in a year at 3 shifts per days operating for 24 hours a day.*

[2] *Actual production represents quantum of production in the relevant period.*

[3] *Capacity utilization has been calculated on the basis of actual production in the relevant period divided by the capacity calculated for 335 days at 10,200 TPD.*

In the period between April 2022 and August 2022 (i.e. in Fiscal 2023), while the aggregate capacity stood at 90,270 KL, we were able to produce 57,506 KL, registering a utilization of 63.71%. However, in the period between April 2023 and August 2023 (i.e. in Fiscal 2024), while the aggregate capacity stood at 2,14,200 KL, we were able to produce only 59,477 KL, leading to underutilization equivalent to 27.77%, on account of non-availability of working capital facility leading to non-procurement of raw material. For further information, see "*Our Business – Business Operations – Capacity and Capacity Utilization*" on page 313. In order to increase our production, we are proposing to focus on dual-feed ethanol production, that diversifies raw material utilized and are in the process of streamlining our production processes to ensure better utilization. However, despite such efforts, we may not be able to adequately achieve intended capacity utilization levels. In the event that we are unable to procure sufficient raw materials, we would not be able to achieve full capacity utilization of our existing distillery units and proposed expanded production capacity, resulting in operational inefficiencies which could have a material adverse effect on our business prospects and financial performance. Further, if our customers consume less than anticipated volumes of ethanol or compressed biogas ("**CBG**") or cancel existing orders or change their policies, resulting in reduced quantities being supplied by us, it could result in the under-utilization of our production capacities. Further, we make significant decisions, including determining the levels of business that we will seek and accept, production schedules, personnel requirements and other resource requirements, based on our estimates of customer orders. Changes in demand could reduce our ability to estimate accurately future customer requirements, make it difficult to schedule production and lead to over production or utilization of our production capacity, which could adversely affect our business, results of operations, financial condition and cash flows. For further information, see "*Our Business – Capacity and Capacity Utilization*" on page 313.

8. We have entered into supply contracts with one member of our Promoter Group, and MRN Bhima Sugar and Power Private Limited and MRN Canepower and Biorefineries Private Limited for supply of a significant portion of our raw material requirements. Any termination of such contracts, failure to renew such contracts on favourable terms or at all, or non-performance of obligations under such contracts, may impact our business, financial condition, cash flows and results of operations.

As on the date of filing this Red Herring Prospectus, we have entered into supply contracts with Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) one of our Promoter Group members and Group Company dated April 25, 2024 that is engaged in the production of sugar syrup/juice, molasses, clear juice, and bagasse. We have also entered into supply contracts with MRN Bhima Sugar and Power Private Limited dated April 25, 2024, and MRN Canepower and Biorefineries Private Limited dated April 25, 2024, for supply of raw material for ethanol production. For further information, please see "*History and Certain Corporate Matters – Other Agreements*" and *"Material Contracts and Documents for Inspection – Material Documents in relation to the Offer"* on pages 333 and 664. Accordingly, the Promoter Group member and such

other entities are required to supply sugar syrup/juice and molasses upon our request and on an exclusive basis without any corresponding minimum purchase obligations on us. Our supply contracts have a typical tenure of seven years, and may be terminated by our Company without cause, at any time by giving prior written notice of 30 days to these companies. However, such companies do not have the right to unilaterally terminate these contracts without cause, but they can terminate the agreement if there is any breach, by giving a 15 days prior written notice. We can also purchase sugar syrup/juice and molasses from the open market, if it is available at more favourable prices. Set forth below is the total purchases of raw materials from our top 10 suppliers during Fiscal 2023, 2024 and 2025 (top 10 suppliers for each year are specifically for that relevant year):

Fiscal 2023

S. No.	Supplier	Amount (₹ Lakhs)	Percentage of total purchases of raw materials (%)
1.	Supplier 1 (Shri Sai Priya Sugars Limited)^	30,789.34	34.68%
2.	Supplier 2 (Nirani Sugars Limited)^	14,275.96	16.08%
3.	Supplier 3 (MRN Cane Power (India) Limited)^	11,531.55	12.99%
4.	Supplier 4 (Badami Sugars Limited)^	2,874.26	3.24%
5.	Supplier 5 (Shree Kedarnath Sugar & Agro Products Limited)^	2,158.00	2.43%
6.	Supplier 6 (MRN Bhima Sugar and Power Private Limited)	1,728.17	1.95%
7.	Supplier 7	1,606.51	1.81%
8.	Supplier 8	566.86	0.64%
9.	Supplier 9	447.52	0.50%
10.	Supplier 10	404.50	0.46%
	Total	**66,382.68**	**74.78%**

^ As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Badami Sugars Limited and Shree Kedarnath Sugar and Agro Products Limited stand merged with Shri Sai Priya Sugars Limited with an appointed date of April 1, 2022 and Erstwhile Nirani Sugars Limited, Shri Sai Priya Sugars Limited and MRN Cane Power India Limited stand merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

Fiscal 2024

S. No.	Supplier	Amount (₹ Lakhs)	Percentage of total purchases of raw materials (%)
1.	Supplier 1 (MRN Chamundi Canepower and Biorefineries Limited)^	23,330.96	16.66%
2.	Supplier 2 (Nirani Sugars Limited)^^	20,543.42	14.67%
3.	Supplier 3 (Shri Sai Priya Sugars Limited)^^	19,429.87	13.87%
4.	Supplier 4 (MRN Cane Power (India) Limited) ^^	8,196.06	5.85%
5.	Supplier 5 (Shree Kedarnath Sugar & Agro Products Limited)^^	4,853.72	3.47%
6.	Supplier 6 (MRN Bhima Sugar and Power Private Limited)^^	3,842.00	2.74%
7.	Supplier 7 (Badami Sugars Limited)^^	3,189.69	2.28%
8.	Supplier 8	1,896.99	1.35%
9.	Supplier 9	1,134.00	0.81%
10.	Supplier 10	714.99	0.51%
	Total	**87,131.70**	**62.21%**

^ As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

^^ As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Badami Sugars Limited and Shree Kedarnath Sugar and Agro Products Limited stand merged with Shri Sai Priya Sugars Limited with an appointed date of April 1, 2022 and Erstwhile Nirani Sugars Limited, Shri Sai Priya Sugars Limited and MRN Cane Power India Limited stand merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

Fiscal 2025

S. No.	Supplier	Amount (₹ Lakhs)	Percentage of total purchases of raw materials (%)
1.	Supplier 1 (Nirani Sugars Limited)^	99,437.53	52.98%
2.	Supplier 2 (MRN Bhima Sugar and Power Private Limited)	20,755.78	11.06%
3.	Supplier 3 (OMC)	6,588.16	3.51%
4.	Supplier 4	5,006.64	2.67%
5.	Supplier 5	1,892.07	1.01%
6.	Supplier 6	1,687.50	0.90%
7.	Supplier 7	1,064.62	0.57%
8.	Supplier 8	930.48	0.50%
9.	Supplier 9 (OMC)	878.70	0.47%
10.	Supplier 10	797.19	0.42%
	Total	**1,39,038.67**	**74.09%**

Set forth below are details regarding raw material obtained from our Promoter Group member in the corresponding years:

Raw Material	Fiscal 2023		Fiscal 2024		Fiscal 2025	
	Quantity Sourced from Promoter Group	Percentage of Total Quantity Sourced (%)	Quantity Sourced from Promoter Group	Percentage of Total Quantity Sourced (%)	Quantity Sourced from Promoter Group	Percentage of Total Quantity Sourced (%)
Sugar syrup (KL)	3,11,453	100.00%	1,71,175	100.00%	3,74,676	100.00%
Molasses (MT)	1,39,099	98.47%	3,72,737	86.01%	2,86,759	78.93%

The Promoter Group member or such other entities may determine that the terms of the supply contracts are not favourable to them, or be unable to supply raw materials to us owing to constraints such as their own production or other considerations. Our dependence on the member of our Promoter Group and these other entities for raw materials subjects us to certain risks and uncertainties, which include political and economic instability in the location of such suppliers, disruptions in transportation, amongst others. If we fail to receive the quantity of raw materials that we require in a timely manner, or fail to negotiate appropriate financial terms, or if our Promoter Group member or such other entities discontinue the supply of such raw materials, or were to experience business disruptions, we cannot assure you that we will be able to find alternate sources for the procurement of raw materials in a timely manner or at reasonable costs. Rising procurement prices for sugarcane may cause our margins to fluctuate and adversely affect our results of operations and financial condition, if we need to source raw material from the open market. Moreover, in the event that either our demand increases or our Promoter Group member or other entities experience a scarcity of resources, they may be unable to meet our demand for raw materials. Any such reductions or interruptions in the supply of raw materials, and any inability on our part to find alternate sources in a timely manner for the procurement of such raw materials, may have an effect on our ability to continue production in a timely or cost-effective manner. These supply agreements have specific formulae for supply of each product, including sugar syrup/juice, B-heavy molasses and C-heavy molasses. Such formulae typically account for the basic fair and remunerative price set by the Government of India or Government of India derived ethanol rate, the quantity of supply as well as a predefined margin. If we cannot reasonably offset increases in the prices of raw materials due to changes in factors affecting pricing with increase in the prices of our products, we will experience lower margins. Any failure to enter into, or renew, contracts ensuring continued supply of raw materials, or short-fall in the desired volume or quality of raw materials owing to non-performance of such contracts, may have an impact on our business, financial condition and results of operations.

9. Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), our Group Company has filed a compounding application and an adjudication application in connection with financial statements for the year ended March 31, 2023.

For the financial year ending March 31, 2023, our former group companies, i.e., erstwhile Nirani Sugars Limited, Shri Sai Priya Sugars Limited, MRN Cane Power (India) Limited, Badami Sugars Limited and Shree Kedarnath

Sugar and Agro Products Limited respectively could not convene their shareholders' meetings for the purpose of adoption of audited financial statements for the said period, and subsequently complete the annual filings of the financial statements and the annual return with the Registrar of Companies (RoC). The aforementioned erstwhile group companies, by virtue of the Scheme of Amalgamation got merged with MRN Chamundi Canepower and Biorefineries Private Limited wherein the appointed date for the amalgamation of Badami Sugars Limited and Shree Kedarnath Sugar and Agro Products Limited into Shri Sai Priya Sugars Limited was April 1, 2022, and the appointed date for amalgamation of Nirani Sugars Limited, merged Shri Sai Priya Sugars Limited, and MRN Cane Power (India) Limited into MRN Chamundi Canepower and Biorefineries Private Limited was October 1, 2022 respectively. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited was changed to Nirani Sugars Limited, with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) had suo moto filed a compounding application dated May 24, 2024, under section 441 of the Companies Act, 2013 praying for compounding the offence under sections 96 and 129 of the Companies Act, 2013, before the Regional Director, South-East Region, Hyderabad and an adjudication application dated May 24, 2024, under sections 92 and 137 of the Companies Act, 2013, read with section 454 of the Companies Act, 2013, before the Office of the Registrar of Companies, Ministry of Corporate Affairs, Karnataka . The applications were heard by the respective authorities, and the applicant Company, Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) was directed to rectify the non-compliance by (i) convening it's shareholders' meeting for adoption of the audited financial statements for the said period, and (ii) filing of the financial statements and annual return with the Registrar of Companies, under the prescribed forms for the same and subsequently re-file the applications for compounding. There can be no assurance that such compounding application and adjudication application will be successful. There may be further observations or Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) may be subject to penalties in respect of such matters.

10. We have placed orders in relation to the capital expenditure to be incurred for the project we intend to fund through our Net Proceeds and have received most of the machinery. In the event the vendors are not able to provide the equipment in a timely manner, or at all, may result in time and cost over-runs and our business, prospects and results of operations may be adversely affected.

We intend to utilize portions of the Net Proceeds for funding capital expenditure towards setting up multi-feed stock operations to pave the way for utilizing grains as an additional raw material in our mono-feed ethanol plant under construction (proposed to have an installed capacity of 200 KLPD) at Jalageri and Ganganaboodhihala, Taluk, Badami in the Bagalkot District of Karnataka (the "**Project**") which is expected to have a capacity of 300 KLPD in multi-feed. While we have placed purchase orders for most of the machinery, we cannot assure you that we will be able to get these in the time scheduled. For details in respect of the foregoing, see "*Objects of the Offer – Details of the Objects – 1. Funding capital expenditure towards setting up multi-feed stock operations to pave-way for utilizing grains as an additional raw material in ethanol plant located at TBL Unit 4 of 300 KLPD capacity*" on page 137. We cannot assure you that we will be able to undertake such capital expenditure within the cost indicated by such purchase orders or that there will not be cost escalations. In the event the vendors are not able to provide the equipment in a timely manner, or at all, we may encounter time and cost overruns for the Project. Our inability to procure the machinery and equipment in a timely manner, may result in an increase in capital expenditure, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly, thereby resulting in an adverse effect on our business, prospects and results of operations.

In addition, Vijay Basavaraj Ingali, one of the directors of the vendor, is also a director of Nirani Energy private Limited wherein our Promoters, Vijaykumar Murugesh Nirani and Vishal Nirani, have held directorships in the past. However, Vijaykumar Murugesh Nirani and Vishal Nirani have dissociated as directors from Nirani Energy Private Limited by resigning with effect from March 18, 2024. For further information, see "*Our Promoters and Promoter Group - Companies or firms with which our Promoters have disassociated in the last three years*" on page 381.

11. Our Promoters and members of our Promoter Group had encumbered some of the Equity Shares held by them in favour of IDBI Trusteeship Services Limited pursuant to loans availed by the Company from State Bank of India and Indian Renewable Energy Development Agency by way of pledge, which has subsequently been released and shall be re-pledged after implementation of the statutory lock-in. Any exercise of such encumbrance by such pledgee could dilute the shareholding of such persons and

consequently dilute the aggregate shareholding of our Promoters, members of our Promoter Group and such other shareholders, which may adversely affect our business and financial condition.

As of the date of this Red Herring Prospectus, 27,00,000 Equity Shares constituting 3.82% of our Equity Shares, held by Vijaykumar Murugesh Nirani, 27,00,000 Equity Shares constituting 3.82% of our Equity Shares, held by Vishal Nirani, 27,00,000 Equity Shares constituting 3.82% of our Equity Shares, held by Sushmitha Vijaykumar Nirani, (Promoters of our Company), 27,80,000 Equity Shares constituting 3.94% of our Equity Shares held by Kamala Murigeppa Nirani, 25,00,000 Equity Shares constituting 3.54% of our Equity Shares held by Sangamesh Rudrappa Nirani, 25,00,000 Equity Shares constituting 3.54% of our Equity Shares held by Dhraksayani Sangamesh Nirani, (Promoter Group members of our Company), were pledged in favor of IDBI Trusteeship Services Limited pursuant to loans availed by the Company from State Bank of India and Indian Renewable Energy Development Agency. Any default under the agreements pursuant to which these Equity Shares had been pledged, and shall be re-pledged after implementation of the statutory lock-in, will entitle the pledgee to enforce the pledge over these Equity Shares. If this happens, the aggregate shareholding of our Promoters and members of our Promoter Group may be diluted and we may face certain impediments in taking decisions on certain key, strategic matters. As a result, we may not be able to conduct our business or implement our strategies as currently planned, which may adversely affect our business and financial condition. Further, any rapid sale of Equity Shares by such third parties may adversely affect the price of the Equity Shares.

We confirm that equity shares that shall be locked-in a part of the promoters' contribution in terms of Regulation 14 of the SEBI ICDR Regulations are not subject to any pledge. Further, we also confirm that none of the Equity Shares being offered for sale through the Offer for Sale are pledged or otherwise encumbered, as on the date of this Red Herring Prospectus. Our Company has received consents from State Bank of India and Indian Renewable Energy Development Agency Limited for release of all the Equity Shares that were previously pledged by our Promoters and members of the Promoter Group for implementation of the statutory lock-in by the depository in terms of regulations 16(b) and 17 of SEBI ICDR Regulations. Subsequently, pursuant to the confirmation received from IDBI Trusteeship Services Limited, such shares have been released from the pledge prior to the filing of this Red Herring Prospectus. As on the date of this Red Herring Prospectus, none of the Equity Shares held by our Promoters or members of our Promoter Group are pledged. Upon implementation of the statutory lock-in, such Equity Shares shall be repledged in favour of the lenders.

12. Disruptions to our production and sale of extra neutral alcohol ("ENA") may have an adverse effect on our business, results of operations, cash flows and financial condition.

We produce and sell ENA, which is the primary raw material in the production of alcoholic beverages (*Source: CRISIL Report)*.

Set forth below are details of our revenue from the sale of ENA in the corresponding years, as per the Restated Financial Information:

Fiscal					
2023 (Standalone)		2024 (Consolidated)		2025 (Consolidated)	
Sale of ENA (₹ lakhs)	Percentage of Revenue from Operations (%)	Sale of ENA (₹ lakhs)	Percentage of Revenue from Operations (%)	Sale of ENA (₹ lakhs)	Percentage of Revenue from Operations (%)
5,271.60	6.91%	21,598.03	17.65%	28,367.05	14.87%

Set forth below are details of our revenue from the sale of ENA in the corresponding years, as per the Proforma Condensed Combined Financial Information:

Fiscal					
2021		2022		2023	
Sale of ENA (₹ lakhs)	Percentage of Revenue from Operations (%)	Sale of ENA (₹ lakhs)	Percentage of Revenue from Operations (%)	Sale of ENA (₹ lakhs)	Percentage of Revenue from Operations (%)
11,795.90	22.45%	5,189.10	7.46%	10,004.60	8.62%

ENA is subject to price volatility and unavailability caused by external conditions such as government interventions like allocation for fuel blending, commodity price fluctuations within India and globally, weather conditions, supply and demand dynamics, logistics and processing costs, inflation and governmental regulations and policies. Further, companies are required to pay import duty when they procure ENA from states other than those where their facilities are located. This could lead to reduced demand for ENA from companies based in

states outside Karnataka. Further, the unavailability of raw materials such as sugarcane for ENA production can also be caused by other conditions, such as pandemics, seasonality, inflation and general economic and political conditions, civil disruptions in the region, or changes in the policies of the state or local government of the region or the Government of India, including restrictions by the relevant state government on selling of ENA outside that particular state. (*Source: CRISIL Report)* In addition, excise policy varies across states, and we may be required to pay additional excise duty based on the state to which we supply, or risk being penalized. These could lead to significant business disruption and require us to incur significant capital expenditure, change our business structure or strategy, which could have an adverse effect on our business, results of operations, cash flows and financial condition.

13. Our ethanol production depends on the availability of raw material such as sugar syrup/juice and molasses, and any alternatives we may require in future, such as grains and biomass. Any shortage of sugarcane, the underlying raw material, which is subject to seasonal vagaries, adverse weather conditions, crop disease and pest attacks, may impact the availability and quality of our key raw materials, which may have an adverse impact on our business, financial condition and results of operations.

The production of ethanol requires voluminous amounts of sugarcane juice, sugarcane syrup and molasses as raw material. The table below sets forth expenses incurred on sugar syrup/juice and molasses in the relevant years as per our Restated Financial Information:

Raw Material[(1)]	Year Ended March 31,					
	2023[(1)]		2024		2025	
	Amount (₹ lakhs)	Percentage of Cost of Materials Consumed (%)	Amount (₹ lakhs)	Percentage of Cost of Materials Consumed (%)	Amount (₹ lakhs)	Percentage of Cost of Materials Consumed (%)
Sugar syrup/juice	11,412.66	20.12%	24,769.23	32.10%	54,688.84	52.51%
Molasses	43,603.40	76.86%	51,806.44	67.15%	45,560.77	43.74%

(1) The impact of the Acquisition is depicted in our Restated Financial Information only for six months of Fiscal 2023.

Set forth below are expenses incurred on sugar syrup/juice and molasses in the relevant years as per the Proforma Condensed Combined Financial Information:

Raw Material	Fiscal					
	2021		2022		2023	
	Amount (₹ lakhs)	Percentage of Cost of Materials Consumed (%)	Amount (₹ lakhs)	Percentage of Cost of Materials Consumed (%)	Amount (₹ lakhs)	Percentage of Cost of Materials Consumed (%)
Sugar syrup/juice	15,342.30	51.75%	27,624.16	63.21%	43,603.40	54.90%
Molasses	11,937.18	40.26%	15,501.39	35.47%	32,938.74	41.47%

Seasonal factors such as irrigation, area of sugarcane production, and amount of rainfall also play a role in determining the quantity and quality of sugarcane produce. (*Source: CRISIL Report*) Adverse weather conditions, inadequate irrigation techniques, may adversely affect sugarcane crop yields and the quality of produce, thereby affecting sugar rates and pricing. Further, due to seasonality of sugarcane cultivation, farmers may choose to cultivate other competing cash crops and feedstock. There can be no assurance that future weather patterns or the area of cultivation or irrigation will not adversely affect the quantity of sugar syrup/juice and molasses.

In addition, we intend to focus on diversified raw material such as grain-based ethanol which will require rice and maize to produce ethanol, instead of limiting ourselves to sugar syrup/juice and molasses which have traditionally been used for ethanol production. For further information, see "*Objects of the Offer - Details of the Objects – 1. Funding capital expenditure towards setting up multi-feed stock operations to pave- way for utilizing grains as an additional raw material in ethanol plant located at TBL Unit 4 of 300 KLPD capacity*" on page 137. In line with this strategy, we have undertaken capital expenditure towards expanding capacity at our existing units. As of March 31, 2025 we have incurred capital expenditure of ₹45,020.64 lakhs towards this increase in capacity. We intend to utilize our existing units and the proposed additional capacities in a fungible manner based on seasonal availability of raw material to optimize output. However, in spite of these measures, there can be no assurance that there will be adequate cultivation of sugarcane or grains that we may require in a year, particularly

as our operations expand and require increasingly higher quantities of raw materials, or that we will not face other challenges in procuring raw materials. Any shortage of raw materials required for our operations may have an adverse impact on our business, financial condition and results of operations.

14. As a producer of biofuels, we require significant capital and we may need to seek additional financing in the future to support our growth strategies. To the extent our planned expenditure requirements exceed our available resources, we will be required to seek additional debt or equity financing. An inability to comply with repayment and other covenants in our financing agreements could adversely affect our business and financial condition.

Our industry requires a substantial amount of capital and we will continue to incur significant expenditure in the future for maintaining and growing our existing infrastructure, purchasing equipment and developing and implementing new technologies in our new and existing Units. If our internally generated capital resources and available credit facilities are insufficient to finance our capital expenditure and growth plans, we may, in the future, have to seek additional financing from third parties, including banks, and other financial institutions.

As of July 31, 2025, we had total outstanding indebtedness of ₹ 1,56,349.75 lakhs. For further information on our indebtedness, see "*Financial Indebtedness*" on page 559. We usually finance our working capital requirements through our internal accruals and arrangements with banks. Initially, we have been sanctioned a loan amounting to ₹1,90,409.00 lakhs by a consortium of banks out of which ₹ 88,400.00 lakhs was for the purpose of acquiring assets under the BTAs. To the extent our planned expenditure requirements exceed our available resources, we will be required to seek additional debt or equity financing and we cannot assure you that will be successful in obtaining additional funds on favourable terms or at all.

Moreover, certain of our financing documents contain provisions that may limit our ability to incur future debt and create security and require us to obtain the respective lenders' consent prior to carrying out certain activities and entering into certain transactions. Some of the corporate actions that currently require prior consent from certain lenders include *inter alia*: (i) effecting changes to the shareholding pattern or the capital structure of our Company or constitution of the Board; (ii) making amendments to our constitutional documents including Memorandum of Association or Articles of Association; (iii) undertaking capital expenditure or expansion of our business, investing in any other entity setting up or investing in a subsidiary or associate or making corporate investments by way of share capital in any other concern; and (iv) effecting changes in the ownership or control or make any material change in the management set-up including resignation of promoter directors.

While, as on the date of this Red Herring Prospectus, we have obtained requisite consents from our lenders for undertaking the Offer, failure to obtain requisite consents in the future in a timely manner or at all could have significant consequences on our business, prospects and operations. While we have not breached any covenants in the past, a failure to observe the covenants under our financing arrangements or to obtain necessary waivers may lead to the termination of our credit facilities, acceleration of amounts due under such facilities, suspension of further access/ withdrawals, either in whole or in part, for the use of the loans/facilities, imposition of penal interest, appointment of a nominee director by the lender on our Board and enforcement of security, invocation of shares of our Company pledged by our Promoters and Shareholders with the lenders. Additionally, working capital facilities availed by us are typically repayable on demand. In the event any or all of our lenders demand immediate repayment of facilities availed from them, we may be unable to procure alternative financing in a timely manner at acceptable terms. Further, there has been no re-scheduling/ re-structuring or delay in repayment in relation to borrowings availed by our Company from any financial institutions or banks in the past.

If our future cash flows from operations and other capital resources are insufficient to pay our debt obligations, our contractual obligations, or to fund our other liquidity needs, we may be forced to sell our assets or attempt to restructure or refinance our existing indebtedness. We are susceptible to changes in interest rates and the risks arising therefrom. Certain of our financing agreements provide for interest at variable rates and the lenders are entitled to charge the applicable rate of interest, which is a combination of a base rate/MCLR rate that depends upon the policies of the RBI and a contractually agreed spread. As such, any increase in interest rates may have an adverse effect on our business, results of operations, cash flows, and financial condition.

15. Our proposed capacity expansion plans via our production units are subject to the risk of unanticipated delays in implementation and cost overruns.

We have made and intend to continue making investments to expand our production units to aid our growth efforts. We intend to use a part of the Net Proceeds to set-up the Project to expand capacities. The total estimated cost for

the Project is ₹17,268 lakhs, as per the detailed project report dated September 5, 2025 by ITCOT Limited. Except in relation to the civil works costs, towards which our Company has made a payment of ₹2,017.41 lakhs out of internal accruals, which has been certified by our Statutory Auditors, N.M. Raiji & Co., Chartered Accountants, pursuant to their certificate dated September 19, 2025, and an amount of ₹182.59 lakhs which will be paid by our Company out of our internal accruals towards civil works costs, the Project is intended to be funded entirely from proceeds of the Fresh Issue.

The Project remains subject to potential problems and uncertainties that construction projects face including cost overruns or delays. Problems that could adversely affect our expansion plans include labour shortages, availability of grains, availability of land and water, natural calamities, increased costs of equipment or manpower, inadequate performance of the equipment and machinery installed, delays in completion, defects in design or construction, the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory and other regulatory approvals, incremental pre-operating expenses, taxes and duties, interest and finance charges, working capital margin, environment and ecology costs and other external factors which may not be within the control of our management. Further, there can be no assurance that our budgeted costs may be sufficient to meet our proposed capital expenditure requirements. If our actual capital expenditures significantly exceed our budgets, or even if our budgets were sufficient to cover these projects, we may not be able to achieve the intended economic benefits of these projects, which in turn may adversely affect our financial condition, results of operations, cash flows, and prospects. We cannot assure you that we will be able to complete the aforementioned expansion and additions in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our growth, prospects, cash flows and financial condition. The Project will require us to obtain various approvals, which are routine in nature including approvals such as water lifting permission from the Irrigation Department, Karnataka. For further information, see "*Objects of the Offer – Funding capital expenditure towards setting up multi-feed stock operations to pave- way for utilizing grains as an additional raw material in ethanol plant located at TBL Unit 4 of 300 KLPD capacity – Government Approvals*" and "- *We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business and our Units, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations*" on pages 137 and 64, respectively. There can be no assurance that we will be able to obtain these registrations and approvals in a timely manner or at all. Further, in the event of any unanticipated delay in receipt of such approvals, the proposed schedule of implementation and deployment of the Net Proceeds may be extended or may vary accordingly.

16. Our inability to accurately forecast demand for our products, manage our working capital balances, or our inability to collect receivables in a timely manner may have an adverse effect on our business, results of operations, cash flows and financial condition.

Under the SATAT scheme, our Subsidiary, Leafiniti, has entered into two agreements to supply CBG with one OMC and one public company, with a tenure of 15 and 10 years respectively. Our Company and our Subsidiary, provide customers with certain credit periods, as per the tender terms for ethanol sales and the agreement under SATAT policy for CBG sales, as applicable. We may still experience losses because of a customer not paying our dues in a timely manner. As a result, there is a risk that our estimates may not be accurate. Our trade receivables days were 21 days, 58 days and 62 days in Fiscal 2023, 2024 and 2025, respectively, as per the restated standalone financial information. The details of our Company's working capital as at March 31, 2023, 2024 and 2025 as per the Restated Financial Information and sources of funding are provided in the table below:

(₹ lakhs)

Particulars	**Fiscal Year**		
	2023^^	**2024**	**2025**
Current Assets			
a) Inventories	15,348.50	15,551.38	20,420.23
b) Trade Receivables	8,654.24	29,692.79	33,780.40
c) Cash and Cash equivalents	477.91	1,738.09	14,782.67
d) Other financial assets*	3,571.27	402.91	1,936.45
e) Government grant	-	4,999.32	9,561.50
f) Other current assets	4,993.81	10,294.86	23,812.15
g) Investment in mutual funds	-	1,000.02	436.08
Total current assets (A)	**33,045.73**	**63,679.37**	**1,04,729.48**
Current liabilities			
a) Trade payables	30,872.40	13,765.06	46,826.90
c) Other financial liabilities**	5,188.10	19,222.76	11,981.78
c) Provisions	4.66	14.47	24.16
d) Other current liabilities	211.49	139.04	183.33

Particulars	Fiscal Year		
	2023^^	2024	2025
e) Lease Liabilities	-	-	166.46
Total current liabilities (B)	**36,276.65**	**33,141.33**	**59,182.63**
Total working capital requirements (C=A-B)	(3,230.92)	30,538.04	45,546.85
Less: Cash and Bank	477.91	1,738.09	14,782.67
Net working capital requirements	**(3,708.83)**	**28,799.95**	**30,764.18**
Funding pattern			
(i) Borrowings from banks (D)	-	25,455.37***	27,941.95
(ii) Internal Accruals (E)	-	3,344.58	2,822.23

^ Our Statutory Auditors, N.M. Raiji & Co., Chartered Accountants, pursuant to their certificate dated September 19, 2025, have certified the abovementioned working capital requirements and source of funding.

^^ The closing pursuant to the business transfer agreements each dated September 26, 2022 with the erstwhile Nirani Sugars Limited, Shri Sai Priya Sugars Limited, and MRN Cane Power (India) Limited took place on October 1, 2022. Hence these are effectively only 6 months numbers.

** Excludes receivable from third party amounting to nil as at March 31, 2025 (₹ 544.81 lakhs as at March 31, 2024 and ₹ 13,364.59 as at March 31, 2023) lakhs representing capital advances recoverable from vendor and includes income tax assets of ₹170.98 lakhs as at March 31, 2025 (₹397.13 lakhs as at March 31, 2024 and nil as at March 31, 2023).*

*** Current maturities of term loans and liability component of Compulsorily Convertible Preference Shares are excluded from above current liabilities.*

**** Working Capital loan was disbursed from the State Bank of India on January 23, 2024.*

If a customer delays in making its payment on a product to which we have devoted significant resources, it may also affect our profitability and liquidity and decrease the capital resources that are otherwise available for other uses. Any increase in our receivable turnover days will negatively affect our business. While we have not experienced material delays in collection of our receivables, if we are unable to collect customer receivables in a timely manner, it could have an impact effect on our business, financial condition and results of operations.

17. We are subject to strict quality requirements, and sale of our products is dependent on our quality controls and standards. Any failure to comply with quality standards may adversely affect our business prospects and financial performance.

Our products and production processes are subject to stringent quality standards and specifications of our customers. As a result, any failure on our part to maintain applicable standards and produce ethanol, CBG or any other biofuel product in the future according to prescribed quality specifications, may lead to loss of reputation and goodwill, loss of customers, rejection of the product, which will require us to incur additional cost, which in turn could have an adverse impact on our business prospects and financial performance. Additionally, it could expose us to pecuniary liability and litigation. Further, under our arrangement with OMCs, the OMCs reserve the right to verify calibration of any tank truck. In case the product supplied is not in line with quality specifications, we are required to take back the product without any disputes, including obtaining necessary clearances from respective statutory authorities as applicable at our cost and risk. For further information, see "*Our Business – Business Operations - Customers*" on page 316. While there have been no such instances of failure to maintain applicable standards to manufacture products by the Company leading to loss of reputation in the past, we cannot assure you that any such instances will not happen in future. Product liability claims, regardless of their merits or the ultimate success of the defence against them, are expensive. Even unsuccessful product liability claims would likely require us to incur substantial amounts on litigation, divert our management's time, adversely affect our goodwill and reputation and impair the marketability of our products. Quality defects resulting from errors and omission may result in damage to our reputation, loss of customers, which could adversely affect our business prospects and financial performance.

The quality of our products is critical to the success of our business, which, in turn, depends on a number of factors, including the implementation of our quality systems and performing quality checks. Any significant failure or deterioration of our quality control system could result in defective or substandard products, which, in turn, may result in delays in the delivery of our products and the need to replace defective or substandard products. Further, we may be required to incur additional expenditure in upgrading our quality control systems, and maintain additional quality certifications and accreditations.

Further, there may be instances in the future where our Company may not be able to meet the timelines for delivery of the products to its customer. While there has been no instance in the past, any such time overrun may result in termination of the arrangement, price negotiations and reputational harm, which may have an adverse impact on our business and financial position.

18. We have a high debt to equity ratio which underlines our reliance of debt financing for our operations. Any disruption in this regard may adversely affect our business, results of operations and cash flows.

Our debt to equity ratio as of March 31, 2023, 2024 and 2025 was 4.78, 6.37 and 2.02, respectively. This signifies our reliance on debt to support our operational requirements. As such, timely availability of commercially viable means of debt finance is expedient for our business and operations. Any disruption in this regard, may adversely affect our business, results of operations and cash flows. Also see, " *– As a producer of biofuels, we require significant capital and we may need to seek additional financing in the future to support our growth strategies. To the extent our planned expenditure requirements exceed our available resources, we will be required to seek additional debt or equity financing. An inability to comply with repayment and other covenants in our financing agreements could adversely affect our business and financial condition.*" on page 52.

19. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control.

As on the date of this Red Herring Prospectus, our funding requirements are based on management estimates in view of past expenditures and have not been appraised by any bank or financial institution. Given the nature of the business of our Company, our Company proposes to utilize a portion of the Net Proceeds to set-up the Project to expand capacities. Our funding requirements and proposed deployment of the Net Proceeds are based on our current business plan, management estimates, current and valid quotations from vendors, market conditions and other external commercial and technical factors and are subject to change in light of changes in external circumstances, costs, business initiatives, other financial conditions or business strategies. The deployment of the Net Proceeds will be monitored by a monitoring agency appointed pursuant to the SEBI ICDR Regulations. Pending utilization of the Net Proceeds for the purposes described in "*Objects of the Offer*" on page 135, our Company undertakes that no lien of any nature shall be created on the underlying funds and to deposit the Net Proceeds only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as may be approved by our Board or the IPO Committee. We have made and intend to continue making investments to expand our production units to aid our growth efforts. We intend to use a part of the Net Proceeds to set-up the Project to expand capacities. The total estimated cost for the Project is ₹17,268 lakhs, as per the detailed project report dated September 5, 2025 by ITCOT Limited. Except in relation to the civil works costs, towards which our Company has made a payment of ₹2,017.41 lakhs out of internal accruals, which has been certified by our Statutory Auditors, N.M. Raiji & Co., Chartered Accountants, pursuant to their certificate dated September 19, 2025, and an amount of ₹182.59 lakhs which will be paid by our Company out of our internal accruals towards civil works costs, the Project is intended to be funded entirely from proceeds of the Fresh Issue. We may have to reconsider our estimates or business plans due to changes in underlying factors, some of which are beyond our control, such as interest rate fluctuations, changes in input cost, and other financial and operational factors. The utilization of Net Proceeds towards general corporate purposes shall be at the discretion of the management of our Company. We cannot ascertain the quantum or period of utilization of funds towards general corporate purposes, which shall be determined by our Board based on business needs and requirements. Accordingly, prospective investors in the Offer will need to rely upon our management's judgment with respect to the use of Net Proceeds. If we are unable to deploy the Net Proceeds in a timely or an efficient manner, it may affect our business and the results of operations.

Further, the proposed deployment of Net Proceeds also includes funding working capital requirements, which is based on management estimates and certain assumptions and certified by our Statutory Auditors, N.M. Raiji & Co., Chartered Accountants. For details, see "*Objects of the Offer - Details of the Objects – 2. Funding our working capital requirements*" on page 146. Our business requires significant working capital, and the actual amount of our future working capital requirements may differ from estimates as a result of, among other factors, unanticipated expenses, availability of raw material, economic conditions, growth in revenue, changes in the terms of our financing arrangements, additional market developments, and other external factors which may not be within the control of our management. Any delay in the Offer may impact the funding of our working capital requirements, and adversely affect our business, operations, cash flows and financial condition.

20. Implementation of our growth strategies is subject to various risks and uncertainties. Our inability to grow our operations or execute such strategies could affect our business, financial condition and results of operations.

Our current growth strategies include (i) diversifying our sources of ethanol production, (ii) commencing production of second generation ethanol (produced from non-food feedstock) ("**2G Ethanol**"), (iii) increasing our CBG capabilities, (iv) venturing into sustainable aviation fuel supply, (v) establishing bio-fuel dispensing stations to cater to retail energy and flex-fuel requirements**,** (vi) increasing supply of products allied with our production processes, such as fermented organic manure, and (vii) growing through MoUs, pilot projects, joint ventures and strategic acquisitions. For further information, see "*Our Business – Business Strategies*" on page 301. We intend to focus on diversified raw material such as grain-based ethanol which will require rice and maize to produce

ethanol, instead of limiting ourselves to sugar syrup/juice and molasses which have traditionally been used for ethanol production. For further information, see "*Objects of the Offer - Details of the Objects – 1. Funding capital expenditure towards setting up multi-feed stock operations to pave- way for utilizing grains as an additional raw material in ethanol plant located at TBL Unit 4 of 300 KLPD capacity*" on page 137.

In line with our strategies, we have undertaken capital expenditure towards expanding capacity at our existing units. As of March 31, 2025 we have incurred capital expenditure of ₹45,020.64 lakhs towards this increase in capacity. We are in the process of setting up our first dispensing station in Mudhol, Karnataka, which awaits relevant approvals for commencing operations.

For CBG production, Leafiniti, our Subsidiary, acquires press mud as a key raw material, from one of our erstwhile group companies which has now merged with Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), one of our Promoter Group members and Group Company, and the quantity of available press mud supplied is dependent on various factors such as government policies and demand from farmers. There can be no assurance that demand for CBG will be sustained, or that the 2G ethanol industry will further expand. Further, our expansion strategies, such as the setting up of dispensing stations, are subject to receipt of approvals from relevant statutory, regulatory or other authorities to the extent applicable and execution of definitive agreements. If we fail to obtain such licenses or approvals or permits in a timely manner, or otherwise grow our operations, or enter into definitive agreements for setting up of dispensing stations, we may not be able to execute our expansion strategies within budgeted timelines or costs. Our strategies also depend on the adoption and acceptance of new technology and their success, such as automobile manufacturers choosing to manufacture flex-fuel engines. There can be no assurance that these technologies will gain acceptance. Additionally, there can be no assurance that debt or equity financing or our internal accruals will be available or sufficient to meet the funding of our expansion plans or growth strategies for the future.

Further, we intend to focus on diversified raw material such as grain-based ethanol which will require rice and maize to produce ethanol, instead of limiting ourselves to sugar syrup/juice and molasses, which have traditionally been used for ethanol production. We will be significantly dependent on obtaining rice and maize from the government for the production of grain-based ethanol. If the government decides to limit the release of the stock of these raw materials due to any factor, our ability to produce grain-based ethanol will be affected. Further, in such event, we may be constrained to source the raw materials from the open market, which could increase our procurement costs and adversely affect our operating margins.

We may face challenges in *inter alia* making accurate assessment of the resources we require, acquiring new customers and increasing contribution from existing customers, procuring raw materials at sustainable costs, recruiting and retaining skilled personnel, maintaining customer satisfaction, improving operational efficiencies and adhering to expected quality standards. Our growth strategies are subject to risks which may be beyond our control and our plans may undergo changes or modifications pursuant to changes in market conditions, industry dynamics, technological improvements or regulatory changes. Accordingly, our revenue from operations may be impacted by various reasons, including increasing competition, challenging macro-economic environment and we may not always be able to maintain profitability in future. If, for any reason, the benefits we realize from our expansion plans and growth strategies are less than our estimates, our business, financial condition and results of operations may be adversely affected.

21. We are subject to seasonality in our operations, which could result in fluctuations in our results of operations.

Our production of ethanol influenced by the availability of our basic raw material, sugar syrup/juice and molasses. In addition, owing to the seasonal variation in sugarcane supply, there is heavy fluctuation in the price at which ethanol producers are able to obtain sugarcane juice and molasses, although the Government of India sets floor prices for ethanol sourced from various feedstock. (*Source: CRISIL Report*) The 'off-season' for sugarcane crushing, between April to September, witnesses a steep increase in the price of molasses in the open market, in addition to reduced availability. (*Source: CRISIL Report*) See " - *Our ethanol production depends on the availability of raw material such as sugar* syrup/juice *and molasses, and any alternatives we may require in future, such as grains and biomass. Any shortage of sugarcane, the underlying raw material, which is subject to seasonal vagaries, adverse weather conditions, crop disease and pest attacks, may impact the availability and quality of our key raw materials, which may have an adverse impact on our business, financial condition and results of operations*" on page 51. While we address this risk through supply agreements with one of our Promoter Group member and Group Company, and with MRN Bhima Sugar and Power Private Limited and MRN Canepower and Biorefineries Private Limited, there can be no assurance that sugarcane crop will be adequately cultivated or be

available. In addition, we intend to focus on diversified raw material such as grain-based ethanol which will require rice and maize to produce ethanol, instead of limiting ourselves to sugar syrup/juice and molasses. We intend to utilize our existing units and the proposed additional capacities in a fungible manner based on seasonal availability of raw material to optimize output.

As a result of such seasonal fluctuations, our sales and results of operations may vary for every quarter and may not be relied upon as indicators of the sales or results of operations of other fiscal quarters, or of our future performance. Our revenue from operations during the third and fourth quarters are typically higher than the first and second quarters whereas our operating expenses in connection with day-to-day operations, employees' salaries, miscellaneous maintenance cost and among other things, product promotion expenses, continue to be substantial throughout. We expect to continue to experience, significant variability in our total revenue, operating cash flows, operating expenses and net revenues on a seasonal basis. Also see "*Management's Discussion and Analysis of Financial Condition and Results of Operations– Availability and Pricing of Raw Materials*" on page 529.

22. We are dependent on third party transportation providers for the supply of raw materials and delivery of our products. Any disruptions in logistics and transportation or significant increase in freight charges could adversely affect our business, financial condition and results of operations.

As a manufacturing business, our success also depends on the uninterrupted supply and transportation of the various raw materials required for our Units and of our products from our Units to our customers, or intermediate delivery points, both of which are subject to various uncertainties and risks. We transport our raw materials and our finished products through pipelines and by road. We rely on third party logistic companies and freight forwarders to deliver our products. For letter of intents entered into with OMCs, transportation as per actuals is paid to us for one way transportation, in addition to the basic rates for ethanol procurement. Accordingly, transportation strikes may have an adverse effect on supplies and deliveries to and from our customers and suppliers. In addition, raw materials and products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of raw materials and products which may affect our business and results of operation negatively. Failure to maintain a continuous supply of raw materials or to deliver our products to our customers in an efficient and reliable manner could have a material and adverse effect on our business, financial condition and results of operations. While there have been no such instances of delay in supply of our products or raw materials by such third party logistic companies, we cannot assure you that such instances will not happen in future. Further, we are subject to operating risks associated with handling of such hazardous materials during transportation such as leakages and ruptures from containers, explosions, and the discharge or release of toxic or hazardous substances, which in turn may cause personal injury, property damage, destruction of inventory of finished goods and/or raw materials and environmental contamination.

Any recompense received from insurers or third party transportation providers may be insufficient to cover the cost of any delays and will not repair damage to our relationships with our affected customers. Unloading delays at the depots of the OMCs we supply to could also cause halting charges, and lead to higher working capital requirements. We may also be affected by an increase in fuel costs, as it will have a corresponding impact on freight charges levied by our third party transportation providers. This could require us to expend considerable resources in addressing our distribution requirements, including by way of absorbing these excess freight charges to maintain our selling price, which could adversely affect our results of operations, or passing these charges on to our customers, which could adversely affect demand for our products.

23. Our production Units are dependent on adequate and uninterrupted supply of water, fuel, steam and electricity. While we have captive cogeneration units that cater to our electricity, steam and fuel requirements, any disruption in these captive cogeneration units may lead to disruption in operations, higher operating cost and consequent decline in our operating margins.

Our production operations require an adequate supply of electricity, steam, fuel and water. To source our power and fuel in-house, we have established cogeneration units, with boilers and turbines, at each of our Units, which generate steam and power for captive consumption, and reduce external power requirements. We also have supply agreements with one of our Promoter Group members and third parties for supply of *inter alia* power and steam. For further information, please see "*History and Certain Corporate Matters – Other Agreements*" and *"Material Contracts and Documents for Inspection – Material Documents in relation to the Offer"* on pages 333 and 664. The Promoter Group member or such other entities may determine that the terms of the supply contracts are not favourable to them, or be unable to supply power and steam if we require. In the event there is any disruption in

our cogeneration units, such as any break-down in our boilers and turbines, or there is any other interruption in the supply of power from our captive sources, we may need to source power from other sources, such as our Promoter Group entities.

Further, we currently source our water for our units from the Krishna and Ghataprabha rivers using irrigation facilities available, and there can be no assurance that such supply will not be adversely impacted in the future. While we have applied for water lifting license issued by the Water Resources Department, Government of Karnataka under the Environment (Protection) Act, 1986, we have not yet received the water lifting license for TBL Unit 1, TBL Unit 2 and TBL Unit 4. For further information, see *"Government and Other Approvals – Material Approvals in Relation to our Facilities"* on page 572. We cannot assure you that we will continue to be able to receive uninterrupted power or water at acceptable costs.

24. Our efforts to introduce new products, or optimise production for existing products, are dependent on the success of our research and development initiatives. Our inability to successfully develop and commercialise new products in a timely manner could adversely impact our business, growth and financial condition.

The growth of our business depends upon our ability to anticipate and identify changes in the preferences of our customers and offer them products that they require, on a timely basis. While we seek to identify such trends and introduce new products, we cannot assure you that our products would gain consumer acceptance or that we will be able to successfully compete in such new product segments. In order to remain competitive, we must develop, test and manufacture new products, which must meet our customers' standards including any applicable regulatory standards. For instance, to cater to the increasing demand for cleaner fuel, we intend to set up biofuel dispensing stations for end consumers across India. The SAF market in India is in nascent stages (*Source: CRISIL Report*), and we intend to venture into research and eventual production of SAF, to derive advantages of being an early entrant in the sector. These require extensive research and development initiative and investment, and we have also entered into certain memorandum of understanding for technology collaboration on a non-exclusive basis in relation to such products. The demand for, and the successful adoption of, such products will be subject to industry demand.

As of March 31, 2025, we have a research and development team comprising 18 individuals. However, our investments in development of new products and processes may result in higher costs without proportionate increase in revenues. Our ability to successfully introduce new and innovative products also depends on our ability to adapt to and invest in new technologies. There can be no assurance that we will be able to scale up our production and distribution network or make timely investments in technological improvements in order to commercialise new products in a timely manner. Further, our competitors may launch competing or improved products. Failure to predict and respond effectively to this competition could render our existing or new products less competitive in terms of price and quality. Delays or failure in adapting to new product requirements or investment in commercially unviable products could adversely affect our business, financial condition and results of operations.

25. We have, and intend to continue entering into, memoranda of understanding ("MOUs") to collaborate and develop technological know-how, including for sustainable aviation fuel and 2G ethanol. We have also signed a term sheet for investment in the share capital of our Subsidiary, Leafiniti. We cannot assure you that such MOUs or term sheets will lead to continued collaboration.

We have, and intend to continue entering into, MOUs and term sheets with different companies for technology collaboration, research and development, and for setting up proposed units for *inter alia* SAF, and CBG. For further information, see "*Our Business - Business Strategies - Venture into sustainable aviation fuel ("SAF") supply*" and "*Our Business - Business Strategies - Grow through MoUs, pilot projects, joint ventures and strategic acquisitions"* on pages 305 and 310, respectively. On August 11, 2025, our Company entered into a share subscription cum shareholders' agreement with GAIL through which our Subsidiary, Leafiniti will commence setting up multiple CBG units across various locations in a phased manner, of which 20 locations have been identified in the subscription cum shareholders' agreement. GAIL is proposing to hold not more than 49% shareholding in Leafiniti. We have entered into an MOU with Visolis Inc. to enter into a technology collaboration on a non-exclusive basis for SAF production, subject to completion of certain feasibility assessments. We intend to undertake feasibility studies to understand the ability to produce MVL in dual purpose designed fermenters, which can produce both ethanol and MVL. We have also signed an MOU with Praj Industries Limited on a non-exclusive basis for the production of SAF and 2G ethanol. Certain of these MOUs, and the proposed investments and collaborations proposed therein, may be subject to feasibility assessments, applicable law, and acceptance by

aviation entities and other parties of the products for which these MOUs are entered into. While such term sheets and MOUs, as applicable, have been entered into as of the date of this Red Herring Prospectus, the feasibility assessments have not been undertaken yet. Accordingly, we cannot assure you that the investments proposed by counterparties to these MOUs or term sheets will eventually be made or that such relationships will continue. These MOUs may be terminated if relevant approvals for, or acceptance of, the products under study and development, are not received. Termination of these MOUs or term sheets, or subsequent withdrawal of proposed investments, may adversely affect our growth prospects, business plans and adversely affect our results of operations.

26. Industry information included in this Red Herring Prospectus has been derived from an industry report prepared by CRISIL exclusively commissioned and paid for by us for such purpose.

We have availed the services of an independent third-party research agency, CRISIL, which is not or has not been engaged or interested in the formation or promotion or management of the Company and is not related in any manner to our Company, its Promoters, its Directors, SMP, KMP or the BRLMs, and which has been appointed by our Company on August 9, 2023 and addenda dated June 18, 2024, November 18, 2024 and June 6, 2025, and paid for by us, to prepare an industry report titled "*Assessment of Biofuels Market*" dated September 2025 for purposes of inclusion of such information based on or derived from the CRISIL Report or its extracts in this Red Herring Prospectus to understand the industry in which we operate. This report is subject to various limitations and is based upon certain assumptions that are subjective in nature. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this Red Herring Prospectus. The CRISIL Report uses certain methodologies for market sizing and forecasting. Further, CRISIL Report is not a recommendation to invest/disinvest in any entity covered in the CRISIL Report and no part of this CRISIL Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Accordingly, investors should read the industry related disclosure in this Red Herring Prospectus in this context. A copy of the CRISIL Report is available on the website of our Company at *https://www.trualtbioenergy.com/investor-relations*. See "*Industry Overview*" on page 180. For further details, including disclosures made by CRISIL in connection with the preparation and presentation of their report, see "*Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation*" on page 17.

27. The CRISIL Report mentions certain risks applicable to our Company and the biofuel industry, which may adversely affect our business, results of operations and financial condition.

The CRISIL Report mentions certain risks applicable to our Company and the biofuel industry. According to the CRISIL Report, the biofuel industry faces several significant risks that could impact its growth and stability. Competition from cheaper and more established fossil fuels can limit market share and profitability. Further the use of agricultural feedstocks for biofuel production raises the conflict of food and fuel, potentially leading to conflicts with food supply and affecting public perception and policy support. Climate variability and extreme weather events can disrupt the availability and reliability of feedstocks, impacting production. Additionally, uncertainty and changes in government regulations and policies pose a risk to the industry's stability. The rapid advancement and adoption of electric vehicles also threaten to reduce demand for liquid fuels, further challenging the biofuel market. Global economic instability can affect investment in the sector and disrupt supply and demand dynamics. Lastly, insufficient infrastructure for biofuel production, distribution, and storage can hinder market expansion and accessibility. Any of the aforementioned risks may adversely affect our business, results of operations and financial condition.

28. Our Statutory Auditors have included an emphasis of matter in their auditor's report on our audited financial statements as at and for the Financial Year ended March 31, 2023.

Our Statutory Auditors have included an emphasis of matter in their auditor's report on our audited financial statements as at and for the year ended March 31, 2023, as set forth below:

"In respect of distilleries taken over by the Company from its group companies, viz. Nirani Sugars Limited and Shri Sai Priya Sugars Limited on October 1, 2022, under Business Transfer agreement (BTA) entered into with each of the said companies, the expansion of the distillery facilities which was undertaken by the said companies in the year 2021 under a turnkey contract was completed between November 2022 and January 2023, the componentization of the assets in terms of Ind AS 16 - property plant and equipment is in progress. Consequently, the updation of the fixed assets register is pending. Our opinion is not modified in respect of the said matter."

While our auditor's reports on our audited financial statements as at and for the Financial Year ended March 31, 2024 do not have any such emphasis of matter, we cannot assure you that any similar emphasis of matter or observations will not form part of our financial statements for future fiscal periods, which could subject us to additional liabilities due to which our financial condition may be adversely affected.

29. The Proforma Condensed Combined Financial Information included in this Red Herring Prospectus is not indicative of our future financial condition or results of operations.

Our Company acquired the distillery business of the Seller Companies pursuant to the BTAs, with effect from October 1, 2022. The Seller Companies, prior to the execution of the BTAs, were collectively managed and operated by members of the Promoter Group, and were each engaged in sugar production and distillery operations. The BTAs executed by our Company with the Seller Companies were executed concurrently with similar terms and form part of a single business acquisition. Although our Company was incorporated on March 31, 2021, we commenced commercial operations only following the Acquisition. Accordingly, we have included in this Red Herring Prospectus, the Proforma Condensed Combined Financial Information as at and for the years ended March 31, 2021, 2022 and 2023, as if the acquisition of the ethanol businesses of the Seller Companies took place with effect from April 1, 2020. Accordingly, information for each of the three distillery businesses acquired from the Seller Companies have not been disclosed separately as part of the Proforma Condensed Combined Financial Information. For further information, see "*Proforma Condensed Combined Financial Information*" on page 445. The Proforma Condensed Combined Financial Information illustrates the impact of the acquisitions on our financial condition, cash flows and results of operations. The Proforma Condensed Combined Financial Information involves various assumptions as stated therein, after making certain adjustments, and our Statutory Auditors have issued a report in accordance with the "*Standard on Assurance Engagements (SAE) 3420, Assurance Engagements to Report on the Compilation of Proforma Financial Information included in a Prospectus*" issued by the Institute of Chartered Accountants of India. The Proforma Condensed Combined Financial Information addresses a hypothetical situation and does not represent our actual consolidated financial condition or results of operations, and is not intended to be indicative of our future financial condition and results of operations. The adjustments set forth in the Proforma Condensed Combined Financial Information are based upon available information and assumptions that our management believes to be reasonable. As the Proforma Condensed Combined Financial Information is prepared for illustrative purposes only, it is, by its nature, subject to change and may not give an accurate picture of the actual financial results that would have occurred had such transactions by us been effected on the dates they are assumed to have been effected.

Further, our Proforma Condensed Combined Financial Information was not prepared in connection with an offering registered with the SEC under the U.S. Securities Act and consequently do not comply with the SEC's rules on presentation of the proforma financial information. Further, the rules and regulations related to the preparation of proforma financial information in other jurisdictions may vary significantly from the basis of preparation as set out in the Proforma Condensed Combined Financial Information included in this Red Herring Prospectus. Therefore, the Proforma Condensed Combined Financial Information should not be relied upon as if it has been prepared in accordance with those standards and practices. If various assumptions underlying the preparation of the Proforma Condensed Combined Financial Information do not come to pass, our actual results could be materially different from those indicated in the Proforma Condensed Combined Financial Information. Accordingly, the Proforma Condensed Combined Financial Information included in this Red Herring Prospectus are not intended to be indicative of expected results or operations in the future periods or the future financial position of our Company or a substitute for our past results, and the degree of reliance placed by investors on our Proforma Condensed Combined Financial Information.

30. As per the Proforma Condensed Combined Financial Information, there were negative cash flows from operating activities in the past. As we grow our operations, we cannot assure you that we will not experience negative cash flows from operating activities in future.

The following table sets forth certain information relating to cash flows from operating activities for the years indicated, as per the Proforma Condensed Combined Financial Information:

Particulars	Fiscal		
	2021	2022	2023
Net cash flows from/(used in) operating activities (₹ lakhs)	(3,096.78)	17,456.48	5,159.56

We acquired the distillery and co-generation facilities of MRN Cane Power India Limited, Nirani Sugars Limited and Shri Sai Priya Sugars Limited with effect from October 1, 2022. Accordingly, the Proforma Condensed

Combined Financial Information has been included in this Red Herring Prospectus to indicate the results of operations and financial position that would have resulted had the Acquisition been completed as of April 1, 2020. As per the Proforma Condensed Combined Financial Information, there were negative cash flows from operating activities in Fiscal 2021 due to significant decrease in other financial liabilities amounting to ₹15,103.62 lakhs. Negative cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans. As a result, our business, financial condition and results of operations could be materially and adversely affected.

31. We enter into related party transactions in the ordinary course of our business and we cannot assure you that such transactions will not have an adverse effect on our results of operation and financial condition.

We have entered into transactions with related parties in the past and from, time to time, we may enter into related party transactions in the future. These transactions principally include purchase of raw material, as we acquire our raw materials from related parties, purchase consideration paid in cash to Nirani Sugars Limited, MRN Cane Power India Limited and Shri Sai Priya Sugars Limited, issue of CCPS, payment of service fees and issue of shares. All such transactions have been conducted on an arm's length basis, in accordance with the Companies Act and other applicable regulations pertaining to the evaluation and approval of such transactions and have not been prejudicial to the interests of our Company. All related party transactions that we may enter into post-listing, will be subject to an approval by our Audit Committee, Board, or Shareholders, as required under the Companies Act and the SEBI Listing Regulations. Such related party transactions in the future or any other future transactions may potentially involve conflicts of interest which may be detrimental to the interest of our Company and we cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, financial condition, results of operations, cash flows and prospects. Set forth below are details of our related party transactions in each of the corresponding years as per the Restated Financial Information:

Particulars	Fiscal 2023	Fiscal 2024	Fiscal 2025
	Standalone	Consolidated	
Total related party transactions (₹ lakhs)	1,98,001.66[(1)]	88,123.94[(2)]	1,18,145.06
Total related party transactions, as a percentage of revenue from operations (%)	259.72%[(1)]	72.03%	61.93%

Note:

(1) The related party transactions in Fiscal 2023 primarily include issue of CCPS, issue of shares and purchase consideration pursuant to the BTAs paid in cash, which is not in the ordinary course of business.

(2) Includes purchase consideration for acquisition of Leafiniti.

For further information, see "*Summary of the Offer Document - Summary of Related Party Transactions*" and "*Restated Financial Information - Related Party Disclosure – Note 39. Related Party Disclosures*" on pages 28 and 431, respectively. Further, certain related party transactions undertaken by our Company constitute more than 10% of total transactions in the last three Fiscals.

Also, see "- *We have entered into supply contracts with one member of our Promoter Group, and MRN Bhima Sugar and Power Private Limited and MRN Canepower and Biorefineries Private Limited for supply of a significant portion of our raw material requirements. Any termination of such contracts, failure to renew such contracts on favourable terms or at all, or non-performance of obligations under such contracts, may impact our business, financial condition, cash flows and results of operations.*" on page 46.

32. Significant differences exist between Ind AS used to prepare our financial information 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 Financial Information included in this Red Herring Prospectus have been prepared and presented in conformity with Ind AS, restated in accordance with the requirements of Section 26 of part I of the Companies Act, 2013, the SEBI ICDR Regulations and the Guidance Note on "Reports in Company Prospectuses (Revised 2019)" issued by the ICAI. 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. We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which the Ind AS financial statements, which are restated as per the SEBI ICDR Regulations included in this Red Herring Prospectus, will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices.

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 persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should be limited accordingly.

33. There are outstanding legal proceedings involving our Directors and our Promoters. Any adverse outcome in such proceedings may have an adverse impact on our reputation, business, financial condition, results of operations and cash flows.

There are outstanding legal proceedings involving our Directors and our Promoters. These proceedings are pending at different levels of adjudication before courts, tribunals and statutory, regulatory and other judicial authorities. We cannot assure you that the currently outstanding legal proceedings will be decided favorably or that no further liability will arise from these claims in the future. The amounts involved in these proceedings have been summarized to the extent ascertainable and quantifiable.

A summary of outstanding legal proceedings involving our Company, our Directors, our Promoters, our KMPs, our SMPs and our Subsidiary, as on the date of this Red Herring Prospectus is provided below:

Name of Entity	*Criminal Proceedings*	*Tax Proceedings*	*Statutory or Regulatory Proceedings*	*Disciplinary actions by the SEBI or Stock Exchange against our Promoters*	*Material Civil Litigation*	*Aggregate amount involved (₹ lakhs)**
Company						
By our Company	*Nil*	*NA*	*NA*	*NA*	*Nil*	*Nil*
Against our Company	*Nil*	*1@*	*Nil*	*NA*	*Nil*	*1.50@*
Directors#						
By our Directors	*Nil*	*NA*	*NA*	*NA*	*Nil*	*Nil*
Against our Directors	*2*	*Nil*	*Nil*	*NA*	*Nil*	*775.13*
Promoters#						
By our Promoters	*Nil*	*NA*	*NA*	*NA*	*Nil*	*Nil*
Against our Promoters	*2*	*Nil*	*Nil*	*Nil*	*Nil*	*775.13*
KMPs						
By our KMPs	*Nil*	*NA*	*NA*	*NA*	*NA*	*Nil*
Against our KMPs	*2*	*NA*	*Nil*	*NA*	*NA*	*775.13*
SMPs						
By our SMPs	*Nil*	*NA*	*NA*	*NA*	*NA*	*Nil*
Against our SMPs	*Nil*	*NA*	*Nil*	*NA*	*NA*	*Nil*
Subsidiary						
By the Subsidiary	*Nil*	*NA*	*NA*	*NA*	*Nil*	*Nil*
Against the Subsidiary	*Nil*	*3$*	*Nil*	*NA*	*Nil*	*Not quantifiable$*

** To the extent quantifiable*

Includes details of proceedings involving the Promoters of our Company who are also Directors and KMPs.

@ Our Company has received a penalty notice under Section 274 read with Section 271B of the Income Tax Act, 1961, on March 26, 2025 for AY 2023-24 and the same has been duly responded by our Company along with the information / documents sought. Further, show-cause notice has been issued on July 31, 2025 and has been duly responded on August 9, 2025. The liability in the matter is currently unascertainable.

$ Our Subsidiary has received (i) GST ADT 01 under section 65(3) of the CGST Act, 2017 from ACCT (Audit), Jamkhandi, Karnataka for Financial Year 2022 and Financial Year 2023 on May 6, 2025, and (ii) GST DRC 01A under section 73(5) of the CGST Act, 2017 from DCCT (Audit-3), Belagavi, Karnataka for Financial Year 2024 on July 1, 2025, and the same have been duly responded along with the information / documents sought. The probable tax liability in the matters is currently unascertainable.

None of our group companies is currently party to any pending litigations which would have a material impact on our Company.

We cannot assure you that any of these on-going matters will be settled in favour of our Promoters or Directors, respectively, or that no additional liability will arise out of these proceedings. Further, we cannot assure you that there will be no new legal and regulatory proceedings involving our Company, Promoters, Directors or Subsidiary in the future. An adverse outcome in any such proceedings may have an adverse effect on our business, financial position, prospects, results of operations and our reputation and divert the time and attention of our management. For further information, see "*Outstanding Litigation and Material Developments*" on page 564.

34. There has been non-compliance by us in relation to appointment of key managerial personnel and we may be subject to regulatory actions and penalties for such non-compliance and our business, financial condition and reputation may be adversely affected.

There has been non-compliance by our Company in relation to the appointment of key managerial personnel. Our Company's paid-up capital after the allotment dated June 30, 2022, was more than ₹1,000 lakhs. In accordance with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with section 203 of the Companies Act, 2013, we were required to appoint (a) a managing director or chief executive officer or manager and in their absence a whole-time director, (b) company secretary and a chief financial officer. However, the appointments of our Managing Director, Chief Financial Officer, and Company Secretary were made after the paid-up capital of our Company increased beyond ₹1,000 lakhs pursuant to the allotment dated June 30, 2022 and the Managing Director, Company Secretary and Chief Financial Officer were appointed on December 1, 2022; July 1, 2023 and May 8, 2023 respectively. For further information, see "*Our Management – Changes to our Board in the last three years*" and "*Our Management – Changes in the Key Managerial Personnel or Senior Management in last three years*" on pages 359 and 377, respectively. To rectify the non-compliance, we filed an adjudication application before the Registrar of Companies, Karnataka at Bengaluru ("**RoC**") dated April 15, 2024. The RoC by way of its adjudication order dated June 24, 2024, for the said violation and imposed a penalty of ₹5.00 lakhs, ₹3.61 lakhs, ₹2.00 lakhs and ₹2.00 lakhs on our Company, our Promoter and Managing Director, Vijaykumar Murugesh Nirani, our Promoter and Executive Director, Vishal Nirani, and the member of our Promoter Group and ex-director of our Company, Sangamesh Rudrappa Nirani, respectively, which has been duly paid. We cannot assure you that we will not be subject to adverse actions by the authorities on account of any non-compliance which could have an adverse effect on our business, results of operations, cash flows and financial condition.

35. We are subject to increasingly stringent environmental, health and safety laws, regulations and standards. Non-compliance with and adverse changes in health, safety, labour, and environmental laws and other similar regulations applicable to our operations may adversely affect our business, results of operations and financial condition.

Our operations generate pollutants and waste, some of which may be hazardous. We are therefore subject to a broad range of laws and government regulations, including safety, health, labour, and environmental protection. Safety, health, labour, and environmental protection laws and regulations that we are subject to, impose controls on air and water release or discharge, noise levels, storage handling, the management, use, generation, treatment, processing, handling, storage, transport or disposal of hazardous materials, including the management of certain hazardous waste, and exposure to hazardous substances with respect to our employees, along with other aspects of our manufacturing operations. For instance, there is a limit on the amount of pollutant discharge that each of our Units may release into the air and water. Environmental laws and regulations in India have become and continue to be more stringent, and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in environmental or pollution regulations, we may be required to invest in, among other things, environmental monitoring, pollution control equipment, and emissions management and other expenditure to comply with environmental standards. Any failure on our part to comply with any existing or future regulations applicable to us may result in legal proceedings, including public interest litigation being commenced against us, third party claims or the levy of regulatory fines. Further, any violation of the environmental laws and regulations may result in fines, criminal sanctions, revocation of operating permits, or shutdown of our Units.

As a consequence of unanticipated regulatory or other developments, future environmental and regulatory related expenditures may vary substantially from those currently anticipated. We cannot assure you that our costs of complying with current and future environmental laws and other regulations will not adversely affect our business or financial condition. In addition, our products could be restricted and we could face other sanctions, if we were to violate or become liable under environmental laws or if our products become non-compliant with applicable regulations. Our potential exposure includes fines and civil/ criminal sanctions, third-party property damage or personal injury claims and clean-up costs.

We are also subject to the laws and regulations governing employees in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, and work permits. There is a risk that we may fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals for our new products. We cannot assure you that we will not be involved in future litigation or other proceedings, or be held liable in any litigation or proceedings including in relation to safety, health and environmental matters, the costs of which may be significant. For further details on the laws and regulations applicable to us, see "*Key Regulations and Policies*" on page 321.

36. We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business and our Units, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations.

We are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in the geographies in which we operate, generally for carrying out our business and for our manufacturing facility such as registrations and licenses granted under the Factories Act, 1948 and Industries (Development and Regulation) Act, 1951. For further information on material approvals relating to our business and operations, see "*Government and Other Approvals – Material Approvals in Relation to Our Facilities*" on page 572. Several of these approvals are granted for a limited duration. These approvals expire from time to time and we are required to make applications for renewal of such approvals. For further information on pending material approvals relating to our business and operations, including in relation to the units proposed to be operationalized, see "*Government and Other Approvals – Material Approvals Applied for But Not Yet Received*" on page 578. As of the date of this Red Herring Prospectus, the following material approvals have been applied for and are yet to be received:

Nature of approval	Issuing authority	Date of acknowledgement of application
TBL Unit 1		
Water lifting license*	Water Resources Department, Government of Karnataka	August 16, 2022
TBL Unit 2		
Water lifting license**	Water Resources Department, Government of Karnataka	June 3, 2023
TBL Unit 4		
Water lifting license	Water Resources Department, Government of Karnataka	July 17, 2023

** We have applied for change of name from Erstwhile Nirani Sugars Limited to TBL Unit 1. As on the date of this Red Herring Prospectus, the application for change of name is currently pending.*
*** We have applied for change of name from Shri Sai Priya Sugars Limited to TBL Unit 2. As on the date of this Red Herring Prospectus, the application for change of name is currently pending.*

Our business is also subject to inspections under certain applicable laws including the Indian Boilers Act, 1923, and the Legal Metrology Act, 2009. Further, approvals required by us are subject to numerous conditions, such as regularly monitoring emissions in the work environment and segregating and disposing off waste, scrape material, and boiler ash as per the guidelines laid down in the environmental clearance approval, and we cannot assure you that these conditions will be met at all times or that these approvals would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business. In addition, these registrations, approvals or licenses are liable to be cancelled or the manufacture or sale of products may be restricted.

37. Certain Directors of our Company are also directors on the board of our Group Company which had filed an application for settlement with SEBI in connection with violation of Section 67(3) of the Companies Act, 1956, and such settlement order has been passed.

During Fiscals 2006, 2011, 2013 and 2014, our former group companies, erstwhile Nirani Sugars Limited and Shri Sai Priya Sugars Limited, which have now merged with our Group Company, Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), made allotments of Equity Shares to more than 49 persons ("**Allotments**"). In connection with the Allotments, our Group Company, provided an

exit offer to the shareholders holding eligible equity shares, and subsequently filed a compounding application dated April 8, 2024 before the National Company Law Tribunal, Bengaluru bench ("**NCLT**"). By way of its order dated October 24, 2024, NCLT disposed of the compounding application and directed the erstwhile Nirani Sugars Limited and Shri Sai Priya Sugars Limited to pay compounding fees to the tune of ₹ 57,59,400 and ₹ 7,28,600, respectively ("**NCLT Order**"). In terms of the NCLT Order, upon payment of the aforementioned compounding fees and submission of compliance report by Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) to the Registrar of Companies, Karnataka at Bengaluru, the aforesaid offences in connection with the deemed public offers will stand compounded. Pursuant to the NCLT Order, our Group Company deposited the aforementioned compounding fees as mentioned in the NCLT Order and filed the compliance report through form INC-28 on October 25, 2024 and November 21, 2024, respectively.

Additionally, our Group Company also made a settlement application dated April 26, 2024 with SEBI. As part of the settlement terms, our Group Company proposed certain settlement terms to the Settlement Division, Enforcement Department-2, SEBI, wherein they proposed to make a payment of ₹56.00 lakhs to SEBI towards settlement charges. Vide its email dated February 6, 2025, SEBI communicated its in-principle acceptance of the terms of settlement subject to certain statutory provisions, and advised the Group Company to make the payment within 30 calendar days to enable SEBI to proceed further in the matter. Our Group Company has made the said payment on February 13, 2025 and intimated SEBI regarding the same. SEBI has passed a settlement order dated April 1, 2025 which settles any proceedings that may be initiated in respect of this matter.

In case of a further adverse order passed by SEBI against our Group Company or the directors or promoters of our Group Company, there may be an adverse impact on Vijaykumar Murugesh Nirani and Vishal Nirani, who are also the Directors and Promoters of our Company.

Further, we cannot assure you that SEBI or any other regulatory authority/ies or court/s will not take any action(s) or initiate proceeding(s) against our Group Company or our Promoters and Directors who are also the promoters and directors of our Group Company, in respect of the Allotments in the future. Any such action could have an adverse effect on our reputation, business, financial condition, results of operations and cash flows.

38. Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval.

We propose to utilize the Net Proceeds for the purposes described in "*Objects of the Offer*" on page 135. At this stage, we cannot determine with any certainty if we would require the Net Proceeds to meet any other expenditure or fund any exigencies arising out of competitive environment, business conditions, economic conditions or other factors beyond our control. In accordance with Sections 13(8) and 27 of the Companies Act, 2013, and the applicable rules, and the SEBI ICDR Regulations, we cannot undertake any variation in the utilization of the Net Proceeds without obtaining the shareholders' approval through a special resolution. In the event of any such circumstances that require us to undertake variation in the disclosed utilization 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 would be required to provide an exit opportunity to Shareholders who do not agree with our proposal to change the objects of the Offer or vary the terms of such contracts, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations. Additionally, the requirement on Promoters to provide an exit opportunity to such dissenting Shareholders may deter the Promoters from agreeing to variation of the proposed utilization of the Net Proceeds, even if such variation is in the interest of our Company. 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.

In light of these factors, we may not be able to undertake variation of objects of the Offer to use any unutilized proceeds of the Offer, if any, or vary the terms of any contract referred to in this Red Herring Prospectus. This may restrict our Company's ability to respond to any change in our business or financial condition by re-deploying the unutilized portion of Net Proceeds, if any, or varying the terms of contract, which may adversely affect our business and results of operations.

39. Certain of our previous statutory auditors have tendered their resignation prior to the completion of their respective terms.

Our erstwhile statutory auditors M/s. NVA & Associates, Chartered Accountants, appointed on March 31, 2021, resigned with effect from December 20, 2021 due to discontinuation of the proprietary firm of NVA & Associates. M/s. YCRJ & Associates, Chartered Accountants, appointed on February 21, 2022 tendered their resignation with effect from June 17, 2023, due to personal reasons. Our Company appointed M S K A & Associates on July 5, 2023, who tendered their resignation with effect from September 17, 2023, due to inability to complete the audit within the stipulated timeline and significant delay in providing material audit information by our Company. Subsequently, our Company appointed N. M. Raiji & Co., who have served as our current statutory auditors with effect from September 25, 2023. For further information, please see "*General Information - Changes in Statutory Auditors*" on page 112. We cannot assure you that our current statutory auditors or any future statutory auditors will not resign prior to the completion of their respective terms.

40. Information relating to the installed production capacity and capacity utilization of our Units included in this Red Herring Prospectus are based on various assumptions and estimates and future production and capacity may vary.

Information relating to the installed capacity of our distillery Units and capacity utilization included in this Red Herring Prospectus are based on various assumptions and estimates of our management, including the standard capacity calculation practice in the Indian ethanol, CBG and ENA industry, as applicable, and the capacities of other machinery installed at the relevant distillery unit. Machinery such as cooling tower and fermenters may have an impact on our capacity and actual production. In addition, the estimates regarding our capacity and capacity utilization are subject to certain assumptions, as described in "*Our Business – Business Operations - Capacity and Capacity Utilization*" on page 313. In addition, we have calculated our capacity based on three separate Units that we acquired through the BTAs, and these calculations remain subject to certain assumptions regarding the capacity calculation of such Units based on our limited operating experience. Accordingly, these should not be treated as indicative of future capacity or capacity utilization as there can be no assurance that we will be able to fully integrate our operations and optimize the use of each Unit. While we have obtained a certificate dated September 6, 2025 from Anudeep Krishna B, independent chartered engineers, in relation to such installed production capacity of our Units and corresponding capacity utilization, future capacity utilization may vary significantly from the estimated production capacities of our manufacturing facility and historical capacity utilization. For further information, see "*Our Business – Business Operations - Capacity and Capacity Utilization*" on page 313.

41. There may be delays in filing of e-forms filings of our Company in compliance with the Companies Act, 2013. Consequently, we may be subject to regulatory actions and penalties for such delays which may adversely impact our business and financial condition.

There may be instances of delay by our Company in filing of certain e-forms for corporate actions. These include e-form filings with the RoC in relation to resolutions for issuances of shares of our Company, appointment of directors, KMP, appointment of auditors. In such situations, our Company may have to make the relevant filings along with the required additional fee for a delayed filing, For instance, in the past, we have made delayed submission of e-form MGT-14 with respect to a resolution in relation to the change in terms of CCPS issued by the Company along with applicable additional fees. Other than such delayed submission, all requisite filings required to be made with the RoC, have been done with RoC in time and the same have been filed in the immediate next year of the date when the requisite filings /challans were required to be filed. However, there can be no assurance that there will not be delays in filing documents in future. Further, while we have not been issued any notices from the RoC, we cannot assure you that the RoC will not issue a notice or take any other regulatory action against our Company and its officers in this regard. We cannot assure you that such delays will not happen and that our Company will not be subject to any action, including monetary penalties by statutory authorities on account of any inadvertent discrepancies in, or non-availability of, or delays in filing of, any of its secretarial records and filings, which may adversely affect our reputation.

42. Any disruption to the steady and regular supply of workforce for our operations could adversely affect our business, cash flows and results of operations.

The success of our operations depends on availability of labour and maintaining good relationship with our workforce. As of March 31, 2025, our Company had 714 on-roll employees. Shortage of skilled/ unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. As of March 31, 2025, no trade unions were formed in TBL Unit 1, TBL Unit 2, TBL Unit 3, TBL Unit 4 and TBL Unit 5. While we have not experienced any major prolonged disruption in our business operations due to strikes, disputes or other problems with our work force in the past, there can be no

assurance that we will not experience any such disruption in the future.

India has labour legislations that protects the interests of workers, including legislation that sets forth procedures for the establishment of unions, dispute resolution and imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. For further details, see "*Key Regulations and Policies*" on page 321.

Our Company also appoints independent contractors who in turn engage on-site contract labour for performance of certain of our ancillary operations. As of March 31, 2025, we had 62 contract labourers. Although we do not engage these labourers directly, it is possible that we may be held responsible for wage payments should the contractors engaging such labourers default on wage payments. Further, under the provisions of the Contract Labour (Regulation and Abolition) Act, 1970, we may be directed to absorb some of these contract laborers as our employees. Any such orders from a court or any other regulatory authority may adversely affect our results of operations.

43. We operate in a competitive business environment. Competition from existing players and new entrants could have a material adverse effect on our business, financial condition and results of operations.

We face competition with numerous players including sugar mills, distilleries, and ethanol manufacturers in relation to our products. In India, some of our peers include Bajaj Hindustan Sugar Limited, Dhampur Sugar Mills Limited, Triveni Engineering & Indus, Balrampur Chini Mills Limited, Shree Renuka Sugars Limited, Dalmia Bharat Sugar and Industries, Dwarikesh Sugar Indus Limited and EID Parry India Limited, among others, and our global peers are Valero Energy Corporation, Raizen Brazil, Wilmar – Australia, Petrobras and Sao Martinho. (*Source: CRISIL Report*). For more information on operational benchmarking, see "*Industry Overview – Ethanol Plant – Operational Benchmark (Indian Players)*" and "*Industry Overview - Ethanol Plant – Operational Benchmark (Global Players)*" on pages 264 and 269, respectively, and on financial benchmarking, see "*Industry Overview – Financial Benchmarking – Domestic Players*" and *Industry Overview – Financial Benchmarking – Global Players"* on pages 270 and 277, respectively.

Any inability on our part to effectively compete or expand into new markets may adversely affect our business, financial condition and results of operations.

44. Our Registered Office and Corporate Office are located on property leased by us. Failure to renew leasehold rights for our Registered and Corporate Office could adversely affect our business, and operations.

Our Registered Office is located at Survey No. 166, Kulali Cross, Jamkhandi Mudhol Road, Bagalkot – 587313, Karnataka, India, which is rented by us a period of 11 months, up to August 31, 2024. The said lease had been renewed for a period of 11 months commencing on September 1, 2024 and has been renewed further for another 11 months commencing on August 1, 2025. Our Corporate Office is located at S 904 – A, 9th Floor, World Trade Centre, Brigade Gateway Campus, Rajajinagar, Bangalore 560055, Karnataka, India and has been leased by us from Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) for a period of 11 months, commencing from June 1, 2025. Premises admeasuring 230 square feet forming a part of our Corporate Office admeasuring 9,590 square feet have been sub-leased by us in favour of Leafiniti from October 17, 2024 for a period of 11 months which has been further renewed pursuant to sub-lease deed dated September 5, 2025, with effect from September 17, 2025 for a period of 11 months. For further information, see "*Our Business – Business Operations - Properties*" on page 319. We cannot assure you that we will be able to renew our lease on commercially acceptable terms or at all. In the event that we are required to vacate our current premises, we would be required to make alternative arrangements for new offices and other infrastructure, and we cannot assure you that the new arrangements will be on commercially acceptable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay increased charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

45. We are dependent on a number of key personnel, including certain of our Promoters, our Key Managerial Personnel and our Senior Management Personnel, and the loss of or our inability to attract or retain such persons could adversely affect our business, results of operations, financial condition and cash flows.

Our performance depends largely on the efforts and abilities of our senior management and other key personnel. In particular, we depend on the experience of our Promoters, certain of whom have nine years of experience as an industrialist holding diverse leadership positions in entities engaged in ethanol manufacturing. We believe that the inputs and experience of certain of our Promoters, our Senior Management Personnel and Key Managerial Personnel are valuable for the growth and development of business and operations and the strategic directions taken by our Company. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of the services of such persons may have an adverse effect on our business, our results of operations and our cash flows. For further details, see "*Our Management*" and "*Our Promoters and Promoter Group*" on pages 352 and 378, respectively.

The continued operations and growth of our business is dependent upon our ability to attract and retain personnel, including our scientists, who have the necessary and required experience and expertise. The loss of the services of any key personnel or our inability to recruit or train a sufficient number of experienced personnel or our inability to manage the attrition levels in different employee categories may have an adverse effect on our financial results and business prospects. The attrition rate for our employees for Fiscal 2023, 2024 and 2025, were 4.30%, 2.00% and 1.70%, respectively. Further, as we expect to continue to expand our operations and develop new products, we will need to continue to attract and retain experienced management personnel. If we are unable to attract and retain qualified personnel, our results of operations may be adversely affected.

46. We may not successfully protect our technical know-how, which may result in the loss of our competitive advantage.

We have developed a range of technical know-how relating to our production process. This knowledge base has enhanced our ability to manage our production costs and compete more effectively in the biofuels industry. Our technical know-how has been derived from the past experience of our management team and key employees as well as our development efforts. Certain proprietary knowledge may be leaked, either inadvertently or wilfully, at various stages of the manufacturing process. Certain of our employees have access to confidential product information, details of customers and amongst others and while our contracts with employees contain confidentiality clauses, we cannot assure you that this information will remain confidential. Further, while our contracts with employees contain clauses that prohibit employees from joining organization in the same line of business, we cannot assure you that our employees may leave us and join our various competitors. Such technical know-how cannot be protected under the Indian legal system by way of registration with competent authorities, and as a result, we have to rely on employee confidentiality undertakings, a less effective means of protection. Further, if the confidential technical information in respect of our products or business becomes available to third parties or the public, any competitive advantage we may have over our competitors could be harmed. If a competitor is able to reproduce or otherwise capitalize on our technology, it may be difficult, expensive or impossible for us to obtain necessary legal protection. While there has been no such instance in the past, any leakage of confidential technical information could have a material adverse effect on our business, results of operations, financial condition, cash flows and/or prospects.

47. If we are unable to establish and maintain an effective internal controls and compliance system, our business and reputation could be adversely affected.

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our Company has a dedicated quality assurance and control team comprising 62 employees, as of March 31, 2025, that is responsible for maintaining our required quality standards. We have put in place quality systems that cover our business processes, from manufacturing to product delivery for ensuring consistent quality of our products. There have been no past material instances of failure to maintain effective internal controls and compliance system. However, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances.

Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error. Any lapses in judgment or failures that result from human error can affect the accuracy of our financial reporting, resulting in a loss of investor confidence and a decline in the price of our equity shares. Our management information systems and internal control procedures that are designed to monitor our operations and overall compliance may not identify every instance of non-compliance.

Our operations may be subject to incidents of theft or damage to inventory in transit, prior to or during stocking or delivery. Although we have not experienced any such instances, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition.

Further, our operations are subject to anti-corruption laws and regulations. If we are not in compliance with applicable anti-corruption laws, we may be subject to criminal and civil penalties, disgorgement and other sanctions and remedial measures, and legal expenses, which could have an adverse impact on our business, financial condition, results of operations and liquidity. Likewise, any investigation of any potential violations of anti-corruption laws by the relevant authorities could also have an adverse impact on our business and reputation. As we continue to grow, there can be no assurance that there will be no instances of non-compliances with statutory requirements, which may subject us to regulatory action, including monetary penalties, which may adversely affect our business and reputation.

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

IT systems are critical to our ability to manage our production process as we have a unified control system for process, business and asset management to increase our profitability and productivity. Our control system is well beyond distributed control system functionality with an advanced automation platform solution and innovative application integration. The architecture of the control system allows nodes for data from plant, simulation of plant, plant asset management, among others. Our IT system allows remote control and operation over computers for the cooling tower (for fermentation and distillation), analyser column, process of evaporation, distillation, fermentation, storage, totalling the quantities of molasses, sugar syrup/juice.

If we do not allocate and effectively manage the resources necessary to implement and sustain the proper IT infrastructure, we could be subject to transaction errors, processing inefficiencies and, in some instances, loss of customers. Challenges relating to the revamping or implementation of new IT structures can also subject us to certain errors, inefficiencies, disruptions and, in some instances, loss of customers. Our IT systems, and the systems of our third party IT service providers may also be vulnerable to a variety of interruptions due to events beyond our control, including, but not limited to, natural disasters, terrorist attacks, telecommunications failures, computer viruses, hackers and other security issues. Although we have an IT security policy for protection of data and protected information, which requires us to have disaster recovery plan in place for data backup, system recovery and continuity of operations to mitigate its risk to these vulnerabilities, such measures may not be adequate to ensure that operations are not disrupted. While there has been no such instance that materially impacted our operations in the past, any such occurrence in the future could adversely affect our business operations and financial performance.

49. We may incur uninsured losses or losses in excess of our insurance coverage which could adversely affect our results of operations and financial condition.

We maintain various insurance policies including industrial all risks policy, standard fire and special perils policy, burglary insurance policy to cover risks associated with our properties, marine open policy to cover various risks during the transit of products, group personal accident policy, commercial general liability policy and directors and officers liability insurance. Notwithstanding the insurance coverage that we carry, we may not be fully insured against certain business risks. There are many events that could significantly impact our operations, or expose us to third-party liabilities, for which we may not be adequately insured. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost, or at all. Our inability to maintain insurance cover in connection with our business could adversely affect our operations and profitability. While there have been no such instances in the past, to the extent that we suffer loss or damage as a result of events for which we are not insured, or which is not covered by insurance, or exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected. Additionally, some of our assets may not be insurable. The following table sets forth the bifurcation of total assets into insurable and uninsurable assets:

Particulars	March 31, 2023	March 31, 2024	March 31, 2025
	Standalone	Consolidated	
Insurable Assets [(1)] (in ₹ Lakhs)	1,31,173.91	1,63,708.80	1,89,298.45
Uninsurable Assets [(2)] (in ₹ Lakhs)	45,951.68	58,246.94	83,626.40
Total Assets	**1,77,125.59**	**2,21,955.74**	**2,72,924.85**

1. Insurable assets includes property, plant and equipment, inventories and capital work in progress.
2. Uninsurable assets include goodwill, other intangible assets, right of use assets, security deposits given, receivable from related parties, receivable from third parties, balance with government authorities, trade receivables, cash and cash equivalents, bank balance other than cash and cash equivalents, bank deposits for more than 12 months maturity, investments, deferred tax assets (net).

We could face liabilities or otherwise suffer losses should any unforeseen incident such as fire, flood, and accidents affect our Units or our Registered and Corporate Office. The following tables set forth details of coverage of our insurance policies against the total insurable assets in the years indicated:

Particulars	March 31, 2023	March 31, 2024	March 31, 2025
	Standalone	Consolidated	
Insurance Cover (in ₹ Lakhs)	1,85,243.50	2,18,835.97	3,28,378.77
Value of Insurable Assets (in ₹ Lakhs)	1,31,173.91	1,63,708.80	1,89,298.45
Insurance Cover (%)*	**141.22%**	**133.67%**	**173.47%**

Notes:
1) For the fiscal year ending March 2023, certain insurance policies are endorsed by MRN Cane Power (India) Limited, Shri Sai Priya Sugars Limited, and Erstwhile Nirani Sugars Limited to our Company following the business transfer agreements, each dated September 26, 2022.
2) *The Insurance coverage is higher as our Company has secured comprehensive insurance coverage to mitigate various risks associated with its operations including Industrial All Risk Policy, Stock Fire Policy, Stock Burglary Insurance, and Erection All Risk Policy. These policies collectively provide coverage for property, plant and equipment (including Capital work-in-progress), material damage (including Goods-in-transit), business interruption, loss of profit, and machinery loss of profit (MLOP).*
** The insurance cover is on the project capacity and not on the basis of installed capacity or completion percentage of the project.*

While we believe that we have obtained insurance against losses which are most likely to occur in our line of business, there may be certain losses which may not be covered by the insurance policies, which we have not ascertained as on the date. Therefore, we cannot assure you that we will continue to accurately ascertain and maintain adequate insurance policies for losses that may be incurred in the future. Further, we cannot assure you that any insurance claim made by us in the future will honoured fully, in part or on time. For further information on the insurance policies availed by us, see "*Our Business - Insurance*" on page 319.

50. Negative publicity against us, our Promoters, Promoter group, our suppliers, our customers or any of our or their affiliates could cause us reputational harm and could have a material adverse effect on our business, financial condition, results of operations and prospects.

From time to time, we, our Promoters, Promoter Group, our suppliers, our customers or any of our or their affiliates may be subject to negative publicity in relation to our or their business or staff, including publicity covering issues such as anti-corruption, safety and environmental protection. Such negative publicity, however, even if later proven to be false or misleading, and even where the entities or individuals implicated are members or employees of our suppliers, customers or our or their affiliates and not of us, could lead to a temporary or prolonged negative perception against us by virtue of our affiliation with such individuals, suppliers, customers or affiliates. Our reputation in the marketplace is important to our ability to generate and retain business. In particular, damage to our reputation could be difficult and time-consuming to repair, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

51. Pricing pressure may affect our gross margin, profitability and ability to increase our prices, which in turn may materially adversely affect our business, results of operations and financial condition.

Other than potential price ceilings that may be set by GoI policies, we are exposed to the risk of pricing pressure to the extent of products we supply, such as fermented organic manure, as well as products we intend to commercialize, such as sustainable aviation fuel and flex fuel engines. For such products, we are, and may be subject to, competitive pressures in terms of pricing. Pursuing cost-cutting measures while maintaining rigorous quality standards may lead to an erosion of our margins, which may have an adverse effect on our business, results of operations and financial condition. In addition, estimating amounts of such price reductions is subject to risk and uncertainties, as any price reduction is the result of negotiations and other factors. Accordingly, we must be able to reduce our operating costs in order to maintain profitability. Such price reductions may affect our sales and profit margins. If we are unable to offset price reductions in the future through improved operating

efficiencies, new production processes, sourcing alternatives and other cost reduction initiatives, our business, results of operations and financial condition may be materially adversely affected. We cannot assure you that we will be able to avoid future price reductions or offset the impact of any such price reductions through continued technology improvements, improved operational efficiencies, cost-effective sourcing alternatives, new manufacturing processes, cost reductions or other productivity initiatives, which may adversely affect our business, financial condition and results of operations.

52. We may be unable to adequately protect our intellectual property and may be subject to risks of infringement claims.

As on the date of this Red Herring Prospectus, our Company has obtained one trademark under the Trade Marks Act, 1999 under Class 4 in relation to the word "*Trualt Bioenergy*" and our logo. Further, our logo " TRUALT " is currently in the process of being registered with the Trade Marks Registry under several classes of the Trademarks Act. We cannot guarantee that we will be able to successfully obtain such registrations, in a timely manner or at all.

Additionally, there can be no assurance that third parties will not infringe upon our intellectual property, causing damage to our business prospects, reputation, and goodwill. Further, while we take care to ensure that we comply with the intellectual property rights of third parties, we cannot determine with certainty whether we are infringing upon any existing third-party intellectual property rights. While we have not been involved in any intellectual property disputes in the past, we cannot assure you that we will not be involved in such disputes in the future, including disputes relating to our pending trademark applications. Any intellectual property claims, with or without merit, could be very time-consuming, could be expensive to settle or litigate and could divert our management's attention and other resources. These claims could also subject us to significant liability for damages, potentially including enhanced statutory damages if we are found to have wilfully infringed intellectual property rights. While such claims by third parties have not been made to us historically, the occurrence of any of the foregoing would adversely affect our business operations and financial results.

53. Certain of our Promoters and members of our Promoter Group have provided guarantees in connection with our borrowings. Our business, financial condition, results of operations and prospects may be adversely affected by the revocation of all or any of the guarantees provided by certain of our Promoters in connection with our borrowings.

Our Promoters, Vishal Nirani and Vijaykumar Murugesh Nirani, along with Sangamesh Rudrappa Nirani and Kamala Murigeppa Nirani, and our erstwhile Group Company i.e. Nirani Sugars Limited (as on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Nirani Sugars Limited stands merged with MRN Chamundi Canepower and Biorefineries Limited, with the appointed date of October 1, 2022) and our Group Company Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), have provided guarantees jointly and severally for our borrowings, amounting to ₹ 1,56,349.75 lakhs as of July 31, 2025. If any of these guarantees are revoked, our lenders may require alternative guarantees or cancel such loans or 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 and prospects may be adversely affected by the revocation of all or any of the guarantees provided by certain of our Promoters in connection with our borrowings. For further information, see "*Restated Financial Information*" and "*Financial Indebtedness*" on pages 399 and 559, respectively.

54. The average cost of acquisition of Equity Shares by the Promoters and Selling Shareholders could be lower than the floor price of the Price Band.

The average cost of acquisition of Equity Shares in our Company by our Promoters and Selling Shareholders may be lower than the floor price of the Price Band, which is to be determined through the Book Building Process. For further details regarding average cost of acquisition of Equity Shares by our Promoters and the Selling Shareholders in our Company, see "*Summary of the Offer Document - Average cost of acquisition*" on page 34 and for details regarding the build-up of the Equity Shareholdings of by our Promoters in our Company, see "*Capital Structure*" on page 117.

55. We have, in the last year, issued Equity Shares at a price that could be lower than the Offer Price.

We have, in the last one year prior to filing this Red Herring Prospectus, issued Equity Shares at a price that may be lower than the Offer Price. For further information, see "*Capital Structure – Notes to Capital Structure – Share capital history of our Company*" on page 118.

56. Our Company will not receive any proceeds from the Offer for Sale.

The Offer comprises a Fresh Issue and an Offer for Sale by the Selling Shareholders. Our Company will not receive any proceeds from the Offer for Sale. The proceeds from the Offer for Sale (after applicable deductions) will be transferred to the each of the Selling Shareholders, in proportion to its respective portion of the Equity Shares transferred by each of them in the Offer for Sale and will not result in any creation of value for us or in respect of your investment in our Company.

57. There have been delays in payment of statutory dues by our Company and our Subsidiary in Fiscals 2023, 2024 and 2025. Inability to make timely payment/ default in payment of statutory dues may attract penalties and in turn have a material adverse impact on our business, results of operations and financial condition..

We are required to make certain payments to various statutory authorities from time to time, including but not limited to payments pertaining to employee provident fund, employee state insurance, income tax and excise duty. There have been delays in payment of statutory dues, including employee state insurance corporation, provident fund, professional tax and income tax amongst others towards regulatory authorities by our Company and our Subsidiary in Fiscals 2023, 2024 and 2025, primarily on account of delayed submission of invoice by the vendors and technical glitches in our Subsidiary's system. These are as highlighted below:

Our Company:

Statute	Month	Fiscal	Interest amount (in ₹)	Month of deposit	Reason for delay
Goods and Service Tax Act, 2017	August	2025	6,414.00	November, 2024	Late Payment
Goods and Service Tax Act, 2017	July	2025	3,222.00	November, 2024	Late Payment
Goods and Service Tax Act, 2017	May	2025	455.00	November, 2024	Late Payment
The Income-tax Act, 1961	January	2025	2,646.00	April, 2025	Late Payment
The Income-tax Act, 1961	January	2025	14,268.00	April, 2025	Late Payment
The Income-tax Act, 1961	December	2025	6,234.00	January, 2025	Late Payment
The Income-tax Act, 1961	November	2025	2,542.00	December, 2024	Late Payment
The Income-tax Act, 1961	November	2025	2,456.00	December, 2024	Late Payment
The Income-tax Act, 1961	September	2025	328.00	September, 2024	Late Payment
The Income-tax Act, 1961	August	2025	976.00	September, 2024	Late Payment
The Income-tax Act, 1961	August	2025	2,250.00	October, 2024	Late Payment
The Income-tax Act, 1961	July	2025	6,071.00	September, 2024	Late Payment
The Income-tax Act, 1961	July	2025	11.00	September, 2024	Late Payment
The Income-tax Act, 1961	June	2025	13,913.00	November, 2024	Late Payment
The Income-tax Act, 1961	May	2025	2,011.00	September, 2024	Late Payment
The Income-tax Act, 1961	May	2025	21,793.00	November, 2024	Late Payment
The Income-tax Act, 1961	May	2025	3,442.00	February, 2025	Late Payment
The Income-tax Act, 1961	April	2025	16,230.00	September, 2024	Late Payment
Employees State Insurance Act 1948	September	2024	-	October, 2023	Late Payment
Employees State Insurance Act 1948	July	2024	-	August, 2023	Late Payment
The Income-tax Act, 1961	March	2024	26,938.00	September, 2024	Late Payment
The Income-tax Act, 1961	March	2024	866.00	September, 2024	Late Payment
The Income-tax Act, 1961	February	2024	13,588.00	September, 2024	Late Payment
The Income-tax Act, 1961	February	2024	154.00	September, 2024	Late Payment
The Income-tax Act, 1961	January	2024	22,405.00	September, 2024	Late Payment
The Income-tax Act, 1961	December	2024	1,430.00	September, 2024	Late Payment
The Income-tax Act, 1961	November	2024	1,672.00	September, 2024	Late Payment
The Income-tax Act, 1961	October	2024	4,620.00	September, 2024	Late Payment
The Income-tax Act, 1961	September	2024	1,839.00	September, 2024	Late Payment
The Income-tax Act, 1961	September	2024	420.00	September, 2024	Late Payment
The Income-tax Act, 1961	August	2024	22,372.00	September, 2024	Late Payment
The Income-tax Act, 1961	July	2024	3,434.00	September, 2024	Late Payment

Statute	Month	Fiscal	Interest amount (in ₹)	Month of deposit	Reason for delay
The Income-tax Act, 1961	June	2024	194.00	September, 2023	Late Payment
The Income-tax Act, 1961	June	2024	6,600.00	July, 2023	Late Payment
The Income-tax Act, 1961	May	2024	2,871.00	July, 2023	Late Payment
The Income-tax Act, 1961	April	2024	405.00	September, 2023	Late Payment
The Karnataka Tax on Professions, Trades, Callings and Employment Act, 1976	July	2024	-	September, 2023	Late Payment
Employees State Insurance Act 1948	October	2023	-	April 2023	Late Payment
Employees State Insurance Act 1948	November	2023	-	February 2023	Late Payment
Employees State Insurance Act 1948	December	2023	-	February 2023	Late Payment
Employees State Insurance Act 1948	January	2023	-	February 2023	Late Payment
Employees State Insurance Act 1948	February	2023	-	March 2023	Late Payment

*Our Subsidiary**#:*

Statute	Month	Fiscal	Interest amount (in ₹)	Month of deposit	Reason for delay
The Income-tax Act, 1961	June	2025	60.00	July, 2024	Late Payment
The Income-tax Act, 1961	September	2025	920.00	December, 2024	Late Payment
Employees State Insurance Act 1948	October	2024	-	May, 2024	Late Payment
Employees State Insurance Act 1948	November	2024	-	May, 2024	Late Payment
Employees State Insurance Act 1948	December	2024	-	May, 2024	Late Payment
Employees State Insurance Act 1948	January	2024	-	May, 2024	Late Payment
Employees State Insurance Act 1948	February	2024	-	May, 2024	Late Payment
Employees State Insurance Act 1948	March	2024	-	May, 2024	Late Payment
The Employees' Provident Funds Scheme, 1952	October	2024	4,927.00	January, 2024	Late Payment
The Employees' Provident Funds Scheme, 1952	November	2024	5,290.00	February, 2024	Late Payment
The Employees' Provident Funds Scheme, 1952	December	2024	2,012.00	February, 2024	Late Payment
The Employees' Provident Funds Scheme, 1952	January	2024	356.00	February, 2024	Late Payment
The Employees' Provident Funds Scheme, 1952	February	2024	5,110.00	May, 2024	Late Payment
The Employees' Provident Funds Scheme, 1952	March	2024	2,245.00	May, 2024	Late Payment
The Income-tax Act, 1961	October	2024	1,782.01	January, 2024	Late Payment
The Income-tax Act, 1961	November	2024	612.65	January, 2024	Late Payment
The Income-tax Act, 1961	December	2024	813.03	January, 2024	Late Payment
The Income-tax Act, 1961	January	2024	5,838.06	May, 2024	Late Payment
The Income-tax Act, 1961	February	2024	5,801.13	May, 2024	Late Payment
The Income-tax Act, 1961	March	2024	2,269.88	May, 2024	Late Payment
The Income-tax Act, 1961	March	2024	390.00	July, 2024	Late Payment
The Income-tax Act, 1961	March	2024	4,388.00	August, 2024	Late Payment
The Income-tax Act, 1961	January	2024	3,961.00	December, 2024	Late Payment
The Income-tax Act, 1961	February	2024	2,470.00	December, 2024	Late Payment
The Income-tax Act, 1961	March	2024	12,869.00	December, 2024	Late Payment
The Income-tax Act, 1961	March	2024	2,168.00	August, 2024	Late Payment
The Income-tax Act, 1961	April	2025	150.00	November, 2024	Late Payment

Statute	Month	Fiscal	Interest amount (in ₹)	Month of deposit	Reason for delay
The Karnataka Tax on Professions, Trades, Callings and Employment Act, 1976	October	2024	-	May, 2024	Late Payment
The Karnataka Tax on Professions, Trades, Callings and Employment Act, 1976	November	2024	-	May, 2024	Late Payment
The Karnataka Tax on Professions, Trades, Callings and Employment Act, 1976	December	2024	-	May, 2024	Late Payment
The Karnataka Tax on Professions, Trades, Callings and Employment Act, 1976	January	2024	-	May, 2024	Late Payment
The Karnataka Tax on Professions, Trades, Callings and Employment Act, 1976	February	2024	-	May, 2024	Late Payment
The Karnataka Tax on Professions, Trades, Callings and Employment Act, 1976	March	2024	-	May, 2024	Late Payment
Under Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976.	April	2025	200.00	January, 2025	Late Payment
Under Karnataka Tax on Professions, Trades, Callings and Employments Act, 1976.	April	2025	7,942.00	May, 2025	Late Payment

[*] *The disclosure has been made for the period after our acquisition of our Subsidiary, on October 4, 2023.*
[#] *Our Subsidiary has paid an amount of ₹ 39.29 lakhs on July 20, 2024, pertaining to tax deducted at source under the Income Tax Act, 1961, (including interest of ₹ 24.56 lakhs). However, these outstanding statutory dues pertain to the period before our acquisition of our Subsidiary.*

Further, during the last three Fiscals there are no unpaid dues towards provident fund for applicable employees. The table below provides the Fiscal for which the provident fund is applicable, and the relevant paid and unpaid dues:

Our Company

Year	No. of Employees as on the last day of the Fiscal	Total amount due (in ₹)	Paid (in ₹)	Unpaid (in ₹)
Fiscal 2023	394	22,56,255.00	22,56,255.00	Nil
Fiscal 2024	529	84,49,262.00	84,49,262.00	Nil
Fiscal 2025	707	1,21,15,394.00	1,21,15,394.00	Nil

Our Subsidiary

Fiscal*	No. of Employees as on the last day of the Fiscal	Total amount due (in ₹)	Paid (in ₹)	Unpaid (in ₹)
2024	45	3,55,153.03	355,153.03	Nil
2025	46	9,30,822.00	930,822.00	Nil

***** *The disclosure has been made for the period after our acquisition of our Subsidiary, on October 4, 2023.*

We cannot assure you to that we will be able to pay our statutory dues timely, in the future. Any failure or delay in payment of such statutory dues may expose us to statutory and regulatory action, as well as significant penalties, and may adversely impact our business, results of operations and financial condition.

58. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures and the terms of our financing arrangements.

Our Company has not declared dividends on its Equity Shares in any of the last three Fiscals. Any dividends to

be declared and paid in the future are required to be recommended by our Company's Board of Directors and approved by its Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. Our Company's ability to pay dividends in the future will depend upon our future results of operations, financial condition, cash flows, sufficient profitability, working capital requirements and capital expenditure requirements. We cannot assure you that we will generate sufficient revenues to cover our operating expenses and, as such, pay dividends to our Shareholders in future. For further information, see "*Dividend Policy*" on page 392.

59. Our Promoters and Promoter Group will continue to exercise significant influence over us after completion of the Offer.

As on the date of this Red Herring Prospectus, our Promoters and Promoter Group hold 88.20% of the issued and outstanding equity share capital of our Company. Post listing, our Promoters and Promoter Group will continue to exercise significant influence over us through their shareholding after the Offer. In accordance with applicable laws and regulations, our Promoters will have the ability to exercise, directly or indirectly, a significant influence over our business. This includes, but is not limited to, control over the composition of our Board, delay, defer or cause a change of our control or a change in our capital structure, delay, defer or cause a merger, consolidation, takeover or other business combination involving us. The interests of our Promoters and members of Promoter Group may conflict with your interests and the interests of our other Shareholders, and our Promoters and members of Promoter Group could make decisions that may adversely affect our business operations, and hence the value of your investment in the Equity Shares.

60. Our Promoters, certain of our Directors, senior management and Key Managerial Personnel are interested in our Company's performance in addition to their remuneration and reimbursement of expenses.

In addition to regular remuneration or benefits or sitting fees and reimbursement of expenses, our Promoters, certain of our Directors, senior management and KMPs of our Company are otherwise interested in our Company. This interest is to the extent of their interest in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners, Equity Shares, if any, held by them and their relatives (together with other distributions in respect of Equity Shares), or held by the entities in which they are associated as partners, promoters, directors, proprietors, members or trustees, such as Equity Shares held by our Promoter Group member Nirani Holdings Private Limited, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer, and any dividend and other distributions payable in respect of such Equity Shares. For details, see – *"Our Management - Shareholding of Directors in our Company" and "Capital Structure – Equity shareholding of our Promoter and Promoter Group"* on pages 356 and 127, respectively.

For instance, our Promoters, Vijaykumar Murugesh Nirani, Vishal Nirani and Sushmitha Vijaykumar Nirani, in their capacity as directors or shareholders of Erstwhile Nirani Sugars Limited ("**Erstwhile NSL**"), MRN Cane Power (India) Limited ("**MRN**") and Shri Sai Priya Sugars Limited ("**SSPSL**"), were interested in (i) master supply agreement dated August 31, 2023 among our Company and NSL ("**Erstwhile NSL MSA**"), (ii) master supply agreement dated August 31, 2023 among our Company and MRN ("**MRN MSA**"), and (iii) master supply agreement dated August 31, 2023 among our Company and SSPSL ("**SSPSL MSA**"), in relation to supply of certain goods and services, including raw materials, by Erstwhile NSL, MRN and SSPSL, respectively, to our Company. Further, our Promoters, Vijaykumar Murugesh Nirani, Vishal Nirani and Sushmitha Vijaykumar Nirani, in their capacity as current directors or shareholders of Nirani Sugars Limited (Formerly known as "MRN Chamundi Canepower and Biorefineries Limited" ("**NSL**"), are interested in the master supply agreement dated April 25, 2024 among our Company and NSL ("**NSL MSA**"), in relation to supply of certain goods and services, including raw materials, by MRN Chamundi to our Company. For details of MRN Chamundi MSA, please see, "*History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. since inception*" on page 331.

Additionally, our Promoters or members of the Promoter Group also received payments or benefits pursuant to MRN BTA, Erstwhile NSL BTA, SSPSL BTA, MRN TSA, Erstwhile NSL TSA, SSPSL TSA, MRN MSA, Erstwhile NSL MSA, SSPSL MSA and NSL MSA. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Erstwhile NSL, MRN and SSPSL stand merged with Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), with the appointed date of October 1, 2022. For details of MRN BTA, Erstwhile NSL BTA, SSPSL BTA, MRN TSA, Erstwhile NSL TSA, SSPSL TSA, MRN MSA, Erstwhile NSL MSA, SSPSL MSA and NSL MSA, please see, "*History and Certain Corporate*

Matters - Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. since inception" on page 331.

Furthermore, pursuant to two sale deeds both dated September 12, 2023, our Company has purchased two parcels of land from our Promoter and Executive Director, Vishal Nirani admeasuring 2 acres and 20 guntas (forming part of our TBL Unit 3), for a consideration amounting to ₹ 14.00 lakhs. Similarly, pursuant to two sale deeds both dated June 1, 2024, our Company has purchased parcels of land from two members of our Promoter Group, namely Sangamesh Rudrappa Nirani and Kamala Murugesh Nirani admeasuring 2 acres and 31 guntas and 2 acres and 39 guntas, for a consideration amounting to ₹ 111.00 lakhs and ₹ 119.00 lakhs, respectively (forming part of our TBL Unit 1). Further, pursuant to a sale deed dated June 2, 2023, our Company has purchased parcels of land from a member of our Promoter Group, namely Sangamesh Rudrappa Nirani admeasuring 7 acres (forming part of our TBL Unit 5), for a consideration amounting to ₹ 340.50 lakhs. Additionally, our Company has purchased certain parcels of land from Shree Kedarnath Sugar and Agro Products Limited (forming part of our TBL Unit 4), and Badami Sugars Limited (forming part of our TBL Unit 5), admeasuring 10 acres and 17 guntas and 8 acres and 2 guntas, for a consideration amounting to ₹ 801.12 lakhs and ₹ 391.00 lakhs, respectively, wherein our Promoter and Managing Director, Vijaykumar Nirani, our Promoter Sushmitha Vijaykumar Nirani and our Promoter and Executive Director, Vishal Nirani, are interested as directors and / or shareholders of Shri Sai Priya Sugars Limited, which in turn was a majority shareholder of Shree Kedarnath Sugar and Agro Products Limited, and Badami Sugars Limited.

Our Company has leased its registered office, located at Survey No. 166, Kulali Cross, Jamkhandi Mudhol Road, Bagalkot – 587313, Karnataka, India from Nirani Sugars Limited **(**formerly known as MRN Chamundi Canepower and Biorefineries Limited) for a period of 11 months, up to August 31, 2024. The said lease had been renewed for a period of 11 months commencing on September 1, 2024 and has been renewed further for another 11 months commencing on August 1, 2025. Our Company has also leased its corporate office, located at S 904 – A, 9th Floor, World Trade Centre, Brigade Gateway Campus, Rajajinagar, Bangalore 560055, Karnataka, admeasuring 130 square feet from Nirani Sugars Limited for a period of 11 months, commencing from June 1, 2025.

We cannot assure you that our Promoters, Directors, senior management and our KMPs will exercise their rights as Shareholders to the benefit and best interest of our Company. As Shareholders of our Company, our Promoters, Directors, senior management or KMPs may take or block actions with respect to our business which may conflict with the best interests of the Company or that of minority shareholders. For further information on the interest of our Promoters and Directors of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, see "*Our Management*" and "*Our Promoters and Promoter Group*" on pages 352 and 378, respectively.

61. Our Promoters, Directors, Key Managerial Personnel and other key executives of our Company and Subsidiary may enter into ventures that may lead to real or potential conflicts of interest with our business. Further, conflicts of interest may arise out of common business objects between our Company, Subsidiary and Group Company.

A conflict of interest may occur between our business and the business of such ventures in which our Promoters, Directors, Key Managerial Personnel and other key executives of our Company and Subsidiary are involved with, which could have an adverse effect on our operations. Our Promoters, Directors, Key Managerial Personnel and related entities may compete with us and have no obligation to direct any opportunities to us. We cannot assure you that these or other conflicts of interest will be resolved in an impartial manner.

Our Subsidiary may have common business objects with our Company. For instance, our Subsidiary, Leafiniti is also engaged in processing of municipal solid waste, press mud and manufacturing of CBG. Our Managing Director, Vijaykumar Murugesh Nirani, is a director of Leafiniti, and our Executive Director, Vishal Nirani, is the director of Leafiniti. Further, except for Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), which is enabled under its memorandum of association to carry on similar activities as those of our Company i.e. dealing in sugarcane, molasses, sugarcane juice, spirits and other related products, there are no common pursuits between our Group Company and our Company. While we do not perceive a conflict of interest as of the date of this Red Herring Prospectus, as Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) is engaged in the manufacturing of sugar whereas our Company is primarily engaged in the manufacturing of ethanol and biofuels, our Company and Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) will adopt the necessary procedures and practices as permitted by law to address any conflict as and when they arise. Further, Trualt Gas Private

Limited, our Promoter Group entity and our Group Company, is engaged in the same line of business as our Subsidiary, Leafiniti.

We cannot assure you that there will not be any conflict of interest between our Company or our Subsidiary or group companies, or members of the Promoter Group that our Promoters have an interest in. There can be no assurance that such entities will not compete with our existing business or any future business that we might undertake or that we will be able to suitably resolve such a conflict without an adverse effect on our business and financial performance.

62. We may enter into necessary or desirable strategic acquisitions, or make acquisitions, or investments to grow our business. Any failure to achieve the anticipated benefits from these strategic acquisitions, or investments with our existing business, could adversely affect us.

We intend to pursue inorganic growth opportunities through term sheets and strategic acquisition to expand our opportunities in other end-markets, acquire new customers and introduce new products. For instance, on August 11, 2025, our Company entered into a share subscription cum shareholders' agreement with GAIL through which our Subsidiary, Leafiniti will commence setting up multiple CBG units across various locations in a phased manner, of which 20 locations have been identified in the subscription cum shareholders' agreement. GAIL is proposing to hold not more than 49% shareholding in Leafiniti. We may similarly enter into agreements for undertaking new business ventures or for expansion of an existing product portfolio. Investments or acquisitions involve numerous risks, including:

- problems integrating the acquired business, facilities, technologies, or products, including issues maintaining uniform standards, procedures, controls, policies, and culture;
- unanticipated costs associated with acquisitions, investments, or strategic alliances;
- diversion of management's attention from our existing business;
- risks associated with entering new markets in which we may have limited or no experience;
- potential loss of key employees of acquired businesses; and
- increased legal and accounting compliance costs.

We may be unable to identify acquisitions or strategic relationships we deem suitable. Even if we do, we may be unable to successfully complete any such transactions on favorable terms or at all, or to successfully integrate any acquired business, facilities, technologies, or products into our business or retain any key personnel, suppliers, or customers. Furthermore, even if we complete such transactions and effectively integrate the newly acquired business or strategic alliance into our existing operations, we may fail to realize the anticipated returns and/or fail to capture the expected benefits, such as strategic or operational synergies or cost savings. The efforts required to complete and integrate these transactions could be expensive and time-consuming and may disrupt our ongoing business and prevent management from focusing on our operations. If we are unable to identify suitable acquisitions or strategic relationships, or if we are unable to integrate any acquired businesses, facilities, technologies, and products effectively, or if we fail to realize anticipated returns or capture expected benefits, our business, financial condition, and results of operations could be adversely affected.

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

The cost and availability of capital depends on our credit ratings. Credit ratings reflects the opinion of the rating agency on our management, track record, diversified clientele, increase in scale and operations and margins, medium term revenue visibility and operating cycle. The following table sets forth our details of credit rating received in the past:

Rating Agency	Instruments	Credit Rating	Date
Acuite Ratings & Research	Bank Loan Ratings	ACUITE BBB (Stable)	June 14, 2024
Acuite Ratings & Research	Issuer Ratings (IR)	ACUITE BBB (Stable)	September 29, 2023
CRISIL	Bank Loan Ratings	Crisil A- (Stable)	May 8, 2025

Our inability to obtain such credit rating in a timely manner or any non-availability of credit ratings, or poor ratings, or any downgrade in our credit ratings could increase borrowing costs, will give the right to our lenders to review the facilities availed by us under our financing arrangements and adversely affect our access to capital

and debt markets, which could in turn adversely affect our interest margins, our business, results of operations, financial condition and cash flows.

64. We have in this Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the Indian biorefinery industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.

Certain non-GAAP financial measures and certain other industry measures relating to our operations and financial performance have been included in this Red Herring Prospectus. We compute and disclose such non-GAAP financial measures and such other industry related statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance, and because such measures are frequently used by securities analysts, investors and others to evaluate the operational performance of companies in the Indian biorefinery industry, many of which provide such non-GAAP financial measures and other industry related statistical and operational information. Such supplemental financial and operational information is therefore of limited utility as an analytical tool, and investors are cautioned against considering such information either in isolation or as a substitute for an analysis of our audited financial statements as reported under applicable accounting standards disclosed elsewhere in this Red Herring Prospectus.

These non-GAAP financial measures and such other industry related statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and industry related statistical information of similar nomenclature that may be computed and presented by other companies. For further information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Non-GAAP Measures*" on page 522.

65. Our customers may engage in transactions in or with countries or persons that are subject to United States and other sanctions.

U.S. law generally prohibits U.S. persons from directly or indirectly investing or otherwise doing business in or with certain countries that are the subject of comprehensive sanctions and with certain persons or businesses that have been specially designated by the OFAC or other U.S. government agencies. Other governments and international or regional organizations also administer similar economic sanctions. While we have not in the past entered into transactions with customers located in countries to which certain OFAC-administered and other sanctions apply, there can be no assurance that we will be able to fully monitor all of our transactions for any potential violation. If it were determined that transactions in which we participate violate U.S. or other sanctions, we could be subject to U.S. or other penalties, and our reputation and future business prospects in the United States or with U.S. persons, or in other jurisdictions, could be adversely affected. We rely on our staff to be up-to-date and aware of the latest sanctions in place. Further, investors in the Equity Shares could incur reputational or other risks as the result of our customers' dealings in or with countries or with persons that are the subject of U.S. sanctions.

66. 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.

Our revenue from operations (including other operating revenue) and profit after tax for Fiscal 2025 was ₹190,772.40 lakhs and ₹14,663.85 lakhs, respectively and our price to revenue from operations (Fiscal 2025) multiple is [●] times at the upper end of the Price Band. Our market capitalization to revenue from operations (Fiscal 2025) multiple is [●] times at the upper end of the Price Band.

The table below provides details of our price to earnings ratio and market capitalization to revenue from operations:

Particulars	Price to Earnings Ratio*	Price to Revenue*	Market Capitalization to Revenue*
For Fiscal 2025	[●]	[●]	[●]

**To be populated at the Prospectus stage*

The Offer Price of the Equity Shares is proposed to be determined on the basis of assessment of market demand for the Equity Shares offered through the book-building process prescribed under the SEBI ICDR Regulations, and certain quantitative and qualitative factors as set out in the section titled "*Basis for Offer Price*" on page 160 and the Offer Price, multiples and ratios may not be indicative of the market price of the Equity Shares on listing or thereafter.

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India and international markets, regulatory amendments or similar situations, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors. As a result, the market price of the Equity Shares may decline below the Offer Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer Price.

External Risks

Risks Related to India

67. Natural or man-made disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such as drought, typhoons, flooding, and/or earthquakes), epidemics, pandemics such as COVID-19, and man-made disasters, including acts of war, terrorist attacks, and other events, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition, and results of operations. Developments in the ongoing conflict between Russia and Ukraine has resulted in and may continue to result in a period of sustained instability across global financial markets, induce volatility in commodity prices, adversely impact availability of natural gas, increase in supply chain, logistics times and costs, increase borrowing costs, cause outflow of capital from emerging markets and may lead to overall slowdown in economic activity in India. Our operations may be adversely affected by fires, natural disasters, and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity, and may require us to evacuate personnel and suspend operations. In addition, terrorist attacks and other acts of violence or war as well as civil unrest or rioting in India could create a perception that investment in Indian companies involves a higher degree of risk, thereby adversely affecting the market price of the Equity Shares. India has, from time to time, experienced social and civil unrest within the country and hostilities with neighbouring countries. There have been continuing tensions between India and Pakistan over the union territories of Jammu and Kashmir. In the past, there were armed conflicts over parts of Kashmir. Isolated troop conflicts and terrorist attacks continue to take place in these regions.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1, and H1N1 strains of influenza in birds and swine and more recently, the SARS-CoV-2 virus and the monkeypox virus. A worsening of the outbreak of the COVID-19 pandemic or future outbreaks of SARS-CoV-2 virus or a similar contagious disease could adversely affect the global economy and economic activity in the region. As a result, any present or future outbreak of a contagious disease could have a material adverse effect on our business and the trading price of the Equity Shares.

68. Political, economic or any other factors beyond our control may have an adverse effect on our business, results of operations, financial condition and cash flows.

Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, results of operations, financial condition and cash flows and reduce the price of our Equity Shares. As a result, we are dependent on prevailing economic conditions in India and our results of operations are affected by factors influencing the Indian economy. The following external risks may have an adverse impact on our business and results of operations, should any of them materialize:

- increase in interest rates, which may adversely affect our access to capital and increase our borrowing costs;
- political instability, resulting from a change in government or economic and fiscal policies;
- instability in other countries and adverse changes in geopolitical situations;
- change in the government or a change in the economic and deregulation policies;
- strikes, lock-outs, work stoppages or increased wage demands by employees, suppliers or other service providers;
- civil unrest, acts of violence, terrorist attacks, regional conflicts or war;
- a decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- macroeconomic factors and central bank regulation, including in relation to interest rates movements which may in turn adversely impact our access to capital and increase our borrowing costs;
- high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins;
- downgrading of India's sovereign debt rating by rating agencies; and
- international business practices that may conflict with other customs or legal requirements to which we are subject to, including anti-bribery and anti-corruption laws; being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so.

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, financial condition and cash flows and the price of the Equity Shares. Our performance and the growth of our business depend on the overall performance of the Indian economy as well as the economies of the regional markets in which we operate. Moreover, we are dependent on the various policies, initiatives and schemes proposed or implemented in India, however, there can be no assurance that such policies, initiatives and schemes will yield the desired results or benefits which we anticipate and rely upon for our growth.

69. Any downturn in the macroeconomic environment in India could adversely affect our business, results of operations, financial condition and cash flows.

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. Therefore, any downturn in the macroeconomic environment in India could adversely affect our business, results of operations, financial condition and cash flows. The Indian economy could be adversely affected by various factors, such as the impact of COVID-19 or other pandemics, epidemics, political and regulatory changes, including adverse changes in the Government's liberalisation policies, social disturbances, religious or communal tensions, terrorist attacks and other acts of violence or war such as ongoing Ukraine-Russia conflict, natural calamities, volatility in interest rates, volatility in commodity and energy prices, a loss of investor confidence in other emerging market economies and any worldwide financial instability. In addition, an increase in India's trade deficit, a downgrading in India's sovereign debt rating or a decline in India's foreign exchange reserves could increase interest rates and adversely affect liquidity, which could adversely affect the Indian economy and thereby adversely affect our business, results of operations, financial condition and cash flows.

70. Financial instability in other countries may cause increased volatility in Indian financial markets.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, United States, United Kingdom, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. Further, economic developments globally can have a significant impact on our principal markets. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. In addition, China is one of India's major trading partners and a strained relationship with India could have an adverse impact on trade relation between the two countries. Sovereign rating downgrades for Brazil and Russia (and the imposition of sanctions on Russia) have added to the growth risks for these markets. These factors may also result in a slowdown in India's export growth. In response to such developments, legislators and financial regulators in the U.S.A and other jurisdictions, including India,

have implemented a number of policy measures designed to add stability to financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have the intended stabilizing effects. Any significant financial disruption could have a material adverse effect on our business, financial condition and results of operation.

These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operations and reduce the price of the Equity Shares.

71. Any downgrading of India's sovereign debt rating by an international rating agency could have a negative impact on our business and results of operations.

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. India's sovereign rating is Baa3 with a "stable" outlook (Moody's), BBB- with a "positive" outlook (S&P) and BBB- with a "stable" outlook (Fitch). India's sovereign rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our Company's control. Any adverse revisions to credit ratings for India and other jurisdictions we operate in by international rating agencies may adversely impact our ability to raise additional financing. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

72. Changing laws, rules or regulations and legal uncertainties in India, including adverse application of taxation laws and regulations, may adversely affect our business, results of operations, financial condition and cash flows.

The regulatory and policy environment in which we operate is evolving and is subject to change. 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. For instance, the Supreme Court of India has in a decision clarified the components of basic wages which need to be considered by companies while making provident fund payments, which resulted in an increase in the provident fund payments to be made by companies. Any such decisions in future or any further changes in interpretation of laws may have an impact on our results of operations.

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.

We cannot predict the impact of any changes in or interpretations of existing, or the promulgation of, new laws, rules and regulations applicable to us and our business. 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, our business, operations or group structure being deemed to be in contravention of such laws and/or may require us to apply for additional approvals. We may incur increased costs and expend resources relating to compliance with such new requirements, which may also require significant management time, and any failure to comply may adversely affect our business, results of operations and prospects. 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 impact the viability of our current business or restrict our ability to grow our business in the future.

73. If inflation were to rise in India, we might not be able to increase the prices of our products at a proportional rate thereby reducing our margins.

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 wages, raw materials and other expenses relevant to

our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or entirely offset any increases in costs with increases in prices for our products. In such case, our business, results of operations, cash flows and financial condition may 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.

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

The Competition Act, 2002, of India, as amended ("**Competition Act**"), regulates practices having an appreciable adverse effect on competition in the relevant market in India ("**AAEC**"). Under the Competition Act, any formal or informal arrangement, understanding, or action in concert, which causes or is likely to cause an AAEC is considered void and may result in the imposition of substantial penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment, or the provision of services or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of customers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (the "**CCI**"). Additionally, on May 11, 2011, the CCI issued Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India.

The Competition (Amendment) Act, 2023 ("**Competition Amendment Act**") was notified on April 11, 2023, which amends the Competition Act and give the CCI additional powers to prevent practices that harm competition and the interests of consumers. The Competition Amendment Act, *inter alia,* modifies the scope of certain factors used to determine AAEC, reduces the overall time limit for the assessment of combinations by the CCI from 210 days to 150 days and empowers the CCI to impose penalties based on the global turnover of entities, for anti-competitive agreements and abuse of dominant position.

The Competition Act aims to, among others, prohibit all agreements and transactions which may have an AAEC in India. Consequently, all agreements entered by us could be within the purview of the Competition Act. Further, the CCI has extraterritorial powers and can investigate any agreements, abusive conduct, or combination occurring outside India if such agreement, conduct, or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered 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, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations, cash flows, and prospects.

75. A third-party could be prevented from acquiring control of us post this Offer, because of anti-takeover provisions under Indian law.

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

76. Investors may not be able to enforce a judgment of a foreign court against us, our Directors, our Key Managerial Personnel, and Senior Managerial Personnel, respectively, except by way of a lawsuit in India.

Our Company is a company incorporated under the laws of India and all of our Directors, Key Managerial Personnel and Senior Managerial Personnel are located in India. Further, all of our Company's assets are also located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if that court was of the view that the amount of damages awarded was excessive or inconsistent with public policy, or if judgments are in breach or contrary to Indian law. In addition, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to execute such a judgment or to repatriate outside India any amounts recovered.

Recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Code of Civil Procedure, 1908. India is not party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with only a limited number of jurisdictions, such as the United Kingdom, United Arab Emirates, Singapore and Hong Kong. In order to be enforceable, a judgment from a jurisdiction with reciprocity must meet certain requirements established in the Code of Civil Procedure, 1908 ("**CPC**"). The CPC only permits the enforcement and execution of monetary decrees in the reciprocating jurisdiction, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India, including the United States, cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be directly enforceable in India. The party in whose favour a final foreign judgment in a non-reciprocating territory is rendered may bring a fresh suit in a competent court in India based on the final judgment within three years of obtaining such final judgment. However, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with the public policy in India. Further, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approval would be acceptable. Such amount may also be subject to income tax in accordance with applicable law.

Risks Relating to the Equity Shares and this Offer

77. The trading volume and market price of the Equity Shares may be volatile following the Offer.

Conditions in the Indian securities market may affect the price or liquidity of the Equity Shares. Further, the market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of key management personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and
- general economic and stock market conditions.

Changes in relation to any of the factors listed above could adversely affect the price of the Equity Shares.

78. Pursuant to listing of the Equity Shares, we may be subject to pre-emptive surveillance measures like Additional Surveillance Measure ("ASM") and Graded Surveillance Measures ("GSM") by the Stock Exchanges 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.

On listing of our Equity Shares, we may be subject to general market conditions which may include significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after listing of our Equity Shares due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any political or economic factors. The occurrence of any of the abovementioned factors may trigger the parameters listed by SEBI and/or the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, concentration of business associates, close to close price variation, market capitalization, variation in volume, delivery percentage and average unique PAN traded over a period of time. In the event our Equity Shares are covered under such pre-emptive surveillance measures implemented by SEBI and/or the Stock Exchanges, we may be subject to certain additional restrictions in relation to trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active market for trading of our Equity Shares.

79. Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.

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

Further, foreign inflows into India have remained extremely volatile responding to concerns about the domestic macroeconomic landscape and changes in the global risk environment. The widening current account deficit has been attributed largely to the surge in gold and oil imports. The Indian Rupee also faces challenges due to the volatile swings in capital flows. Further, there remains a possibility of intervention in the foreign exchange market to control volatility of the exchange rate. The need to intervene may result in a decline in India's foreign exchange reserves and subsequently reduce the amount of liquidity in the domestic financial system. This in turn could cause domestic interest rates to rise. Further, increased volatility in foreign flows may also affect monetary policy decision making. For instance, a period of net capital outflows might force the RBI to keep monetary policy tighter than optimal to guard against any abnormal currency depreciation. Excessive volatility in foreign exchange rates or increase in interest rates could increase our costs and adversely impact our business, cash flows, financial condition and results of operations.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. A securities transaction tax ("**STT**") is levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realized on the sale of listed equity shares held for more than 12 months may be subject to long-term capital gains tax in India at the specified rates depending

on certain factors, such as STT paid, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of our Equity Shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. While non-residents may claim tax treaty benefits in relation to such capital gains income, generally, Indian tax treaties do not limit India's right to impose tax on capital gains arising from the sale of shares of an Indian company.

The Finance Act 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020, had stipulated that the sale, transfer and issue of certain securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act, 2020 also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of certain securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of certain securities, other than debentures, on a delivery basis is currently specified under the Finance Act, 2019 at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. These amendments have come into effect from July 1, 2020. Under the Finance Act, 2020, any dividends paid by an Indian company will be subject to tax in the hands of the shareholders at applicable rates. Such taxes will be withheld by the Indian company paying dividends. Further, the Finance Act, 2020, which removed the requirement for DDT to be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident. The Company may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning Equity Shares.

The Government of India announced the Union Budget for Fiscal 2025 ("**Budget**"), pursuant to which the Finance Bill 2024, which has been introduced in the Lok Sabha, has proposed various amendments. According to the Finance Bill 2024, *inter alia*, capital gains arising from transfer of long-term capital assets and short-term capital assets on or after July 23, 2024 would be taxed at the rate of 12.5% and 20%, respectively. More recently, the Government of India announced the Union Budget for the Fiscal 2026 on February 1, 2025. Following this, the Finance Bill 2025 was enacted by the Parliament of India and received the President's assent on March 29, 2025, becoming the Finance Act, 2025, effective April 1, 2025. We cannot predict whether the amendments made pursuant to the Budget would have an adverse effect on our business, financial condition, future cash flows and results of operations. Unfavourable 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.

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

The determination of the Price Band is based on various factors and assumptions, and will be determined by our Company in consultation with the BRLMs. Furthermore, the Offer Price of the Equity Shares will be determined by our Company in consultation with the BRLMs through the Book Building Process. These will be based on numerous factors, including factors as described under "*Basis for the Offer Price*" on page 160 and may not be indicative of the market price for the Equity Shares after the Offer.

In addition to the above, the current market price of securities listed pursuant to certain previous initial public offerings managed by the BRLMs is below their respective issue price. For further information, see "*Other Regulatory and Statutory Disclosures – Past price information of past issues handled by the BRLMs*" on page 589. The factors that could affect the market price of the Equity Shares include, among others, broad market trends, financial performance and results of our Company post-listing, and other factors beyond our control. We cannot assure you that an active market will develop or sustained trading will take place in the Equity Shares or provide any assurance regarding the price at which the Equity Shares will be traded after listing.

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

We may be required to finance our growth through future equity offerings. Any future equity issuances by us, including a primary offering of Equity Shares including to comply with minimum public shareholding norms applicable to listed companies in India or, convertible securities or securities linked to Equity Shares including through exercise of employee stock options, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our shareholders may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities or securities linked to Equity Shares or that our Shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

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

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain restrictions), if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or falls under any of the exceptions referred to above, then a prior regulatory approval will be required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. Further, this conversion is subject to the shares having been held on a repatriation basis and, either the security having been sold in compliance with the pricing guidelines or, the relevant regulatory approval having been obtained for the sale of shares and corresponding remittance of the sale proceeds. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained with or without any particular terms or conditions.

In addition, pursuant to the Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, which has been incorporated as the proviso to Rule 6(a) of the FEMA Non-debt Rules, all investments under the foreign direct investment route by entities of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of any such country, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy dated October 15, 2020 and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/purview, such subsequent change in the beneficial ownership will also require approval of the GoI. For further information, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 630.

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

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are required to block the Bid amount on submission of the Bid and are not permitted to withdraw or lower their Bids (in terms of quantity of equity shares or the Bid Amount) at any stage after submitting a Bid. Similarly, Retail Individual Bidders can revise or withdraw their Bids at any time during the Bid/Offer Period and until the Bid/ Offer Closing date, but not thereafter. While we are required to complete all necessary formalities for listing and commencement of trading of the Equity Shares on all Stock Exchanges where such Equity Shares are proposed to be listed, including Allotment, within six Working Days from the Bid/ Offer Closing Date or such other period as may be prescribed by the SEBI, events affecting the investors' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operations, cash flows or financial condition may arise between the date of submission of the Bid and Allotment.

85. There is no guarantee that our Equity Shares will be listed on the BSE and NSE in a timely manner or at all. Investors will not be able to sell immediately on an Indian stock exchange any of the Equity Shares they purchase in the Offer.

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or 'demat' accounts with depository participants in India, are expected to be credited within one working day of the date on which the Basis of Allotment is approved by the Stock Exchanges. The trading in the

Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is required to commence within three Working Days of the Bid/ Offer Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

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

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

87. Rights of shareholders of companies under Indian law may be more limited than under the laws of other jurisdictions.

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and wide-spread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder of our Company than as a shareholder of an entity in another jurisdiction.

SECTION III: INTRODUCTION

THE OFFER

The following table summarises the details of the Offer:

Equity Shares offered	
Offer of Equity Shares[(1)]	Up to [●] Equity Shares of face value of ₹ 10 each, aggregating up to ₹[●] lakhs
of which:	
Fresh Issue [(1) (4)]	Up to [●] Equity Shares of face value of ₹ 10 each, aggregating up to ₹ 75,000 lakhs
Offer for Sale [(2)]	Up to 18,00,000 Equity Shares of face value of ₹ 10 each, aggregating up to ₹[●] lakhs
The Offer comprises of:	
A) QIB Portion [(3)(4)(6)]	Not more than [●] Equity Shares of face value of ₹ 10 each
of which:	
a. Anchor Investor Portion	Up to [●] Equity Shares of face value of ₹ 10 each
b. Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	Up to [●] Equity Shares of face value of ₹ 10 each
of which:	
(a) Mutual Fund Portion (5% of the Net QIB Portion) [(5)]	Up to [●] Equity Shares of face value of ₹ 10 each
(b) Balance for all QIBs including Mutual Funds	Up to [●] Equity Shares of face value of ₹ 10 each
B) Non-Institutional Portion [(4)(6)(7)]	Not less than [●] Equity Shares of face value of ₹ 10 each
of which:	
One-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹2,00,000 and up to ₹10,00,000	Up to [●] Equity Shares of face value of ₹ 10 each
Two-third of the Non-Institutional Portion available for allocation to Bidders with an application size of more than ₹10,00,000	Up to [●] Equity Shares of face value of ₹ 10 each
C) Retail Portion [(4)(6)]	Not less than [●] Equity Shares of face value of ₹10 each
Pre and post Offer Equity Shares	
Equity Shares outstanding prior to the Offer as on the date of this Red Herring Prospectus	7,06,31,624 Equity Shares of face value of ₹ 10 each
Equity Shares outstanding after the Offer	[●] Equity Shares of face value of ₹ 10 each
Utilisation of Net Proceeds	See "*Objects of the Offer*" on page 135, for information about the use of proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale

Notes:

(1) The Offer has been authorised by a resolution passed by our Board of Directors in their meeting held on August 3, 2024. Our Shareholders vide a special resolution passed in their AGM held on August 10, 2024, authorised the Fresh Issue.

(2) Each of the Selling Shareholder, have consented to participate in the Offer for Sale pursuant to their respective consent letters and our Board has taken on record such consents of the Selling Shareholders by its resolutions dated August 16, 2024 and September 6, 2025. The details of their respective Offered Shares are as follows:

Sr. No.	Name of the Selling Shareholder	Number of Offered Shares	Date of the consent letter to participate in the Offer for Sale
1.	Dhraksayani Sangamesh Nirani	Up to 9,00,000 Equity Shares of face value of ₹ 10 each	September 6, 2025
2.	Sangamesh Rudrappa Nirani	Up to 9,00,000 Equity Shares of face value of ₹ 10 each	September 6, 2025

Each of the Selling Shareholders have specifically confirmed that their respective portion of the Offered Shares, have been held by each one of them for a period of at least one year prior to the filing of the Draft Red Herring Prospectus with SEBI, and are accordingly eligible for being offered for sale in the Offer as required by the SEBI ICDR Regulations.

(3) Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders

(other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see "Offer Procedure" beginning on page 609.

(4) Subject to valid Bids being received at or above the Offer Price, undersubscription in any portion except the QIB Portion, would be allowed to be met with spill over from any other category, or combination of categories, as applicable, at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange, subject to applicable law. Under-subscription, if any, in the QIB Portion (excluding the Anchor Investor Portion) will not be allowed to be met with spill-over from other categories or a combination of categories of Bidders. In the event of an undersubscription in the Offer, Equity Shares offered pursuant to the Fresh Issue shall be allocated in the Fresh Issue, prior to the Offered Shares. However, after receipt of minimum subscription of 90% of the Fresh Issue, the Offered Shares, shall be allocated prior to the Equity Shares offered pursuant to the balance Fresh Issue. For further details, see "Offer Procedure" on page 609.

(5) Subject to valid Bids being received at, or above, the Offer Price.

(6) Allocation to Bidders in all categories, except Anchor Investors, if any, Non-Institutional Investors and Retail Individual Investors, shall be made on a proportionate basis subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For details, see "Offer Procedure" on page 609. Further, (a) 1/3rd of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹2.00 lakhs and up to ₹10.00 lakhs and (b) 2/3rd of the portion available to Non-Institutional Investors shall be reserved for applicants with application size of more than ₹10.00 lakhs. Provided that the unsubscribed portion in either of the sub-categories specified in clauses (a) or (b), may be allocated to applicants in the other sub-category of Non-Institutional Investors. The allocation to each Non-Institutional Investor shall not be less than the minimum Non-Institutional Investor application size, subject to availability of Equity Shares in the Non-Institutional Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis in accordance with the conditions specified in this regard in Schedule XIII of the SEBI ICDR Regulations.

(7) SEBI through SEBI ICDR Master Circular, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹5,00,000, shall use UPI. Individual investors bidding under the Non-Institutional Portion bidding for more than ₹2,00,000 and up to ₹5,00,000, using the UPI Mechanism, shall provide their UPI ID in the Bid-cum-Application Form for Bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

For details in relation to the terms of the Offer, see "*Terms of the Offer*" on page 597. For details, including in relation to grounds for rejection of Bids, refer to "*Offer Structure*" and "*Offer Procedure*" on pages 605 and 609, respectively.

SUMMARY OF FINANCIAL INFORMATION

The summary financial information presented below should be read in conjunction with the Restated Financial Information, the Proforma Condensed Combined Financial Information and the TBL Unit 1, TBL Unit 2 and TBL Unit 3 Carve-out Financial Statements, respectively, and the respective notes thereto, and "*Financial Information - Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 393 and 526, respectively.

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TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Restated Statement of Assets and Liabilities
(Amount in INR Lakhs, unless otherwise stated)

	Notes	Restated Consolidated 31 March 2025	Restated Consolidated 31 March 2024	Restated Standalone 31 March 2023
ASSETS				
Non-current assets				
Property, plant and equipment	5	1,67,999.78	1,27,635.01	1,14,863.53
Capital work-in-progress	5	277.63	20,125.37	961.88
Goodwill	7	5,159.38	5,159.38	4,786.18
Other intangible assets	7	8,748.57	9,874.10	10,508.23
Right of use assets	6	678.34	-	-
Financial assets				
Other financial assets	13	193.02	-	-
Deferred tax assets (net)	34	-	75.65	-
Other non-current assets	8	13,696.35	13,225.35	8,067.79
Total non-current assets		**1,96,753.07**	**1,76,094.86**	**1,39,187.61**
Current assets				
Inventories	9	21,021.04	15,948.42	15,348.50
Financial assets				
Trade receivables	10	33,926.65	29,821.34	8,654.24
Cash and cash equivalents	11.1	14,977.64	2,335.04	477.91
Bank balances other than cash and cash equivalents	11.2	-	5.00	-
Investments	12	436.08	1,000.02	-
Other financial assets	13	1,617.30	551.07	16,935.86
Government grants	14	9,835.07	5,040.76	-
Income tax assets		179.74	399.15	-
Other current assets	15	24,226.50	10,712.42	4,993.81
Total current assets		**1,06,220.02**	**65,813.22**	**46,410.32**
Total assets		**3,02,973.09**	**2,41,908.08**	**1,85,597.93**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	16	7,063.16	6,107.58	6,107.58
Other equity	17	69,836.74	20,353.08	17,941.89
Equity attributable to parent		**76,899.90**	**26,460.66**	**24,049.47**
Non-controlling interest		-	-	-
Total equity		**76,899.90**	**26,460.66**	**24,049.47**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	18	1,11,715.50	97,958.23	1,07,033.29
Lease liabilities	6	519.70	-	-
Other financial liabilities	19	0.40	0.40	1,120.40
Provisions	20	324.66	198.99	64.62
Other non-current liabilities	21	760.16	613.67	-
Deferred tax liabilities (net)	34	8,002.81	10,528.03	9,076.86
Total non-current liabilities		**1,21,323.23**	**1,09,299.32**	**1,17,295.17**
Current liabilities				
Financial liabilities				
Borrowings	22	43,252.31	70,509.95	7,976.64
Lease liabilities	6	166.46	-	-
Trade payables	23			
i) total outstanding dues of micro enterprises and small enterprises		1,339.11	23.93	138.46
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		47,231.76	15,338.46	30,733.94
Other financial liabilities	24	12,506.94	20,044.01	5,188.10
Other current liabilities	25	228.61	217.04	211.49
Provisions	20	24.77	14.71	4.66
Total current liabilities		**1,04,749.96**	**1,06,148.10**	**44,253.29**
Total liabilities		**2,26,073.19**	**2,15,447.42**	**1,61,548.46**
Total equity and liabilities		**3,02,973.09**	**2,41,908.08**	**1,85,597.93**

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Restated Statement of Profit and Loss
(Amount in INR Lakhs, unless otherwise stated)

	Notes	Restated Consolidated Year ended 31 March 2025	Restated Consolidated Year ended 31 March 2024	Restated Standalone Year ended 31 March 2023
Income				
Revenue from operations	26	1,90,772.40	1,22,340.47	76,238.03
Other income	27	6,080.38	5,678.30	-
Total income		**1,96,852.78**	**1,28,018.77**	**76,238.03**
Expenses				
Cost of materials consumed	28	1,04,157.66	77,150.73	56,733.13
Purchases of stock-in-trade		28,286.34	3,842.00	1,678.05
Changes in inventories of finished goods	29	(5,281.94)	(598.48)	(8,271.14)
Employee benefits expense	30	3,985.76	2,431.58	859.41
Finance costs	31	14,361.10	14,307.61	3,531.06
Depreciation and amortisation expense	32	6,689.37	5,691.79	2,075.08
Other expenses	33	28,710.21	20,706.13	14,733.93
Total expenses		**1,80,908.50**	**1,23,531.36**	**71,339.52**
Restated profit/(loss) before tax		**15,944.28**	**4,487.41**	**4,898.51**
Tax credit/(expense)				
Current tax	34	-	-	-
Deferred tax	34	(1,280.43)	(1,306.62)	(1,352.52)
Total income tax credit/(expense)		**(1,280.43)**	**(1,306.62)**	**(1,352.52)**
Restated profit/(loss) after tax for the year		**14,663.85**	**3,180.79**	**3,545.99**
Restated other comprehensive income/(loss)				
Items that will not be reclassified to profit or loss				
Re-measurement gain/(loss) on defined benefit plans		0.53	(10.93)	-
Income tax effect on the above		(0.13)	2.70	-
Restated other comprehensive income/(loss) for the year		**0.40**	**(8.23)**	-
Restated total comprehensive income/(loss) for the year		**14,664.25**	**3,172.56**	**3,545.99**
Restated profit/(loss) for the year attributable to:				
Equity holders of the parent		14,663.85	3,180.79	3,545.99
Non-controlling interests		-	-	-
Restated other comprehensive income/(loss) attributable to:				
Equity holders of the parent		0.40	(8.23)	-
Non-controlling interests		-	-	-
Restated total comprehensive income/(loss) for the year attributable to:				
Equity holders of the parent		14,664.25	3,172.56	3,545.99
Non-controlling interests		-	-	-
Restated earnings/(loss) per share (Face value of INR 10/- each)				
Basic earnings/(loss) per share (INR)	36	20.94	4.25	7.10
Diluted earnings/(loss) per share (INR)	36	20.94	4.25	7.10

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Restated Statement of Cash flows
(Amount in INR Lakhs, unless otherwise stated)

	Restated Consolidated Year ended 31 March 2025	Restated Consolidated Year ended 31 March 2024	Restated Standalone Year ended 31 March 2023
Cash flow from operating activities			
Restated profit/(loss) before tax	15,944.28	4,487.41	4,898.83
Adjustments for:			
Depreciation and amortisation expense	6,689.37	5,691.79	2,075.15
Finance costs	14,361.10	14,307.61	3,530.65
(Reversal) / Allowances for trade receivables	-	(6.26)	6.26
Amortisation of deferred government grant	(35.76)	-	-
Interest subvention income	(5,902.69)	-	-
Unwinding of discount on security deposits at amortised cost	(6.67)	-	-
Net gain on sale of quoted equity investments measured at FVTPL	(46.53)	-	-
Fair value gain on investments measured at FVTPL	3.96	(0.07)	-
Unrealised forex (gain) /loss	2.65	(7.71)	-
Provision no longer required written back	(1,187.67)	-	-
Operating profit/(loss) before working capital changes	**29,822.04**	**24,472.77**	**10,510.89**
Changes in working capital			
Increase / (Decrease) in trade payables	33,208.48	(17,440.09)	28,756.34
(Increase) in inventories	(5,072.62)	(448.37)	(11,074.38)
Decrease/ (Increase) in trade receivables	(4,107.96)	(21,160.12)	(6,806.55)
(Decrease)/ Increase in other current liabilities	3.29	568.87	83.69
(Decrease)/ Increase in other financial liabilities	(6,191.74)	11,454.66	(10,452.90)
(Increase)/ Decrease in other financial assets	(1,109.67)	16,379.79	(1,750.94)
(Increase) in other assets	(13,985.41)	(10,007.95)	14,064.06
Increase in provisions	137.12	127.30	19.11
Cash generated from operations	**32,703.53**	**3,946.86**	**23,349.32**
Income tax paid (net)	219.41	(399.15)	-
Net cash flows from operating activities (A)	**32,922.94**	**3,547.71**	**23,349.32**
Cash flow from Investing activities			
Cash outflow on acquisition of distillery business	-	-	(87,304.07)
Cash outflow on acquisition of shares of subsidiary (net of cash acquired)	-	(1,686.34)	-
Purchase of property plant and equipment including capital work in progress	(25,960.16)	(35,680.33)	(27,554.10)
Prepayments towards acquition of right of use asset (land)	(10.00)	-	-
Investment in bank deposits	(188.02)	-	-
Sale of investment in shares	137.02	-	-
Purchase of shares	(90.48)	-	-
Investment in mutual funds	559.98	(999.95)	-
Government grants	1,298.61	-	-
Interest received	0.61	-	-
Net cash flow used in investing activities (B)	**(24,252.43)**	**(38,366.62)**	**(1,14,858.17)**
Cash flow from Financing activities			
Proceeds from issuance of equity share capital	-	-	6,101.49
Proceeds from loans (net of transaction cost)	30,000.74	29,912.48	86,352.88
Repayment of loans	(14,525.52)	(8,061.75)	(23.36)
Payment of principal portion of lease liabilities	(53.10)	-	-
Payment of interest portion of lease liabilities	(59.10)	-	-
Increase in current borrowings	2,486.58	25,112.62	-
Finance costs paid	(13,877.51)	(10,287.31)	(450.35)
Net cash flow from financing activities (C)	**3,972.09**	**36,676.04**	**91,980.66**
Net increase in cash and cash equivalents (A+B+C)	**12,642.60**	**1,857.13**	**471.81**
Cash and cash equivalents at the beginning of the year	2,335.04	477.91	6.10
Cash and cash equivalents at the end of the year	**14,977.64**	**2,335.04**	**477.91**
Cash and cash equivalents at the end of the year (Refer note 11.1)			
Cash in hand	0.14	0.06	-
Balances with banks			
On current accounts	3,674.21	2,334.98	477.91
Fixed deposits with original maturity of less than 3 months	11,303.29	-	-
Total cash and bank balances at end of the year	**14,977.64**	**2,335.04**	**477.91**

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Proforma condensed combined Balance Sheet
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Notes	As at 31 March 2023	As at 31 March 2022			As at 31 March 2021
		Restated financial information	Restated financial information	Special purpose Ind AS combined carve-out financial statements	Proforma condensed combined financial information	Special purpose Ind AS combined carve-out financial statements
ASSETS						
Non-current assets						
Property, plant and equipment	4	1,14,863.53	-	49,201.60	49,201.60	32,767.33
Capital work-in-progress	4	961.88	-	15,514.27	15,514.27	1,168.15
Goodwill	5	4,786.18	-	-	-	-
Other intangible assets	5	10,508.23	-	0.07	0.07	0.17
Financial assets						
(i) Other financial assets	6	-	-	12.09	12.09	-
Other non-current assets	7	8,067.79	-	25,821.29	25,821.29	3,867.93
Total non-current assets		**1,39,187.61**	**-**	**90,549.32**	**90,549.32**	**37,803.58**
Current assets						
Inventories	8	15,348.50	-	8,554.07	8,554.07	7,662.55
Financial assets						
(i) Trade receivables	9	8,654.24	-	8,222.07	8,222.07	8,170.25
(ii) Cash and cash equivalents	10	477.91	6.10	2,100.60	2,106.70	6,706.20
(iii) Other financial assets	11	16,935.86	-	3.32	3.32	17.30
Government grant	12	-	-	1,994.50	1,994.50	415.07
Other current assets	13	4,993.81	0.05	5,087.65	5,087.70	388.15
Total current assets		**46,410.32**	**6.15**	**25,962.21**	**25,968.36**	**23,359.52**
Total assets		**1,85,597.93**	**6.15**	**1,16,511.53**	**1,16,517.68**	**61,163.10**
EQUITY AND LIABILITIES						
Equity						
Owner's net investment	14	24,049.47	4.87	10,970.45	10,975.32	7,209.26
Total equity		**24,049.47**	**4.87**	**10,970.45**	**10,975.32**	**7,209.26**
Liabilities						
Non-current liabilities						
Financial liabilities						
(i) Borrowings	15	1,07,033.29	-	63,171.97	63,171.97	31,367.02
(ii) Other financial liabilities	16	1,120.40	-	2.18	2.18	0.03
Provisions	17	64.62	-	51.01	51.01	35.80
Deferred tax liabilities (net)		9,076.86	-	2,872.96	2,872.96	1,786.99
Total non-current liabilities		**1,17,295.17**	**-**	**66,098.12**	**66,098.12**	**33,189.84**
Current liabilities						
Financial liabilities						
(i) Borrowings	18	7,976.64	-	13,939.69	13,939.69	9,090.49
(ii) Trade payables	19	30,872.40	-	13,053.28	13,053.28	7,365.47
(iii) Other financial liabilities	20	5,188.10	1.28	12,182.49	12,183.77	3,336.26
Provisions	17	4.66	-	2.91	2.91	1.93
Current tax liabilities (net)	22	-	-	179.30	179.30	952.77
Other current liabilities	21	211.49	-	85.29	85.29	17.08
Total current liabilities		**44,253.29**	**1.28**	**39,442.96**	**39,444.24**	**20,764.00**
Total liabilities		**1,61,548.46**	**1.28**	**1,05,541.08**	**1,05,542.36**	**53,953.84**
Total equity and liabilities		**1,85,597.93**	**6.15**	**1,16,511.53**	**1,16,517.68**	**61,163.10**

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Proforma condensed combined Statement of Profit and loss
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Notes	For the year ended 31 March 2023			For the year ended 31 March 2022			For the year ended 31 March 2021		
		Restated financial information	Special purpose Ind AS combined carve-out financial statements	Proforma condensed combined financial information	Restated financial information	Special purpose Ind AS combined carve-out financial statements	Proforma condensed combined financial information	Restated financial information	Special purpose Ind AS combined carve-out financial statements	Proforma condensed combined financial information
Revenue										
Revenue from operations	23	76,238.03	39,800.98	1,16,039.01	-	69,557.98	69,557.98	-	52,538.49	52,538.49
Other Income	24	-	33.73	33.73	-	66.42	66.42	-	54.04	54.04
Total income		**76,238.03**	**39,834.71**	**1,16,072.74**	**-**	**69,624.40**	**69,624.40**	**-**	**52,592.53**	**52,592.53**
Expenses										
Cost of material consumed	25	58,411.18	21,016.65	79,427.83	-	43,699.15	43,699.15	-	29,649.34	29,649.34
Changes in inventories of finished goods	26	(8,271.14)	4,898.41	(3,372.73)	-	1,628.04	1,628.04	-	5,691.74	5,691.74
Employee benefits expense	27	859.41	557.04	1,416.45	-	906.25	906.25	-	618.11	618.11
Finance costs	28	3,531.06	2,320.90	5,851.96	-	4,141.47	4,141.47	-	2,765.99	2,765.99
Depreciation and amortization expense	29	2,075.08	878.06	2,953.14	-	1,775.78	1,775.78	-	647.17	647.17
Other expenses	30	14,733.93	8,353.33	23,087.26	1.23	12,446.76	12,447.99	-	6,605.69	6,605.69
Total expenses		**71,339.52**	**38,024.39**	**1,09,363.91**	**1.23**	**64,597.45**	**64,598.68**	**-**	**45,978.04**	**45,978.04**
Profit/(Loss) before tax		**4,898.51**	**1,810.32**	**6,708.83**	**(1.23)**	**5,026.95**	**5,025.72**	**-**	**6,614.49**	**6,614.49**
Tax expense										
Current tax		-	(103.17)	(103.17)	-	(179.30)	(179.30)	-	(952.77)	(952.77)
Deferred tax		(1,352.52)	(352.45)	(1,704.97)	-	(1,086.01)	(1,086.01)	-	(712.03)	(712.03)
Total income tax expense		**(1,352.52)**	**(455.62)**	**(1,808.14)**	**-**	**(1,265.31)**	**(1,265.31)**	**-**	**(1,664.80)**	**(1,664.80)**
Profit/(Loss) for the period/year		**3,545.99**	**1,354.70**	**4,900.69**	**(1.23)**	**3,761.64**	**3,760.41**	**-**	**4,949.69**	**4,949.69**
Other comprehensive income/(loss)										
Items that will not be reclassified to profit or loss										
Re-measurement gains/ (losses) on defined benefit plans		-	-	-	-	(0.60)	(0.60)	-	-	-
Income tax effect		-	-	-	-	0.15	0.15	-	-	-
		-	**-**	**-**	**-**	**(0.45)**	**(0.45)**	**-**	**-**	**-**
Other comprehensive income for the period/year, net of tax		**-**	**-**	**-**	**-**	**(0.45)**	**(0.45)**	**-**	**-**	**-**
Total comprehensive income for the period/year		**3,545.99**	**1,354.70**	**4,900.69**	**(1.23)**	**3,761.19**	**3,759.96**	**-**	**4,949.69**	**4,949.69**
Earnings / (Loss) per share										

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Proforma condensed combined Statement of Cash Flows
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022			Year ended 31 March 2021
	Proforma condensed combined financial	Restated financial information	Special purpose Ind AS combined carve-out financial statements	Proforma condensed combined financial	Special purpose Ind AS combined carve-out financial statements
Cash flow from Operating activities					
Profit before tax	6,708.83	(1.23)	5,026.95	5,025.72	6,614.49
Adjustments for:					
Depreciation and amortization expenses	2,953.14	-	1,775.78	1,775.78	647.17
Finance cost	5,851.96	-	4,141.47	4,141.47	2,765.99
Interest on fixed deposits	(31.73)	-	(64.42)	(64.42)	(50.55)
Rental income	(2.00)	-	(2.00)	(2.00)	(3.49)
Allowances for trade receivable	6.26	-	-	-	-
Provision for gratuity and leave encashment	19.11	-	16.19	16.19	-
Operating profit before working capital changes	**15,505.57**	**(1.23)**	**10,893.97**	**10,892.74**	**9,973.61**
Changes in working capital					
Increase / (Decrease) in trade payables	17,819.12	-	5,687.81	5,687.81	853.02
(Increase) / Decrease in inventories	(6,794.42)	-	(891.52)	(891.52)	5,816.70
(Increase) / Decrease in trade receivables	(438.43)		(51.82)	(51.82)	(2,944.20)
Increase / (Decrease) in other current liabilities	126.20	-	68.21	68.21	(1,034.19)
Increase / (Decrease) in other financial liabilities	(6,047.12)	1.26	8,040.88	8,042.14	(15,103.62)
(Increase) / Decrease in other financial assets	(14,925.95)	(0.03)	(1,591.49)	(1,591.52)	(359.04)
(Increase) / Decrease in other current assets	(85.41)	-	(4,699.56)	(4,699.56)	(299.06)
Cash generated from/(used in) operations	**5,159.56**	**-**	**17,456.48**	**17,456.48**	**(3,096.78)**
Income tax paid	-	-	-	-	-
Net cash flows from/(used in) Operating activities (A)	**5,159.56**	**-**	**17,456.48**	**17,456.48**	**(3,096.78)**
Cash flow from Investing activities					
Cash outflow on acquisition of distillery business					
Purchase of property plant and equipment including CWIP (net)	(48,820.12)	-	(54,509.77)	(54,509.77)	(5,536.79)
Movement in bank deposits (net)	1,404.20	-	(610.08)	(610.08)	(380.15)
Interest on fixed deposits	31.73	-	64.42	64.42	50.55
Rental income	2.00	-	2.00	2.00	3.49
Net cash flow used in Investing activities (B)	**(47,382.19)**	**-**	**(55,053.43)**	**(55,053.43)**	**(5,862.90)**
Cash flow from Financing activities					
Movement of Owner's Net Investment	9,785.82	6.10	(0.10)	6.00	(0.27)
Proceeds from loans (net)	36,503.03	-	36,654.15	36,654.15	16,614.51
Interest paid	(4,290.81)	-	(4,286.75)	(4,286.75)	(2,765.99)
Net cash flow from Financing activities (C)	**41,998.04**	**6.10**	**32,367.30**	**32,373.40**	**13,848.25**
Net increase in cash and cash equivalents (A+B+C)	(224.59)	6.10	(5,229.65)	(5,223.55)	4,888.57
Cash and cash equivalents at the beginning of the year	702.50	-	5,926.05	5,926.05	1,037.48
Cash and cash equivalents at the end of the year	**477.91**	**6.10**	**696.40**	**702.50**	**5,926.05**

The above statement of cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

Cash and cash equivalents comprise (Refer note 10 (a))					
Balances with banks					
On current accounts	477.91	6.10	696.40	702.50	5,926.05
Total cash and bank balances at end of the year	**477.91**	**6.10**	**696.40**	**702.50**	**5,926.05**

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Special purpose Ind AS combined carve-out Balance Sheet
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Notes	As at 31 March 2021
ASSETS		
Non-current assets		
Property, plant and equipment	4	32,767.33
Capital work-in-progress	4	1,168.15
Other intangible assets	5	0.17
Financial assets		
(i) Other financial assets	6	-
Other non-current assets	7	3,867.93
Total non-current assets		**37,803.58**
Current assets		
Inventories	8	7,662.55
Financial assets		
(i) Trade receivables	9	8,170.25
(ii) Cash and cash equivalents	10	6,706.20
(iii) Other financial assets	11	17.30
Government grant	12	415.07
Other current assets	13	388.15
Total current assets		**23,359.52**
Total assets		**61,163.10**
EQUITY AND LIABILITIES		
Equity		
Owner's net investment	14	7,209.26
Total equity		**7,209.26**
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	15	31,367.02
(ii) Other financial liabilities	16	0.03
Provisions	17	35.80
Deferred tax liabilities (net)		1,786.99
Total non-current liabilities		**33,189.84**
Current liabilities		
Financial liabilities		
(i) Borrowings	18	9,090.49
(ii) Trade payables	19	7,365.47
(iii) Other financial liabilities	20	3,336.26
Provisions	17	1.93
Current tax liabilities (net)	22	952.77
Other current liabilities	21	17.08
Total current liabilities		**20,764.00**
Total liabilities		**53,953.84**
Total equity and liabilities		**61,163.10**

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Special purpose Ind AS combined carve-out Statement of Profit and Loss
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Notes	For the year ended 31 March 2021
Revenue		
Revenue from operations	23	52,538.49
Other Income	24	54.04
Total income		**52,592.53**
Expenses		
Cost of material consumed	25	29,649.34
Changes in inventories of finished goods	26	5,691.74
Employee benefits expense	27	618.11
Finance costs	28	2,765.99
Depreciation and amortization expense	29	647.17
Other expenses	30	6,605.69
Total expenses		**45,978.04**
Profit before tax		**6,614.49**
Tax expense		
Current tax		(952.77)
Deferred tax		(712.03)
Total income tax expense		**(1,664.80)**
Profit for the year		**4,949.69**
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Re-measurement gains/ (losses) on defined benefit plans		-
Income tax effect		-
		-
Other comprehensive income for the year, net of tax		**-**
Total comprehensive income for the year		**4,949.69**

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Special purpose Ind AS combined carve-out Statement of Cash Flows
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Year ended 31 March 2021
Cash flow from Operating activities	
Profit before tax	6,614.49
Adjustments for:	
Depreciation and amortization expenses	647.17
Finance cost	2,765.99
Interest on fixed deposits	(50.55)
Rental income	(3.49)
Operating profit before working capital changes	**9,973.61**
Changes in working capital	
Increase in trade payables	853.02
Decrease in inventories	5,816.70
Increase in trade receivables	(2,944.20)
Decrease in other current liabilities	(1,034.19)
Decrease in other financial liabilities	(15,103.62)
Increase in other financial assets	(359.04)
Increase in other current assets	(299.06)
Cash generated used in operations	**(3,096.78)**
Income tax paid	-
Net cash flows used in Operating activities (A)	**(3,096.78)**
Cash flow from Investing activities	
Purchase of property plant and equipment including CWIP (net)	(5,536.79)
Movement in bank deposits (net)	(380.15)
Interest on fixed deposits	50.55
Rental income	3.49
Net cash flow used in Investing activities (B)	**(5,862.90)**
Cash flow from Financing activities	
Movement of Owner's Net Investment	(0.27)
Proceeds from loans (net)	16,614.51
Interest paid	(2,765.99)
Net cash flow from Financing activities (C)	**13,848.25**
Net increase in cash and cash equivalents (A+B+C)	4,888.57
Cash and cash equivalents at the beginning of the year	1,037.48
Cash and cash equivalents at the end of the year	**5,926.05**

1. The above statement of cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

Cash and cash equivalents comprise (Refer note 10 (a))	
Balances with banks	
On current accounts	5,926.05
Total cash and bank balances at end of the year	**5,926.05**

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Special purpose Ind AS combined carve-out Balance Sheet
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Notes	As at 31 March 2022
ASSETS		
Non-current assets		
Property, plant and equipment	4	49,201.60
Capital work-in-progress	4	15,514.27
Other intangible assets	5	0.07
Financial assets		
(i) Other financial assets	6	12.09
Other non-current assets	7	25,821.29
Total non-current assets		**90,549.32**
Current assets		
Inventories	8	8,554.07
Financial assets		
(i) Trade receivables	9	8,222.07
(ii) Cash and cash equivalents	10	2,100.60
(iii) Other financial assets	11	3.32
Government grant	12	1,994.50
Other current assets	13	5,087.65
Total current assets		**25,962.21**
Total assets		**1,16,511.53**
EQUITY AND LIABILITIES		
Equity		
Owner's net investment	14	10,970.45
Total equity		**10,970.45**
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	15	63,171.97
(ii) Other financial liabilities	16	2.18
Provisions	17	51.01
Deferred tax liabilities (net)		2,872.96
Total non-current liabilities		**66,098.12**
Current liabilities		
Financial liabilities		
(i) Borrowings	18	13,939.69
(ii) Trade payables	19	13,053.28
(iii) Other financial liabilities	20	12,182.49
Provisions	17	2.91
Current tax liabilities (net)	22	179.30
Other current liabilities	21	85.29
Total current liabilities		**39,442.96**
Total liabilities		**1,05,541.08**
Total equity and liabilities		**1,16,511.53**

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Special purpose Ind AS combined carve-out Statement of Profit and Loss
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Notes	For the year ended 31 March 2022
Revenue		
Revenue from operations	23	69,557.98
Other Income	24	66.42
Total income		**69,624.40**
Expenses		
Cost of material consumed	25	43,699.15
Changes in inventories of finished goods	26	1,628.04
Employee benefits expense	27	906.25
Finance costs	28	4,141.47
Depreciation and amortization expense	29	1,775.78
Other expenses	30	12,446.76
Total expenses		**64,597.45**
Profit before tax		**5,026.95**
Tax expense		
Current tax		(179.30)
Deferred tax		(1,086.01)
Total income tax expense		**(1,265.31)**
Profit for the year		**3,761.64**
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Re-measurement gains/ (losses) on defined benefit plans		(0.60)
Income tax effect		0.15
		(0.45)
Other comprehensive income for the year, net of tax		**(0.45)**
Total comprehensive income for the year		**3,761.19**

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Special purpose Ind AS combined carve-out Statement of Cash Flows
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Year ended 31 March 2022
Cash flow from Operating activities	
Profit before tax	5,026.95
Adjustments for:	
Depreciation and amortization expenses	1,775.78
Finance cost	4,141.47
Interest on fixed deposits	(64.42)
Rental income	(2.00)
Provision for gratuity and leave encashment	16.19
Operating profit before working capital changes	**10,893.97**
Changes in working capital	
Increase in trade payables	5,687.81
Increase in inventories	(891.52)
Increase in trade receivables	(51.82)
Increase in other current liabilities	68.21
Increase in other financial liabilities	8,040.88
Increase in other financial assets	(1,591.49)
Increase in other current assets	(4,699.56)
Cash generated from operations	**17,456.48**
Income tax paid	-
Net cash flows from Operating activities (A)	**17,456.48**
Cash flow from Investing activities	
Purchase of property plant and equipment including CWIP (net)	(54,509.77)
Movement in bank deposits (net)	(610.08)
Interest on fixed deposits	64.42
Rental income	2.00
Net cash flow used in Investing activities (B)	**(55,053.43)**
Cash flow from Financing activities	
Movement of Owner's Net Investment	(0.10)
Proceeds from loans (net)	36,654.15
Interest paid	(4,286.75)
Net cash flow from Financing activities (C)	**32,367.30**
Net increase in cash and cash equivalents (A+B+C)	(5,229.65)
Cash and cash equivalents at the beginning of the year	5,926.05
Cash and cash equivalents at the end of the year	**696.40**

1. The above statement of cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

Cash and cash equivalents comprise (Refer note 10 (a))	
Balances with banks	
On current accounts	696.40
Total cash and bank balances at end of the year	**696.40**

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Special purpose Ind AS combined carve-out Balance Sheet
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Notes	As at 30 September 2022
ASSETS		
Non-current assets		
Property, plant and equipment	4	47,944.38
Capital work-in-progress	4	20,645.81
Other intangible assets	5	0.07
Financial assets		
(i) Other financial assets	6	-
Other non-current assets	7	36,602.10
Total non-current assets		**1,05,192.36**
Current assets		
Inventories	8	4,274.06
Financial assets		
(i) Trade receivables	9	1,853.95
(ii) Cash and cash equivalents	10	1,809.76
(iii) Other financial assets	11	14.09
Government grant	12	3,791.89
Other current assets	13	1,742.09
Total current assets		**13,485.84**
Total assets		**1,18,678.20**
EQUITY AND LIABILITIES		
Equity		
Owner's net investment	14	1,03,324.19
Total equity		**1,03,324.19**
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	15	-
(ii) Other financial liabilities	16	2.15
Provisions	17	47.05
Deferred tax liabilities (net)		-
Total non-current liabilities		**49.20**
Current liabilities		
Financial liabilities		
(i) Borrowings	18	-
(ii) Trade payables	19	12,661.29
(iii) Other financial liabilities	20	2,632.49
Provisions	17	3.11
Current tax liabilities (net)	22	-
Other current liabilities	21	7.92
Total current liabilities		**15,304.81**
Total liabilities		**15,354.01**
Total equity and liabilities		**1,18,678.20**

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Special purpose Ind AS combined carve-out Statement of Profit and Loss
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Notes	For the period ended 30 September 2022
Revenue		
Revenue from operations	23	39,800.98
Other Income	24	33.73
Total income		**39,834.71**
Expenses		
Cost of material consumed	25	22,241.30
Changes in inventories of finished goods	26	3,673.76
Employee benefits expense	27	557.04
Finance costs	28	2,320.90
Depreciation and amortization expense	29	878.06
Other expenses	30	8,353.33
Total expenses		**38,024.39**
Profit before tax		**1,810.32**
Tax expense		
Current tax		(103.17)
Deferred tax		(352.45)
Total income tax expense		**(455.62)**
Profit for the period		**1,354.70**
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Re-measurement gains/ (losses) on defined benefit plans		-
Income tax effect		-
		-
Other comprehensive income for the period, net of tax		**-**
Total comprehensive income for the period		**1,354.70**

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Special purpose Ind AS combined carve-out Statement of Cash Flows
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Period ended 30 September 2022
Cash flow from Operating activities	
Profit before tax	1,810.32
Adjustments for:	
Depreciation and amortization expenses	878.06
Finance cost	2,320.90
Interest on fixed deposits	(31.73)
Rental income	(2.00)
Operating profit before working capital changes	**4,975.55**
Changes in working capital	
Decrease in trade payables	(391.99)
Decrease in inventories	4,267.80
Decrease in trade receivables	6,368.13
Decrease in other current liabilities	(77.38)
Decrease in other financial liabilities	(9,595.73)
Increase in other financial assets	(1,796.07)
Decrease in other current assets	3,166.26
Cash generated from operations	**6,916.57**
Income tax paid	-
Net cash flows from Operating activities (A)	**6,916.57**
Cash flow from Investing activities	
Purchase of property plant and equipment including CWIP (net)	(15,533.77)
Movement in bank deposits (net)	714.44
Interest on fixed deposits	31.73
Rental income	2.00
Net cash flow used in Investing activities (B)	**(14,785.60)**
Cash flow from Financing activities	
Movement of Owner's Net Investment	87,670.93
Movement in loans (net)	(77,111.66)
Interest paid	(2,266.64)
Net cash flow from Financing activities (C)	**8,292.63**
Net increase in cash and cash equivalents (A+B+C)	423.60
Cash and cash equivalents at the beginning of the year	696.40
Cash and cash equivalents at the end of the period	**1,120.00**

1. The above statement of cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

Cash and cash equivalents comprise (Refer note 10 (a))	
Balances with banks	
On current accounts	1,120.00
Total cash and bank balances at end of the period	**1,120.00**

GENERAL INFORMATION

Our Company was originally incorporated as "*TruAlt Energy Limited*", as a public limited company under the Companies Act, 2013, pursuant to a certificate of incorporation dated on March 31, 2021, by the Registrar of Companies, Karnataka at Bangalore ("**RoC**"). The name of our Company was subsequently changed to "*TruAlt Bioenergy Limited*", pursuant to a special resolution passed in the extra-ordinary general meeting of the Shareholders held on June 1, 2022, pursuant to which a fresh certificate of incorporation consequent upon change of name was issued by the RoC on July 1, 2022.

Registered Office of our Company

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

TruAlt Bioenergy Limited
Survey No. 166, Kulali Cross
Jamkhandi Mudhol Road
Bagalkot – 587313
Karnataka, India

There has been no change in the registered office of our Company since the date of incorporation.

Corporate Office of our Company

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

TruAlt Bioenergy Limited
No S-904/A, 9th Floor, World Trade Center
Brigade Gateway Campus, No. 26/1
Malleswaram West
Bangalore – 560055
Karnataka, India

Company Registration Number and Corporate Identity Number

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

a. **Registration number**: 145978

b. **Corporate identity number**: U15400KA2021PLC145978

The Registrar of Companies

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

'E' Wing, 2nd Floor
Kendriya Sadana
Kormangala – 560034
Bangalore
Karnataka, India

Board of Directors

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

Name	Designation	DIN	Address
Yagati Badarinarayana Ramakrishna	Chairman and Non-Executive Independent Director	10426269	A3, 46, Krishna Apartment, 18th cross, Malleswaram, Bengaluru – 560055, Karnataka, India

Name	Designation	DIN	Address
Vijaykumar Murugesh Nirani	Managing Director	07413777	Nirani Sugars Limited, Mudhol Bagalkot – 587313, Karnataka, India
Vishal Nirani	Executive Director	08434032	Ward no. 5, Vijay Nagar, Kulali Cross, Mudhol, 587313, Karnataka, India
Anand Murugan Jakkampati Durairaj	Executive Director	10411449	5/3, White House 2nd street, N.R.T main Road, Theni, Allinagaram, 625531, Tamil Nadu, India
Sushmitha Vijaykumar Nirani	Non-Executive Director	08356858	Vijay Vishal Palace, #166 Kulali Cross, Jamkhandi Road, Mudhol, Bagalkot – 587313, Karnataka, India
Mallikarjun Bhimappa Dyaberi	Non-Executive Independent Director	02474471	C/o. 263, Parvati, Hig Colony, RMV Club House, RMV 2nd Stage, Bangalore North, Bengaluru – 560094, Karnataka, India
Kanekal Chandrasekhar	Non-Executive Independent Director	06861358	#6, Shree, 9th Cross, Besides Reliance Fresh, Bhuvaneshwari Nagar, Hebbal Kempapura, Bengaluru – 560024, Karnataka, India

For further details of our Board of Directors, see "*Our Management"* on page 352.

Company Secretary and Compliance Officer

Deepak Kumar Gulati is our Company Secretary and Compliance Officer. His contact details are as set forth below:

Address: No S-904/A, 9th Floor, World Trade Center, Brigade Gateway Campus, No. 26/1, Malleswaram West, Bengaluru – 560055, Karnataka, India
Telephone: +91 90360 37814
E-mail: cs@trualtbioenergy.com

Book Running Lead Managers

DAM Capital Advisors Limited
Altimus 2202, Level 22
Pandurang Budhkar Marg
Worli, Mumbai 400 018
Maharashtra, India
Tel: +91 22 4202 2500
E-mail: trualt.ipo@damcapital.in
Investor Grievance ID: complaint@damcapital.in
Website: www.damcapital.in
Contact Person: Chandresh Sharma / Puneet Agnihotri
SEBI Registration No.: MB/INM000011336

SBI Capital Markets Limited
1501, 15th Floor
A & B Wing, Parinee Crescenzo Building
G Block, Bandra Kurla Complex, Bandra East
Mumbai 400 051
Maharashtra, India
Tel: +91 22 4006 9807
E-mail: trualt.ipo@sbicaps.com
Investor Grievance ID: investor.relations@sbicaps.com
Website: www.sbicaps.com
Contact Person: Raghavendra Bhat / Aditya Deshpande
SEBI Registration No.: INM000003531

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

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

S. No.	Activity	Responsibility	Coordinator
1	Capital structuring with the relative components and formalities such as type of instruments, size of the Offer, allocation between primary and secondary, etc. and due diligence of our Company including its operations/management/business plans/legal etc. Drafting and design of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, abridged prospectus and application form. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, the RoC and the SEBI including finalisation of Prospectus and RoC filing	DAM Capital, SBICAPS	DAM Capital

S. No.	Activity	Responsibility	Coordinator
2	Drafting and approval of statutory advertisements	DAM Capital, SBICAPS	DAM Capital
3	Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, etc. and filing of media compliance report	DAM Capital, SBICAPS	SBICAPS
4	Appointment of intermediaries - Registrar to the Offer, Printer and advertising agency (including coordination of all agreements)	DAM Capital, SBICAPS	DAM Capital
5	Appointment of other intermediaries – Monitoring agency, Banker(s) to the Offer, Sponsor Bank, Anchor Escrow Bank, Share Escrow Agent, etc (including coordination of all agreements)	DAM Capital, SBICAPS	SBICAPS
6	Preparation of road show presentation and frequently asked questions for the roadshow team	DAM Capital, SBICAPS	SBICAPS
7	International institutional marketing of the Offer, which will cover, *inter alia*: · Institutional marketing strategy; · Finalizing the list and division of investors for one-to-one meetings; and · Finalizing international road shows and investor meeting schedule	DAM Capital, SBICAPS	SBICAPS
8	Domestic institutional marketing of the Offer, which will cover, *inter alia*: · Institutional Marketing strategy; · Finalizing the list and division of investors for one-to-one meetings; and · Finalizing road show and investor meeting schedule	DAM Capital, SBICAPS	DAM Capital
9	Retail marketing of the Offer, which will cover, *inter alia*: · Finalising media, marketing, public relations strategy and publicity budget, frequently asked questions at retail roadshows · Finalising brokerage, collection centres · Finalising centres for holding conferences for brokers etc. · Follow-up on distribution of publicity and Offer material · Including form, RHP/ Prospectus and deciding on the quantum of the Offer material	DAM Capital, SBICAPS	SBICAPS
10	Non-institutional marketing of the Offer, which will cover, *inter alia*: · Finalising media, marketing, public relations strategy and publicity budget · Formulating strategies for marketing to Non – Institutional Investors	DAM Capital, SBICAPS	DAM Capital
11	Coordination with Stock Exchanges for Anchor coordination, Anchor CAN and intimation of anchor allocation, book building software, bidding terminals and mock trading	DAM Capital, SBICAPS	SBICAPS
12	Managing the book and finalization of pricing in consultation with the Company	DAM Capital, SBICAPS	DAM Capital
13	Management of escrow accounts, coordination with Registrar, SCSBs and Banks, intimation of allocation and dispatch of refund to Bidders, etc and finalization of Basis of Allotment advertisement. Post-Offer activities, which shall involve essential follow-up steps including, finalisation of the basis of allotment or weeding out of multiple applications, unblocking of application monies, listing of instruments, dispatch of certificates or demat credit and refunds, payment of applicable Securities Transaction Tax on behalf of the Selling Shareholders and coordination with various agencies connected with the post-Offer activity such as Registrar to the Offer, Banker(s) to the Offer, Sponsor Bank(s), SCSBs including responsibility for underwriting arrangements, as applicable. Coordinating with Stock Exchanges and SEBI for submission of all post-Offer reports including the initial and final post-Offer report to SEBI.	DAM Capital, SBICAPS	SBICAPS

Legal counsel to our Company as to Indian Law

Khaitan & Co
Embassy Quest
3rd Floor, 45/1 Magrath Road

Bengaluru – 560 025
Karnataka, India
Tel: +91 80 4339 7000

Registrar to the Offer

Bigshare Services Private Limited
S6-2 Pinnacle Business Park
Mahakali Caves Road
Next to Ahura Centre, Andheri (East)
Mumbai – 400 093
Maharashtra, India
Tel: +91 22 62638200
E-mail: ipo@bigshareonline.com
Website: www.bigshareonline.com
Investor grievance E-mail: investor@bigshareonline.com
Contact Person: Jibu John
SEBI Registration No.: INR000001385

Bankers to the Offer

Escrow Collection Bank and Refund Bank:

ICICI Bank Limited
Capital Market Division
5th Floor
HT Parekh Marg
Backbay Reclamation
Churchgate, Mumbai – 400 020
Tel: +91 22 66818911/923/924
E-mail: ipocmg@icicibank.com
Website: http://www.icicibank.com/
Contact Person: Varun Badai
SEBI Registration Number: INBI00000004
CIN: L65190GJ1994PLC021012

Public Offer Account Bank:

Kotak Mahindra Bank Limited
Intellion Square
501, 5th Floor
A Wing, Infinity IT Park
Gen. A.K. Vaidya Marg
Malad East, Mumbai - 400097
Maharashtra, India
Tel: +91 22 6941 0636
Email: cmsipo@kotak.com
Website: https://www.kotak.com/en/home.html
Contact Person: Siddhesh Shirodkar
SEBI Registration Number: INBI00000927
CIN: L65110MH1985PLC038137

Sponsor Banks:

ICICI Bank Limited
Capital Market Division
5th Floor
HT Parekh Marg
Backbay Reclamation
Churchgate, Mumbai – 400 020

Tel: +91 22 66818911/923/924
E-mail: ipocmg@icicibank.com
Website: http://www.icicibank.com/
Contact Person: Varun Badai
SEBI Registration Number: INBI00000004
CIN: L65190GJ1994PLC021012

Kotak Mahindra Bank Limited
Intellion Square
501, 5th Floor
A Wing, Infinity IT Park
Gen. A.K. Vaidya Marg
Malad East, Mumbai - 400097
Maharashtra, India
Tel: +91 22 6941 0636
Email: cmsipo@kotak.com
Website: https://www.kotak.com/en/home.html
Contact Person: Siddhesh Shirodkar
SEBI Registration Number: INBI00000927
CIN: L65110MH1985PLC038137

Syndicate Members

Sharekhan Limited
1st Floor, Tower No.3, Equinox Business Park,
LBS Marg, Off BKC,
Kurla (West), Mumbai 400 070,
Maharashtra, India
Tel: +91 22 6750 2000
Email: pravin@sharekhan.com
Website: www.sharekhan.com
Contact Person: Pravin Darji
SEBI Registration Number: IBN231073330/ INB011073351
CIN: U99999MH1995PLC087498

SBICAP Securities Limited
Marathon Futurex,
B-Wing, Unit no 1201,
12th Floor, N M Joshi Marg,
Lower Parel East, Mumbai – 400 013
Maharashtra, India
Tel: +91 22 6931 6411
Email: archana.dedhia@sbicapsec.com
Website: www.sbisecurities.in
Contact Person: Archana Dedhia
SEBI Registration Number: INZ000200032
CIN: U65999MH2005PLC155485

Investec Capital Services (India) Private Limited
11th floor, B Wing, Parinee Crescenzo,
E, G Block BKC,
Bandra Kurla Complex,
Bandra East
Mumbai – 400 051,
Maharashtra, India
Tel: +91 22 6849 74000

Email: kunal.naik@investec.co.in
Website: https://www.investec.com/en_in.html
Contact Person: Kunal Naik
SEBI Registration Number: INZ000007138
CIN: U65923MH2010FTC204309

Designated Intermediaries

Self-Certified Syndicate Banks

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

SCSBs and mobile applications enabled for UPI Mechanism

In accordance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, read with other UPI Circulars, UPI Investors may only apply through the SCSBs and mobile applications whose names appear on the website of the SEBI which may be updated from time to time. A list of SCSBs and mobile applications, using the UPI handles and which are live for applying in public issues using UPI mechanism is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40, and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43, respectively, as updated from time to time and at such other websites as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

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

Registered Brokers

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

Registrar and Share Transfer Agents

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

Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as their name and contact details, is provided on the websites of the Stock Exchanges at

www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx? and www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

Experts

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

Our Company has received the written consent dated September 19, 2025 from N.M. Raiji & Co., to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus and as an "Expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated May 13, 2025 on our Restated Financial Information; (ii) proforma financial statements; (iii) their report dated September 6, 2025 on the statement of special tax benefits available to the Company and its shareholders, in this Red Herring Prospectus; and (iv) in respect of the certificates issued by them and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent dated September 6, 2025 from Anudeep Krishna B, as chartered engineer to include his name in this Red Herring Prospectus and as an "expert" as defined under the Companies Act, 2013 in respect of his certificate dated September 6, 2025 on our Company's manufacturing capacity and its utilization at certain manufacturing facilities, and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent dated September 5, 2025 from ITCOT Limited, detailed project report agency, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of Companies Act, 2013 in respect of the ITCOT DPR issued by them in their capacity as a detailed project report agency to our Company.

However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning as defined under the U.S. Securities Act.

Statutory Auditors to our Company

N.M. RAIJI & CO.
Address: 4401, High Point-4, 45/1, Palace Road, Bengaluru – 560001, Karnataka, India
E-mail: nmr.ho@nmraiji.com
Tel.: 080-22289918 / 22260674
Firm registration number: 108296W
Peer review number: 018900
Peer registration valid up to: January 31, 2028

Changes in Statutory Auditors

Except as disclosed below, there has been no change in our statutory auditors in the three years preceding the date of this Red Herring Prospectus:

Particulars	Date of change	Reason for change
M/s. YCRJ & Associates, Chartered Accountants No. 236, "Pushpagiri Bhavana", 3rd Floor, 'F' Block, 14th Main, Sahakaranagar, Bengaluru – 560092 **Tel.:** 94480 79727 **Email:** ycrjca@gmail.com **Firm Registration Number:** 006927S **Peer review number:** 015732	June 17, 2023	Resignation due to personal reasons.
M S K A & Associates 601, Floor 6, Raheja Titanium, Western Express Highway, Geetanjali Railway Colony, Ram Nagar, Goregaon (E)	July 5, 2023	Appointment to fill in the vacancy caused due to the resignation of M/s. YCRJ & Associates.

Particulars	Date of change	Reason for change
Mumbai 400063, India **E-mail**: amitkagarwal@mska.in **Tel.**: 040 68142999 **Firm registration number**: 105047W **Peer review number**: 013267		
M S K A & Associates 601, Floor 6, Raheja Titanium, Western Express Highway, Geetanjali Railway Colony, Ram Nagar, Goregaon (E) Mumbai 400063, India **E-mail**: amitkagarwal@mska.in **Tel.**: 040 68142999 **Firm registration number**: 105047W **Peer review number**: 013267	September 17, 2023	Resignation due to inability to complete the audit within the stipulated timeline and significant delay in providing material audit information by the Company.
N. M. Raiji & Co. 4401, High Point-4, 45/1, Palace Road, Bengaluru – 560001, Karnataka, India **Tel.:** 080-22289918/ 22260674 **Email:** nmr.ho@nmraiji.com **Firm Registration Number:** 108296W **Peer review number:** 018900	September 25, 2023	Appointment to fill in the vacancy caused due to the resignation of M S K A & Associates

Investor grievances

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

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

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

Lenders to our Company

State Bank of India
SME Belgaum Branch Code (4160)
Khanapur Road, Belgaum District
Karnataka - 590006
Tel: 0831-2427885/2427446/2403390
Contact Person: Awanish Rupak – Assistant General Manager
Website: www.sbi.co.in
E-mail: sbi.04160@sbi.co.in

Indian Renewable Energy Development Agency Limited (IREDA)

India Habitat Centre, East Court
Core-4A, 1st Floor, Lodhi Road
New Delhi – 110003
Tel: +91 1124682206-19
Contact Person: Pradip Kumar Das-Chairman and Managing Director
Website: www.ireda.in
E-mail: cmd@ireda.in

Grading of the Offer

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

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency. Accordingly, no appraising entity is appointed for the Offer. For further information, see "*Risk Factors – Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control."* on page 55.

Monitoring Agency

In terms of Regulation 41 of the SEBI ICDR Regulations, our Company has appointed CRISIL Ratings Limited, as the Monitoring Agency for monitoring the utilization of the Gross Proceeds from the Fresh Issue prior to the filing of this Red Herring Prospectus with the RoC. The requisite details shall be included in this Red Herring Prospectus. For details in relation to the proposed utilisation of the Gross Proceeds, see the section titled "*Objects of the Offer*" on page 135.

Credit Rating

As the Offer is of Equity Shares, there is no credit rating required.

Debenture Trustee

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

Green Shoe Option

No green shoe option is contemplated under the Offer.

Filing

A copy of the Draft Red Herring Prospectus was filed electronically on the SEBI's online portal at https://siportal.sebi.gov.in as specified in regulation 25(8) of the SEBI ICDR Regulations read with SEBI ICDR Master Circular, and at cfddil@sebi.gov.in, in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to "*Easing of Operational Procedure – Division of Issues and Listing – CFD*".

It was also filed with SEBI at the following address:

Securities and Exchange Board of India
SEBI Head Office
SEBI Bhavan, Plot No. C4-A
"G" Block, Bandra Kurla Complex
Bandra (East), Mumbai– 400 0051
Maharashtra, India

A copy of this Red Herring Prospectus, along with the material contracts and documents would be filed under Section 32 of the Companies Act, 2013 has been filed with the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be filed with the RoC at its office and through the electronic portal at http://www.mca.gov.in.

Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of this Red Herring Prospectus and the Bid cum Application Forms (and the Revision Forms), if any, within the Price Band. The Price Band and minimum Bid Lot will be decided by our Company, in consultation with the BRLMs, and will be advertised in all editions of The Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national daily newspaper and the Belagavi edition of Vishwavani, a Kannada daily newspaper (Kannada being the regional language of Karnataka, where our Registered and Corporate Office is located), at least two Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. Pursuant to the Book Building Process, the Offer Price shall be determined by our Company, in consultation with the BRLMs after the Bid/Offer Closing Date. For further details, see "*Offer Procedure*" on page 609.

All Bidders, other than Anchor Investors, shall only participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs. UPI Bidders shall participate through the ASBA process using the UPI Mechanism. Pursuant to SEBI ICDR Master Circular, individuals Bidding as NIBs with an application size of up to ₹5.00 lakhs shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents. Anchor Investors are not permitted to participate in the Offer through the ASBA process. UPI Bidders may participate through the ASBA process by either (a) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs or, (b) through the UPI Mechanism. Non-Institutional Investors with an application size of up to ₹ 5.00 lakhs shall use the UPI Mechanism and shall also provide their UPI ID in the Bid cum Application Form submitted with Syndicate Members, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Investors, subject to the Bid Amount being up to ₹ 200,000, can revise their Bids during the Bid/ Offer Period and withdraw their Bids until the Bid/ Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than Anchor Investors) and Non-Institutional Investors will be on a proportionate basis, while allocation to Anchor Investors will be on a discretionary basis. For further details, see "*Terms of the Offer*" and "*Offer Procedure*" beginning on pages 597 and 609, respectively.

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

Bidders should note that the Offer is also subject to (i) filing of the Prospectus by our Company with the RoC; and (ii) our Company obtaining final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment as per the prescribed timelines in compliance with the SEBI ICDR Regulations.

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

For further details on the method and procedure for Bidding, an illustration of the Book Building Process and the price discovery process see "*Offer Procedure*" and "*Terms of the Offer*" beginning on pages 609 and 597, respectively.

Underwriting Agreement

Prior to the filing of the Prospectus with the RoC, and in accordance with the nature of underwriting which is determined in accordance with Regulation 40(3) of SEBI ICDR Regulations, our Company and the Selling Shareholders intend to enter into an Underwriting Agreement with the Underwriters for the Equity Shares of face value of ₹ 10 each, proposed to be issued and offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten by each Underwriter shall be as per the Underwriting Agreement. The Underwriting Agreement is dated [●], Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

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

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

(₹ in lakhs)

Name, address, telephone and e-mail of the Underwriters	Indicative Number of Equity Shares of face value of ₹10 each to be Underwritten	Amount Underwritten
[●]	[●]	[●]
[●]	[●]	[●]

The abovementioned underwriting commitment is indicative and will be finalized after determination of the Offer Price and the Basis of Allotment and actual allocation will be subject to the provisions of the SEBI ICDR Regulations.

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

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

Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement.

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

CAPITAL STRUCTURE

The Equity Share capital of our Company as on the date of this Red Herring Prospectus is as set forth below:

(in ₹, except share data or indicated otherwise)

	Particulars	Aggregate value at face value	Aggregate value at Offer Price*
A	**AUTHORIZED SHARE CAPITAL**		
	14,70,00,000 Shares	5,70,00,00,000	-
	Comprising:		
	10,00,00,000 Equity Shares of face value of ₹10 each	1,00,00,00,000	-
	4,70,00,000 Preference Shares of face value of ₹100 each	4,70,00,00,000	-
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER**		
	7,06,31,624 Equity Shares of face value of ₹ 10 each	70,63,16,240	-
C	**PRESENT OFFER IN TERMS OF THIS RED HERRING PROSPECTUS**		
	Offer of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹[●] lakhs[(1)] comprising of:	[●]	[●]
	i. Fresh Issue of up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ 75,000 lakhs[(3)]	[●]	[●]
	ii. Offer for Sale of up to 18,00,000 Equity Shares of face value of ₹ 10 each by the Selling Shareholders aggregating up to ₹[●] lakhs [(1)(2)]	[●]	[●]
D	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER**		
	[●] Equity Shares of face value of ₹ 10 each*	[●]	[●]
E	**SECURITIES PREMIUM**		
	Before the Offer		4,59,63,41,960.00
	After the Offer*		[●]

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

(1) The Offer has been authorized by a resolution of our Board dated August 3, 2024. Our Shareholders vide a special resolution passed in their AGM held on August 10, 2024, authorised the Fresh Issue. Further, the Selling Shareholders have consented to participate in the Offer for Sale pursuant to their respective consent letters and our Board has taken on record such consents of the Selling Shareholders by its resolutions dated August 16, 2024 and September 6, 2025. For details on the authorisation of the Selling Shareholders in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures" on page 581.

(2) Each of the Selling Shareholders confirms that the Equity Shares being offered by it are eligible for being offered for sale pursuant to the Offer in terms of Regulation 8 of the SEBI ICDR Regulations. For further details of consents received for the Offer, see "Other Regulatory and Statutory Disclosures" on page 581.

Notes to the Capital Structure

1. **Share Capital history of our Company**

   a. The following tables set forth the history of the Equity Share capital of our Company.

      i. Primary issuances of Equity Shares

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Nature of allotment	Details of allottees	Cumulative number of Equity Shares	Cumulative paid-up Equity Share capital (₹)
March 31, 2021	61,000	10.00	10.00	Cash	Subscription to MoA	Allotment of 10,000 Equity Shares to Vijaykumar Murugesh Nirani, 10,000 Equity Shares to Sangamesh Rudrappa Nirani, 10,000 Equity Shares to Vishal Nirani, 10,000 Equity Shares to Kamala Murigeppa Nirani, 10,000 Equity Shares to Murugesh Rudrappa Nirani, 10,000 Equity Shares to Dhraksayani Sangamesh Nirani and 1,000 Equity Shares to Vikram Dattatray Kakade.	61,000	6,10,000
June 30, 2022	6,00,00,000	10.00	10.00	Cash	Rights issue	Allotment of 84,00,000 Equity Shares to Vijaykumar Murugesh Nirani, 90,00,000 Equity Shares to Sangamesh Rudrappa Nirani, 84,00,000 Equity Shares to Vishal Nirani, 1,63,44,000 Equity Shares to Kamala Murigeppa Nirani, 10,56,000 Equity Shares to Murugesh Rudrappa Nirani, 84,00,000 Equity Shares to Dhraksayani Sangamesh Nirani and 84,00,000 Equity Shares to Sushmitha Vijaykumar Nirani.	6,00,61,000	60,06,10,000
September 12, 2022	10,14,820	10.00	10.00	Cash [(1)]	Rights issue	Allotment of 5,11,437 Equity Shares to Vijaykumar Murugesh Nirani and 5,03,383 Equity Shares to Vishal Nirani.	6,10,75,820	61,07,58,200
May 3, 2024	95,55,804	10.00	491.00	NA[(2)]	Conversion of 4,69,19,000 CCPS into Equity Shares	Allotment of 2,54,582 Equity Shares to Chirag D Lakhi, 2,54,582 Equity Shares to Ritesh G Lakhi, 3,29,939 Equity Shares to Narendra Goel (on behalf of Shri. Bajrang Commodity), 2,03,666 Equity Shares to Mayank Bajaj, 2,03,666 Equity Shares to Praj Engineering and Infra Limited, 6,10,998 Equity Shares to Siddhartha Sacheti, 6,10,998 Equity Shares to Mithun Padam Sacheti, 12,21,996 Equity Shares to Chartered Finance and Leasing Limited and 58,65,377 Equity Shares to Nirani Holdings Private Limited.	7,06,31,624	70,63,16,240

[(1)] Consideration for the application money was adjusted against the unsecured loans availed by the Company from the allottees along with accrued interest.

[(2)] Consideration was received by the Company at the time of allotment of the CCPS.

ii. Secondary transfers of Equity Shares

Date of transfer of Equity Shares	Number of Equity Shares transferred	Details of transferor(s)	Details of transferee(s)	Nature of transfer	Face value per Equity Share (₹)	Transfer price per Equity Share (₹)	Nature of consideration	Percentage of the pre-Offer Equity Share capital (%)	Percentage of the post- Offer Equity Share capital (%)
October 9, 2023[(1)]	41,15,404	Kamala Murigeppa Nirani	Vijaykumar Murugesh Nirani	Gift from Kamala Murigeppa Nirani	10	–[(1)]	NA	5.83	[●]
October 9, 2023[(2)]	41,11,688	Kamala Murigeppa Nirani	Vishal Nirani	Gift from Kamala Murigeppa Nirani	10	–[(2)]	NA	5.82	[●]
October 9, 2023[(3)]	38,74,868	Kamala Murigeppa Nirani	Sushmitha Vijaykumar Nirani	Gift from Kamala Murigeppa Nirani	10	–[(3)]	NA	5.49	[●]
April 15, 2024[(4)]	31,40,000	Dhraksayani Sangamesh Nirani	Sangamesh Rudrappa Nirani	Gift from Dhraksayani Sangamesh Nirani	10	–[(4)]	NA	4.45	[●]
April 15, 2024[(5)]	68,75,550	Sangamesh Rudrappa Nirani	Kamala Murigeppa Nirani	Gift from Sangamesh Rudrappa Nirani	10	–[(5)]	NA	9.73	[●]
April 15, 2024[(6)]	23,00,000	Kamala Murigeppa Nirani	Vishal Nirani	Gift from Kamala Murigeppa Nirani	10	–[(6)]	NA	3.26	[●]
April 16, 2024[(7)]	23,00,000	Kamala Murigeppa Nirani	Vijaykumar Murugesh Nirani	Gift from Kamala Murigeppa Nirani	10	–[(7)]	NA	3.26	[●]
April 16, 2024[(8)]	23,00,000	Kamala Murigeppa Nirani	Sushmitha Vijaykumar Nirani	Gift from Kamala Murigeppa Nirani	10	–[(8)]	NA	3.26	[●]
July 24, 2024	32,79,022	Nirani Holdings Private Limited	Rakeshkumar Viththalbhai Patel (on behalf of Dhruv Khush Business Ventures)	Secondary transfer of Equity Shares from Nirani Holdings Private Limited to Rakeshkumar Viththalbhai Patel (on behalf of Dhruv Khush Business Ventures)	10	491.00	Cash	4.64	[●]
August 8, 2024	3,05,499	Nirani Holdings Private Limited	Vikasa India EIF I Fund - Incube Global Opportunities	Secondary transfer of Equity Shares from Nirani Holdings Private Limited to Vikasa India EIF I Fund – Incube Global Opportunities	10	491.00	Cash	0.43	[●]
August 12, 2024	8,53,360	Nirani Holdings Private Limited	Vikasa India EIF I Fund	Secondary transfer of Equity Shares from Nirani Holdings Private Limited to Vikasa India EIF I Fund	10	491.00	Cash	1.21	[●]
August 12, 2024	2,03,666	Nirani Holdings Private Limited	Minerva Ventures Fund	Secondary transfer of Equity Shares from Nirani Holdings Private Limited to Minerva Ventures Fund	10	491.00	Cash	0.29	[●]

[(1)] Gift of Equity Shares pursuant to gift deed dated July 24, 2023. The transfer of the Equity Shares occurred on October 9, 2023.
[(2)] Gift of Equity Shares pursuant to gift deed dated July 24, 2023. The transfer of the Equity Shares occurred on October 9, 2023.
[(3)] Gift of Equity Shares pursuant to gift deed dated July 24, 2023. The transfer of the Equity Shares occurred on October 9, 2023.
[(4)] Gift of Equity Shares pursuant to gift deed dated April 15, 2024.
[(5)] Gift of Equity Shares pursuant to gift deed dated April 15, 2024.
[(6)] Gift of Equity Shares pursuant to gift deed dated April 15, 2024.
[(7)] Gift of Equity Shares pursuant to gift deed dated April 15, 2024. The transfer of the Equity Shares occurred on April 16, 2024.

(8) Gift of Equity Shares pursuant to gift deed dated April 15, 2024. The transfer of the Equity Shares occurred on April 16, 2024.

b. ***Preference Share capital***

Our Company does not have any outstanding Preference Shares as on the date of the filing of this Red Herring Prospectus.

Set forth below is the history of the Preference Share capital of our Company:

i. Primary issuances of Preference Shares

Date of allotment	Number of Preference Shares allotted	Face value per Preference Shares (₹)	Issue price per Preference Shares (₹)	Nature of consideration	Nature of allotment	Details of allottees	Cumulative number of Preference Shares	Cumulative paid-up Preference Share capital (₹)
October 20, 2022	4,69,19,000	100.00	100.00	Consideration other than Cash	Preferential Allotment of Compulsorily Convertible Preference Shares for consideration for transfer of Undertaking in favour of our Company	Allotment of 1,40,94,000 CCPS to Erstwhile Nirani Sugars Limited*, Allotment of 2,25,25,000 CCPS to Shri Sai Priya Sugars Limited* and Allotment of 1,03,00,000 CCPS to MRN Cane Power (India) Limited*.	4,69,19,000	4,69,19,00,000
May 3, 2024	Conversion of 4,69,19,000 Compulsorily Convertible Preference Shares into 95,55,804 Equity Shares of face value of ₹ 10 each of the Company.							

**As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Erstwhile Nirani Sugars Limited which was allotted 1,40,94,000 CCPS, Shri Sai Priya Sugars Limited which was allotted 2,25,25,000 CCPS and MRN Cane Power (India) Limited which was allotted 1,03,00,000 CCPS, stand merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited was changed to Nirani Sugars Limited, with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.*

ii. Secondary transfers of Preference Shares

Date of transfer of Preference Shares	Number of Preference Shares transferred	Details of transferor(s)	Details of transferee(s)	Nature of transfer	Face value per Preference Share (₹)	Transfer price per Preference Share (₹)	Nature of consideration	Percentage of the pre-Offer Equity Share capital on a fully diluted basis (%)	Percentage of the post- Offer Equity Share capital on a fully diluted basis (%)
March 19, 2024	12,50,000	Erstwhile Nirani Sugars Limited*	Chirag D Lakhi	Transfer of CCPS	100	100	Cash	0.36	[●]
March 19, 2024	12,50,000	Erstwhile Nirani Sugars Limited*	Ritesh G Lakhi	Transfer of CCPS	100	100	Cash	0.36	[●]
April 12, 2024	10,00,000	Erstwhile Nirani Sugars Limited*	Mayank Bajaj	Transfer of CCPS	100	100	Cash	0.29	[●]
April 12, 2024	16,20,000	Erstwhile Nirani Sugars Limited*	Narendra Goel (on behalf of Shri. Bajrang Commodity)	Transfer of CCPS	100	100	Cash	0.47	[●]
April 19, 2024	43,00,000	MRN Cane Power (India) Limited*	Nirani Holdings Private Limited	Transfer of CCPS	100	100	Cash	1.24	[●]
April 23, 2024	64,74,000	Erstwhile Nirani Sugars Limited*	Nirani Holdings Private Limited	Transfer of CCPS	100	100	Cash	1.87	[●]
April 23, 2024	1,65,25,000	Shri Sai Priya Sugars Limited*	Nirani Holdings Private Limited	Transfer of CCPS	100	100	Cash	4.76	[●]
April 23, 2024	10,00,000	Erstwhile Nirani Sugars Limited*	Praj Engineering and Infra Limited	Transfer of CCPS	100	100	Cash	0.29	[●]
April 24, 2024	30,00,000	MRN Cane Power (India) Limited*	Chartered Finance & Leasing Limited	Transfer of CCPS	100	100	Cash	0.87	[●]
April 24, 2024	30,00,000	MRN Cane Power (India) Limited*	Siddhartha Sacheti	Transfer of CCPS	100	100	Cash	0.87	[●]
April 25, 2024	30,00,000	Shri Sai Priya Sugars Limited*	Mithun Padam Sacheti	Transfer of CCPS	100	100	Cash	0.87	[●]
April 25, 2024	30,00,000	Shri Sai Priya Sugars Limited*	Chartered Finance & Leasing Limited	Transfer of CCPS	100	100	Cash	0.87	[●]
May 02, 2024	15,00,000	Erstwhile Nirani Sugars Limited*	Nirani Holdings Private Limited	Transfer of CCPS	100	100	Cash	0.43	[●]

**As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Erstwhile Nirani Sugars Limited, Shri Sai Priya Sugars Limited and MRN Cane Power (India) Limited, stand merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.*

iii. Details of conversion of Preference Shares

Sr. No.	Name of the Shareholder	Date of acquisition of preference shares	No. of preference shares acquired	Conversion ratio	Number of Equity Shares allotted post conversion	Acquisition price per preference shares	Price per Equity Share (based on conversion)
1.	Chirag D Lakhi	March 19, 2024	12,50,000	4.91 : 1	1 Equity Share of face value of ₹ 10 each for every 4.91 CCPS held	100.00	491.00
2.	Ritesh G Lakhi	March 19, 2024	12,50,000	4.91 : 1	1 Equity Share of face value of ₹ 10 each for every 4.91 CCPS held	100.00	491.00
3.	Mayank Bajaj	April 12, 2024	10,00,000	4.91 : 1	1 Equity Share of face value of ₹ 10 each for every 4.91 CCPS held	100.00	491.00

Sr. No.	Name of the Shareholder	Date of acquisition of preference shares	No. of preference shares acquired	Conversion ratio	Number of Equity Shares allotted post conversion	Acquisition price per preference shares	Price per Equity Share (based on conversion)
4.	Narendra Goel (on behalf of Shri. Bajrang Commodity)	April 12, 2024	16,20,000	4.91 : 1	1 Equity Share of face value of ₹ 10 each for every 4.91 CCPS held	100.00	491.00
5.	Nirani Holdings Private Limited	April 19, 2024	43,00,000	4.91 : 1	1 Equity Share of face value of ₹ 10 each for every 4.91 CCPS held	100.00	491.00
6.	Nirani Holdings Private Limited	April 23, 2024	64,74,000	4.91 : 1	1 Equity Share of face value of ₹ 10 each for every 4.91 CCPS held	100.00	491.00
7.	Nirani Holdings Private Limited	April 23, 2024	1,65,25,000	4.91 : 1	1 Equity Share of face value of ₹ 10 each for every 4.91 CCPS held	100.00	491.00
8.	Praj Engineering and Infra Limited	April 23, 2024	10,00,000	4.91 : 1	1 Equity Share of face value of ₹ 10 each for every 4.91 CCPS held	100.00	491.00
9.	Chartered Finance & Leasing Limited	April 24, 2024	30,00,000	4.91 : 1	1 Equity Share of face value of ₹ 10 each for every 4.91 CCPS held	100.00	491.00
10.	Siddhartha Sacheti	April 24, 2024	30,00,000	4.91 : 1	1 Equity Share of face value of ₹ 10 each for every 4.91 CCPS held	100.00	491.00
11.	Mithun Padam Sacheti	April 25, 2024	30,00,000	4.91 : 1	1 Equity Share of face value of ₹ 10 each for every 4.91 CCPS held	100.00	491.00
12.	Chartered Finance & Leasing Limited	April 25, 2024	30,00,000	4.91 : 1	1 Equity Share of face value of ₹ 10 each for every 4.91 CCPS held	100.00	491.00
13.	Nirani Holdings Private Limited	May 02, 2024	15,00,000	4.91 : 1	1 Equity Share of face value of ₹ 10 each for every 4.91 CCPS held	100.00	491.00

Note: On May 3, 2024, 4,69,19,000 Compulsorily Convertible Preference Shares (CCPS) were converted to Equity Shares of face value of ₹ 10 each, resulting in 95,55,804 Equity Shares of face value of ₹ 10 each

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

a) Our Company has not issued any Equity Shares or Preference Shares out of revaluation reserves since its incorporation.

b) Except as stated below, our Company has not issued any Equity Shares or Preference Shares for consideration other than cash or by way of bonus issue, as on the date of this Red Herring Prospectus:

Details of Equity Shares issued by our Company for consideration other than cash or by way of conversion of preference shares into equity shares or by way of a bonus issue, as on the date of this Red Herring Prospectus:

<table>
<tr><th>Date of allotment</th><th>Number of Equity Shares allotted</th><th>Face value per Equity Share (₹)</th><th>Issue price per Equity Share (₹)</th><th>Reason for allotment</th><th>Benefits accrued to our Company</th><th colspan="2">Names of allottees</th></tr>
<tr><td rowspan="11">May 3, 2024</td><td rowspan="11">95,55,804</td><td rowspan="11">10.00</td><td rowspan="11">491.00[(1)]</td><td rowspan="11">Allotment of Equity Shares pursuant to conversion of 4,69,19,000 CCPS</td><td rowspan="11">Our Company had allotted 4,69,19,000 CCPS on October 20, 2022. These CCPS were converted into Equity Shares of the Company.</td><td>Name of allottee</td><td>Number of Equity Shares</td></tr>
<tr><td>Ritesh G Lakhi</td><td>2,54,582</td></tr>
<tr><td>Chirag D Lakhi</td><td>2,54,582</td></tr>
<tr><td>Narendra Goel (on behalf of Shri. Bajrang Commodity)</td><td>3,29,939</td></tr>
<tr><td>Mayank Bajaj</td><td>2,03,666</td></tr>
<tr><td>Praj Engineering and Infra Limited</td><td>2,03,666</td></tr>
<tr><td>Siddhartha Sacheti</td><td>6,10,998</td></tr>
<tr><td>Mithun Padam Sacheti</td><td>6,10,998</td></tr>
<tr><td>Chartered Finance and Leasing Limited</td><td>12,21,996</td></tr>
<tr><td>Nirani Holdings Private Limited</td><td>58,65,377</td></tr>
</table>

[(1)] The Compulsorily Convertible Preference Shares were allotted on October 20, 2022 in partial consideration for transfer of certain assets in favour of our Company pursuant to the MRN BTA, Erstwhile NSL BTA and SSPSL BTA. For further details, please see "History and Certain Corporate Matters – Shareholders' agreements and other agreements – Other Agreements" on page 333. As per the terms of the CCPS, at the time of conversion, the CCPS holders were allotted 1 Equity Share of face value of ₹ 10 each for every 4.91 CCPS held by them.

Details of Preference Shares issued by our Company for consideration other than cash or by way of a bonus issue, as on the date of this Red Herring Prospectus:

<table>
<tr><th>Date of allotment</th><th>Number of Preference Shares allotted</th><th>Face value per Preference Shares (₹)</th><th>Issue price per Preference Shares (₹)</th><th>Reason for allotment</th><th>Benefits accrued to our Company</th><th colspan="2">Names of allottees</th></tr>
<tr><td rowspan="2">October 20, 2022</td><td rowspan="2">4,69,19,000</td><td rowspan="2">100.00</td><td rowspan="2">100.00</td><td rowspan="2">Allotment of Compulsorily Convertible Preference</td><td rowspan="2">Partial consideration for acquisition of distillery</td><td>Name of allottee</td><td>Number of CCPS</td></tr>
<tr><td>Erstwhile Nirani</td><td>1,40,94,000</td></tr>
</table>

Date of allotment	Number of Preference Shares allotted	Face value per Preference Shares (₹)	Issue price per Preference Shares (₹)	Reason for allotment	Benefits accrued to our Company	Names of allottees	
				Shares for consideration for transfer of undertaking in favour of our Company	facilities pursuant to business transfer agreements entered into with Erstwhile Nirani Sugars Limited*, Shri Sai Priya Sugars Limited*, and MRN Cane Power (India) Limited*. For further details, please see "*History and Certain Corporate Matters – Shareholders' agreements and other agreements – Other Agreements*" on page 333.	Sugars Limited*	
						Shri Sai Priya Sugars Limited*	2,25,25,000
						MRN Cane Power (India) Limited*	1,03,00,000

**As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Erstwhile Nirani Sugars Limited which was allotted 1,40,94,000 CCPS, Shri Sai Priya Sugars Limited which was allotted 2,25,25,000 CCPS and MRN Cane Power (India) Limited which was allotted 1,03,00,000 CCPS, stand merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.*

3. **Issue of shares at a price lower than the Offer Price in the last year**

The Offer Price is [●]. Except as disclosed in "– *Share capital history of our Company*" on page 118 above, our Company has not issued any Equity Shares or Preference Shares at a price that may be lower than the Offer Price during the last one year**.**

4. **Issue of Equity Shares pursuant to schemes of arrangement**

Our Company has not allotted any Equity Shares or Preference Shares in terms of any scheme of arrangement approved under sections 391-394 of the Companies Act, 1956 or sections 230-234 of the Companies Act, 2013.

5. **Build-up of Promoters' shareholding, Minimum Promoter's Contribution and lock-in**

As on the date of this Red Herring Prospectus, following are the details of the shareholding of the Promoters:

S. No.	Name of the Promoter	Pre-Offer		Post-Offer*	
		Number of Equity Shares of face value of ₹ 10 each	Percentage of Equity Share capital (%)	Number of Equity Shares of face value of ₹ 10 each	Percentage of Equity Share capital (%)
1.	Vijaykumar Murugesh Nirani	1,53,36,841	21.71	[●]	[●]
2.	Vishal Nirani	1,53,25,071	21.70	[●]	[●]
3.	Sushmitha Vijaykumar Nirani	1,45,74,868	20.64	[●]	[●]
Total		**4,52,36,780**	**64.05**	[●]	[●]

**Subject to finalisation of Basis of Allotment*

For further details, see "*Our Promoters and Promoter Group*" on page 378.

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

Build-up of the shareholding of our Promoters in our Company

The details regarding the build-up of shareholding of Vijaykumar Murugesh Nirani in our Company since incorporation is set forth in the table below:

Date of transfer/ allotment of Equity Shares	Number of Equity Shares allotted/ transferred	Nature of transaction	Nature of consideration	Face Value per Equity Share (₹)	Transfer price/ issue price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)*
March 31, 2021	10,000	Subscription to MoA	Cash	10.00	10.00	0.01	[●]
June 30, 2022	84,00,000	Rights issue	Cash	10.00	10.00	11.89	[●]
September 12, 2022	5,11,437	Rights issue	Cash *(1)*	10.00	10.00 *(1)*	0.72	[●]
October 9, 2023*(2)*	41,15,404	Gift from Kamala Murigeppa Nirani	NA	10.00	– *(2)*	5.83	[●]
April 16, 2024*(3)*	23,00,000	Gift from Kamala Murigeppa Nirani	NA	10.00	– *(3)*	3.26	[●]
Total	**1,53,36,841**					**21.71**	

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

(1) Consideration for the application money was adjusted against the unsecured loans availed by the Company from the allottee along with accrued interest.

(2) Gift of Equity Shares pursuant to gift deed dated July 24, 2023. The transfer of the Equity Shares occurred on October 9, 2023.

(3) Gift of Equity Shares pursuant to gift deed dated April 15, 2024. The transfer of the Equity Shares occurred on April 16, 2024.

The details regarding the build-up of shareholding of Vishal Nirani in our Company since incorporation is set forth in the table below:

Date of transfer/ allotment of Equity Shares	Number of Equity Shares allotted/ transferred	Nature of transaction	Nature of consideration	Face Value per Equity Share (₹)	Transfer price/ issue price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)*
March 31, 2021	10,000	Subscription to MoA	Cash	10.00	10.00	0.01	[●]
June 30, 2022	84,00,000	Rights issue	Cash	10.00	10.00	11.89	[●]

Date of transfer/ allotment of Equity Shares	Number of Equity Shares allotted/ transferred	Nature of transaction	Nature of consideration	Face Value per Equity Share (₹)	Transfer price/ issue price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)*
September 12, 2022	5,03,383	Rights issue	Cash [(1)]	10.00	10.00 [(1)]	0.71	[●]
October 9, 2023[(2)]	41,11,688	Gift from Kamala Murigeppa Nirani	NA	10.00	–[(2)]	5.82	**[●]**
April 15, 2024[(3)]	23,00,000	Gift from Kamala Murigeppa Nirani	NA	10.00	–[(3)]	3.26	[●]
Total	**1,53,25,071**					**21.70**	

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

[(1)] *Consideration for the application money was adjusted against the unsecured loans availed by the Company from the allottee along with accrued interest.*

[(2)] *Gift of Equity Shares pursuant to gift deed dated July 24, 2023. The transfer of the Equity Shares occurred on October 9, 2023.*

[(3)] *Gift of Equity Shares pursuant to gift deed dated April 15, 2024.*

The details regarding the build-up of shareholding of Sushmitha Vijaykumar Nirani in our Company since incorporation is set forth in the table below:

Date of transfer/ allotment of Equity Shares	Number of Equity Shares allotted/ transferred	Nature of transaction	Nature of consideration	Face Value per Equity Share (₹)	Transfer price/ issue price per Equity Share (₹)	Percentage of the pre-Offer capital (%)	Percentage of the post-Offer capital (%)*
June 30, 2022	84,00,000	Rights issue	Cash	10.00	10.00	11.89	[●]
October 9, 2023[(1)]	38,74,868	Gift from Kamala Murigeppa Nirani	NA	10.00	–[(1)]	5.49	**[●]**
April 16, 2024[(2)]	23,00,000	Gift from Kamala Murigeppa Nirani	NA	10.00	–[(2)]	3.26	[●]
Total	**1,45,74,868**					**20.64**	

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

[(1)] *Gift of Equity Shares pursuant to gift deed dated July 24, 2023. The transfer of the Equity Shares occurred on October 9, 2023.*

[(2)] *Gift of Equity Shares pursuant to gift deed dated April 15, 2024. The transfer of the Equity Shares occurred on April 16, 2024.*

6. *Details of pledge of Equity Shares held by our Promoters*

Except as disclosed below, none of Equity Shares held by our Promoters had been pledged. These shares have been subsequently released from the pledge prior to the filing of this Red Herring Prospectus and shall be re-pledged after implementation of the statutory lock-in:

Sr. No.	Name of the Promoter	Number of Equity Shares of face value of ₹ 10 each	Percentage of the pre-Offer capital (%)
1.	Vijaykumar Murugesh Nirani	27,00,000	3.82
2.	Vishal Nirani	27,00,000	3.82
3.	Sushmitha Vijaykumar Nirani	27,00,000	3.82

Our Promoters, Vishal Nirani, Vijaykumar Murugesh Nirani and Sushmita Vijaykumar Nirani had pledged their shareholding in our Company aggregating to 81,00,000 Equity Shares of face value of ₹ 10 each representing 11.46% of our Equity Share capital ("**Pledged Shares**") with IDBI Trusteeship Services Limited ("**Security Trustee**") pursuant to an agreement for pledge of shares dated March 30, 2024, in relation to the borrowings availed by our Company from State Bank of India and Indian Renewable Energy Development Agency Limited. For further details of these borrowings, please see "*Financial Indebtedness"* on page 559.

Certain Equity Shares held by members of the Promoter Group, Dhraksayani Sangamesh Nirani, Sangamesh Nirani and Kamala Murigeppa Nirani, were also pledged, which have been subsequently released and shall be re-pledged after implementation of the statutory lock-in. For risks in relation to the same, please see, "*Risk Factors - Our Promoters and members of our Promoter Group had encumbered some of the Equity Shares held by them in favour of IDBI Trusteeship Services Limited pursuant to loans availed by the Company from State Bank of India and Indian Renewable Energy Development Agency by way of pledge, which has subsequently been released and shall be re-pledged after implementation of the statutory lock-in. Any exercise of such encumbrance by such pledgee could dilute the shareholding of such persons and consequently dilute the aggregate shareholding of our Promoters, members of our Promoter Group and such other shareholders, which may adversely affect our business and financial condition*" on page 49.

Our Company has received consents from State Bank of India and Indian Renewable Energy Development Agency Limited for release of all the Equity Shares that were previously pledged by our Promoters and members of the Promoter Group for implementation of the statutory lock-in by the depository in terms of regulations 16(b) and 17 of SEBI ICDR Regulations. Subsequently, pursuant to the confirmation received from IDBI Trusteeship Services Limited, such shares have been released from the pledge prior to the filing of this Red Herring Prospectus. As on the date of this Red Herring Prospectus, none of the Equity Shares held by our Promoters or members of our Promoter Group are pledged. Upon implementation of the statutory lock-in, such Equity Shares shall be repledged in favour of the lenders.

7. *Equity shareholding of our Promoters and Promoter Group*

Set forth below is the shareholding of our Promoters and Promoter Group, in our Company as on the date of this Red Herring Prospectus:

Sr. No.	Name of shareholder	Pre-Offer		Post-Offer*	
		Number of Equity Shares of face value of ₹ 10 each	Percentage of Equity Share capital (%)	Number of Equity Shares of face value of ₹ 10 each	Percentage of Equity Share capital (%)
(A) Promoters					
1.	Vijaykumar Murugesh Nirani	1,53,36,841	21.71	[●]	[●]
2.	Vishal Nirani	1,53,25,071	21.70	[●]	[●]
3.	Sushmitha Vijaykumar Nirani	1,45,74,868	20.64	[●]	[●]
Total (A)		**4,52,36,780**	**64.05**	**[●]**	**[●]**
(B) Promoter Group					
1.	Kamala Murigeppa Nirani	42,27,590	5.99	[●]	[●]
2.	Murugesh Rudrappa Nirani	10,66,000	1.51	[●]	[●]
3.	Sangamesh Rudrappa Nirani	52,74,450	7.47	[●]	[●]
4.	Dhraksayani Sangamesh Nirani	52,70,000	7.46	[●]	[●]
5.	Nirani Holdings Private Limited	12,23,830	1.73	[●]	[●]
Total (B)		**1,70,61,870**	**24.16**	**[●]**	**[●]**
Total (A + B)		**6,22,98,650**	**88.20^**	**[●]**	**[●]**

** Subject to finalisation of Basis of Allotment*
^ Rounded off

Except as disclosed above, as on the date of this Red Herring Prospectus, none of the Promoter Group members hold any Equity Shares in our Company.

8. **Details of Promoters' contribution and lock-in for three years**

(a) Pursuant to Regulations 14 and 16(1) of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by the Promoters shall be locked in for a period of three years as minimum promoters' contribution from the date of Allotment ("**Promoters' Contribution**"), and the Promoters' shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked-in for a period of one year from the date of Allotment.

(b) Details of the Equity Shares to be locked-in for three years, or such other period as prescribed under the SEBI ICDR Regulations, from the date of Allotment as Promoters' Contribution are set forth in the table below:

Name of the Promoter	Date of allotment of the Equity Shares	Nature of transaction	No. of Equity Shares	Face value (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in*	Percentage of the post-Offer paid-up capital * (%)	Date up to which the Equity Shares are subject to lock-in*
Vijaykumar Murugesh Nirani	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Vishal Nirani	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Sushmitha Vijaykumar Nirani	[●]	[●]	[●]	[●]	[●]	[●]	[●]	[●]
Total						**[●]**	**[●]**	

**Subject to finalisation of Basis of Allotment.*

(c) Our Promoters have given consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoters' Contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner, the Promoters' Contribution from the date of filing this Red Herring Prospectus until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted, in accordance with the SEBI ICDR Regulations.

(d) Our Company undertakes that the Equity Shares that shall be locked-in are not and will not be ineligible for computation of Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:

(i) The Equity Shares offered for Promoters' Contribution do not include equity shares acquired in the three immediately preceding years from the date of this Red Herring Prospectus (a) for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealized profits of our Company or from a bonus issuance of equity shares against Equity Shares, which are otherwise ineligible for computation of Promoters' Contribution;

(ii) The Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year from the date of this Red Herring Prospectus at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;

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

(iv) The Equity Shares forming part of the Promoters' Contribution are not subject to any pledge; and

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

9. **Details of Equity Shares locked- in for six months**

In terms of Regulation 17 of the SEBI ICDR Regulations, the entire pre-Offer Equity Share capital of our Company held by persons other than our Promoters will be locked-in for a period of six months from the date of Allotment except for (i) the Equity Shares offered by the Selling Shareholders pursuant to the Offer for Sale; and (ii) any Equity Shares held by a VCF or Category I AIF or Category II AIF or foreign venture capital investors (as defined under the SEBI (Foreign Venture Capital Investor) Regulations, 2009) ("**FVCI**"), as applicable, provided that (a) such Equity Shares shall be locked in for a period of at least six months prescribed under the SEBI ICDR Regulations from the date of purchase by such shareholders and (b) such VCF or AIF of category I or category II or a FVCI holds, individually or with persons acting in concert, less than 20% of pre-Offer Equity Share capital of the Company (on a fully diluted basis).

As on the date of this Red Herring Prospectus, none of our Equity Shares are held by any VCF or Category I AIF or Category II AIF or FVCI.

Any unsubscribed portion of the Offered Shares would also be locked-in as required under the SEBI ICDR Regulations.

10. **Lock-in of Equity Shares Allotted to Anchor Investors**

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in the following manner: There shall be a lock-in of 90 days on 50% of the Equity Shares Allotted to the Anchor Investors from the date of Allotment, and a lock-in of 30 days on the remaining 50% of the Equity Shares Allotted to the Anchor Investors from the date of Allotment.

11. **Recording on non-transferability of Equity Shares locked-in**

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

12. **Other requirements in respect of lock-in**

Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

(a) With respect to the Equity Shares locked-in for one year from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

(b) With respect to the Equity Shares locked-in as Promoters' Contribution for three years from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer and such pledge of the Equity Shares must be one of the terms of the sanction of the loan.

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

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

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

Our Promoters and members of our Promoter Group had pledged certain Equity Shares held by them pursuant to an agreement for pledge of shares dated March 30, 2024, in relation to the borrowings availed by our Company from State Bank of India and Indian Renewable Energy Development Agency Limited. For further details see, *"– Details of pledge of Equity Shares held by our Promoters"*. Our Company had received consents from State Bank of India and Indian Renewable Energy Development Agency Limited for release of all the pledged Equity Shares, for implementation of the statutory lock-in by the depository in terms of regulations 16(b) and 17 of SEBI ICDR Regulations. Subsequently, pursuant to the confirmation received from IDBI Trusteeship Services Limited, such shares have been released from the pledge prior to the filing of this Red Herring Prospectus. As on the date of this Red Herring Prospectus, none of the Equity Shares held by our Promoters or members of our Promoter Group are pledged. Upon implementation of the statutory lock-in, such Equity Shares shall be repledged in favour of the lenders.

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13. **Shareholding Pattern of our Company**

The table below presents the shareholding pattern of our Company as on the date of this Red Herring Prospectus.

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of Equity Shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total number of Equity Shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								Number of Voting Rights			Total as a % of (A+B+C)			Number (a)	As a % of total Equity Shares held (b)	Number (a)	As a % of total Shares held (b)	
								Class eg: Equity Shares	Class eg: Others	Total								
(A)	**Promoter and Promoter Group**	8	6,22,98,650	-	-	6,22,98,650	88.20%	6,22,98,650	-	6,22,98,650	88.20%	-	88.20%	-	-	-*	-	6,22,98,650
(B)	**Public**	13	83,32,974	-	-	83,32,974	11.80%	83,32,974	-	83,32,974	11.80%	-	11.80%	-	-	-	-	83,32,974
(C)	**Non Promoter-Non Public**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	**Shares underlying DRs**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	**Shares held by Employee Trusts**	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	21	7,06,31,624	-	-	7,06,31,624	100.00%	7,06,31,624	-	7,06,31,624	100.00%	-	100.00%	-	-	-*	-	7,06,31,624

** Prior to the filing of this Red Herring Prospectus, (i) 27,00,000 Equity Shares pledged by Vijaykumar Murugesh Nirani; (ii) 27,00,000 Equity Shares pledged by Vishal Nirani; (iii) 27,00,000 Equity Shares pledged by Sushmitha Vijaykumar Nirani; (iv) 25,00,000 Equity Shares pledged by Dhraksayani Sangamesh Nirani; (v) 25,00,000 Equity Shares pledged by Sangamesh Nirani; and (vi) 27,80,000 Equity Shares pledged by Kamala Murigeppa Nirani, in each case in favour of IDBI Trusteeship Services Limited, pursuant to an agreement for pledge of shares dated March 30, 2024, in relation to the borrowings availed by our Company from State Bank of India and Indian Renewable Energy Development Agency Limited, have been released for implementation of the statutory lock-in by the depository in terms of regulations 16(b) and 17 of SEBI ICDR Regulations. Upon implementation of the statutory lock-in, such Equity Shares shall be repledged in favour of the lenders.*

14. **Other details of Shareholding of our Company**

(a) As on the date of the filing of this Red Herring Prospectus, our Company has 21 Shareholders.

(b) Set forth below is a list of Shareholders holding 1% or more of the paid-up Equity Share capital of our Company, as on the date of this Red Herring Prospectus on a fully diluted basis:

Sr. No.	Name of the Shareholder	No. of Equity Shares of face value of ₹ 10 each	Percentage of the pre-Offer Equity Share capital (%)*
1.	Vijaykumar Murugesh Nirani	1,53,36,841	21.71
2.	Vishal Nirani	1,53,25,071	21.70
3.	Sushmitha Vijaykumar Nirani	1,45,74,868	20.64
4.	Sangamesh Rudrappa Nirani	52,74,450	7.47
5.	Dhraksayani Sangamesh Nirani	52,70,000	7.46
6.	Kamala Murigeppa Nirani	42,27,590	5.99
7.	Nirani Holdings Private Limited	12,23,830	1.73
8.	Murugesh Rudrappa Nirani	10,66,000	1.51
9.	Rakeshkumar Viththalbhai Patel (on behalf of Dhruv Khush Business Ventures)	32,79,022	4.64
10.	Chartered Finance and Leasing Limited	12,21,996	1.73
11.	Vikasa India EIF I Fund	8,53,360	1.21
Total		**6,76,53,028**	**95.78#**

**There are no outstanding CCPS as on the date of this Red Herring Prospectus.*
#Rounded off

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

Sr. No.	Name of the Shareholder	No. of Equity Shares of face value of ₹ 10 each	Percentage of the pre-Offer Equity Share capital (%)*
1.	Vijaykumar Murugesh Nirani	1,53,36,841	21.71
2.	Vishal Nirani	1,53,25,071	21.70
3.	Sushmitha Vijaykumar Nirani	1,45,74,868	20.64
4.	Sangamesh Rudrappa Nirani	52,74,450	7.47
5.	Dhraksayani Sangamesh Nirani	52,70,000	7.46
6.	Kamala Murigeppa Nirani	42,27,590	5.99
7.	Nirani Holdings Private Limited	12,23,830	1.73
8.	Murugesh Rudrappa Nirani	10,66,000	1.51
9.	Rakeshkumar Viththalbhai Patel (on behalf of Dhruv Khush Business Ventures)	32,79,022	4.64
10.	Chartered Finance and Leasing Limited	12,21,996	1.73
11.	Vikasa India EIF I Fund	8,53,360	1.21
Total		**6,76,53,028**	**95.78#**

**There were no outstanding CCPS as of 10 days prior to the date of this Red Herring Prospectus.*
#Rounded off

(d) Set forth below is a list of Shareholders holding 1% or more of the paid-up Equity Share capital of our Company, as of one year prior to the date of this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares of face value of ₹ 10 each	Percentage of the pre-Offer Equity Share capital (%)*
1.	Vijaykumar Murugesh Nirani	1,53,36,841	21.71
2.	Vishal Nirani	1,53,25,071	21.70
3.	Sushmitha Vijaykumar Nirani	1,45,74,868	20.64
4.	Sangamesh Rudrappa Nirani	52,74,450	7.47
5.	Dhraksayani Sangamesh Nirani	52,70,000	7.46
6.	Kamala Murigeppa Nirani	42,27,590	5.99
7.	Nirani Holdings Private Limited	12,23,830	1.73
8.	Murugesh Rudrappa Nirani	10,66,000	1.51
9.	Rakeshkumar Viththalbhai Patel (on behalf of Dhruv Khush Business Ventures)	32,79,022	4.64
10.	Chartered Finance and Leasing Limited	12,21,996	1.73
11.	Vikasa India EIF I Fund	8,53,360	1.21
Total		**6,76,53,028**	**95.78#**

**There were no outstanding CCPS as of one year prior to the date of this Red Herring Prospectus.*

(e) Set forth below is a list of Shareholders holding 1% or more of the paid-up Equity Share capital of our Company, as of two years prior to the date of this Red Herring Prospectus:

Sr. No.	Name of the Shareholder	No. of Equity Shares of face value of ₹ 10 each	No. of CCPS	Percentage of the pre-Offer Equity Share capital on a fully diluted basis (%)
1.	Vijaykumar Murugesh Nirani	1,30,36,841	Nil	18.46
2.	Vishal Nirani	1,30,25,071	Nil	18.44
3.	Sushmitha Vijaykumar Nirani	1,22,74,868	Nil	17.38
4.	Sangamesh Rudrappa Nirani	90,10,000	Nil	12.76
5.	Dhraksayani Sangamesh Nirani	84,10,000	Nil	11.91
6.	Kamala Murigeppa Nirani	42,52,040	Nil	6.02
7.	Murugesh Rudrappa Nirani	10,66,000	Nil	1.51
8.	Shri Sai Priya Sugars Limited*	Nil	2,25,25,000	6.50
9.	Erstwhile Nirani Sugars Limited*	Nil	1,40,94,000	4.06
10.	MRN Cane Power (India) Limited*	Nil	1,03,00,000	2.97
Total		**6,10,74,820**	**4,69,19,000**	**100.00**

**As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Erstwhile Nirani Sugars Limited, Shri Sai Priya Sugars Limited and MRN Cane Power (India) Limited, stand merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.*

15. None of the Equity Shares being offered for sale through the Offer for Sale are pledged or otherwise encumbered, as on the date of this Red Herring Prospectus.

16. Except for the Equity Shares to be allotted pursuant to the Fresh Issue, and transfer of Equity Shares pursuant to the Offer for Sale, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of bonus issue of Equity Shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise.

17. There are no outstanding options or convertible securities, including any outstanding warrants or rights to convert debentures, loans or other instruments convertible into our Equity Shares as on the date of this Red Herring Prospectus.

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

19. As on the date of this Red Herring Prospectus, except for Vijaykumar Murugesh Nirani, Vishal Nirani and Sushmitha Vijaykumar Nirani, none of our other Directors or Key Managerial Personnel hold any Equity Shares or Preference Shares of our Company. For further details, please see "*Our Management – Shareholding of Directors in our Company"* on page 356.

20. None of the members of the Promoter Group, the Promoters or the Directors and their relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Red Herring Prospectus.

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

22. Our Company, the Directors and the BRLMs have no existing buyback arrangements and / or any other similar arrangements for the purchase of Equity Shares.

23. All Equity Shares issued pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Red Herring Prospectus.

24. As on the date of this Red Herring Prospectus, the BRLMs and their respective associates (as defined in the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 do not hold any Equity Shares of our Company.

25. The BRLMs and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

26. None of the Promoters or other members of our Promoter Group will participate in the Offer except to the extent of their participation in the Offer for Sale.

27. Except for the Equity Shares to be allotted pursuant to the Fresh Issue, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Red Herring Prospectus with SEBI until the Equity Shares are listed on the Stock Exchanges pursuant to the Offer or all application monies have been refunded, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc., as the case may be.

28. The BRLMs and any associates of the BRLMs, or Syndicate Members, or any person related to the promoter/ promoter group, cannot apply in the Offer under the Anchor Investor Portion, except for Mutual Funds sponsored by entities which are associates of the BRLMs, or insurance companies promoted by entities which are associates of the BRLMs or AIFs sponsored by the entities which are associate of the Book Running Lead Managers or a FPI (other than individuals, corporate bodies and family offices) which are associates of the BRLMs or pension funds sponsored by entities which are associates of the BRLMs.

29. Our Company shall ensure that any transaction in the Equity Shares by our Promoters and our Promoter Group during the period between the date of filing this Red Herring Prospectus and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of such transaction.

30. No person connected with the Offer, including, but not limited to, the BRLMs, the members of the Syndicate, our Company, our Directors, our Promoter, members of our Promoter Group or Group Companies, shall offer or make payment of any incentive, whether direct or indirect, in the nature of discount, commission and allowance, except for fees or commission for services rendered in relation to the Offer, in any manner, whether in cash or kind or services or otherwise, to any Bidder for making a Bid.

31. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

32. Our Company is in compliance with the Companies Act, 2013 with respect to issuance of securities since the date of incorporation of our Company till the date of filing of this Red Herring Prospectus.

Employee stock option

As on date of this Red Herring Prospectus, our Company does not have any employee stock option plan.

OBJECTS OF THE OFFER

The Offer comprises of a Fresh Issue of [●] Equity Shares, aggregating up to ₹ 75,000 lakhs by our Company and an Offer for Sale of up to 18,00,000 Equity Shares aggregating to ₹ [●] lakhs by the Selling Shareholders, subject to finalization of Basis of Allotment. For details, see "*Summary of the Offer Document*" and "*The Offer*" on pages 23 and 88, respectively.

Offer for Sale

Each of the Selling Shareholders will be entitled to its respective portion of the proceeds of the Offer for Sale after deducting their proportion of the Offer expenses and relevant taxes thereon. Our Company will not receive any proceeds from the Offer for Sale. The proceeds of the Offer for Sale will be received by the Selling Shareholders and will not form part of the Net Proceeds, i.e., Gross Proceeds less the Offer related expenses applicable to the Fresh Issue ("**Net Proceeds**"). For further details, see "- *Offer related Expenses*" on page 156. For details of the Selling Shareholders, see "*Other Regulatory and Statutory Disclosures – Authority for the Offer*" on page 581.

Object of the Fresh Issue

Our Company proposes to utilize the Net Proceeds towards funding the following objects (collectively, the "**Objects**"):

1. Funding capital expenditure towards setting up multi-feed stock operations to pave- way for utilizing grains as an additional raw material in ethanol plants at TBL Unit 4 of 300 KLPD capacity;
2. Funding our working capital requirements; and
3. General corporate purposes.

In addition, we expect to achieve the benefit of listing of the Equity Shares on the Stock Exchanges, enhancement of our Company's visibility and brand name amongst our existing and potential customers and creation of a public market for the Equity Shares in India.

The main objects clause and objects incidental and ancillary to the main objects clause as set out in the Memorandum of Association enables our Company: (i) to undertake our existing business activities; and (ii) to undertake the proposed activities to be funded from the Net Proceeds for which the funds are being raised by us in the Fresh Issue. We confirm that the activities which we have been carrying out till date are in accordance with the objects clause of our Memorandum of Association.

Net Proceeds

After deducting the Offer related expenses from the Gross Proceeds, we estimate the net proceeds of the Fresh Issue to be ₹ [●] lakhs ("**Net Proceeds**"). The details of the Net Proceeds of the Offer are summarized in the table below:

(in ₹ lakhs)

S. No.	Particulars	Estimated Amount
1.	Gross Proceeds of the Fresh Issue	75,000.00*
2.	Less: Offer expenses in relation to the Fresh Issue	[●](1)
3.	**Net Proceeds**	[●](2)

(1) See '- Offer related Expenses' on page 156.

(2) Subject to the finalisation of the Basis of Allotment.

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

Utilisation of Net Proceeds

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

Particulars	Estimated amount from Net Proceeds (in ₹ lakhs)
Funding capital expenditure towards setting- up multi-feed stock operations to pave- way for utilizing grains as an additional raw material in ethanol plant at TBL	15,068.00

Particulars	Estimated amount from Net Proceeds (in ₹ lakhs)
Unit 4 of 300 KLPD capacity	
Funding our working capital requirements	42,500.00
General corporate purposes [1]	[●]
Total Net Proceeds[1]	[●]

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

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds as set forth in the table below:

(₹ in lakhs)

S. No.	Particulars	Total estimated amount	Total amount (already utilised from internal accruals)	Balance amount to be funded out of internal accruals	Total estimated amount (to be funded from Net Proceeds)	Estimated amount to be deployed from the Net Proceeds	
						Fiscal 2026	Fiscal 2027
1.	Funding capital expenditure towards setting up multi-feed stock operations to pave- way for utilizing grains as an additional raw material in ethanol plant at TBL Unit 4 of 300 KLPD capacity	17,268.00	2,017.41[2]	182.59[3]	15,068.00	15,068.00	-
2.	Funding our working capital requirements	-	-	-	42,500.00	30,000.00	12,500.00
3.	General corporate purposes[1]	-	-	-	[●]	[●]	[●]
	Total Net Proceeds				[●]	[●]	[●]

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

(2) An amount of ₹2,017.41 lakhs has been paid by our Company to one of the vendors, MRN Civiltech Private Limited out of our internal accruals towards the cost of the civil work done by them.

(3) An amount of ₹182.59 lakhs shall be paid by our Company to one of the vendors, MRN Civiltech Private Limited out of our internal accruals towards the balance cost of the civil work done by them.

The above-stated fund requirements, deployment of the funds and the intended use of the Net Proceeds as described in this Red Herring Prospectus are based on our current business plan, management estimates, current and valid purchase orders placed with vendors, market conditions and other external commercial and technical factors. However, such fund requirements and deployment of funds have not been appraised by any bank or financial institution. Additionally, in connection with incurring capital expenditure towards converting mono-feed stock operations to multi-feed stock operations to pave-way for utilizing grains as an additional raw material in ethanol plant. At TBL-Unit 4, our Company has commissioned a detailed project report dated September 5, 2025 by ITCOT Limited ("**ITCOT DPR**") which has verified the purchase orders from vendors and also certified the cost to be incurred towards capital expenditure. Our Statutory Auditors, N.M. Raiji & Co., Chartered Accountants, pursuant to their certificate dated September 19, 2025, have certified our working capital requirements and source of funding. For further details, see "*Risk Factors – Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control*" and "*Risk Factors - Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval*" on pages 55 and 65 respectively. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, our business and growth strategies, our ability to identify and implement inorganic growth initiatives (including investments and acquisitions), competitive landscape, general factors affecting our results of operations, financial condition and access to capital and other external factors such as changes in the business environment or regulatory climate and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling the proposed utilization of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. Further, in the event, the Net Proceeds are not utilized (in full or in part) for the objects of the Offer during the period stated above due to any reason, including (i) the timing of

completion of the Offer; (ii) market conditions outside the control of our Company; and (iii) any other economic, business and commercial considerations, the remaining Net Proceeds shall be utilized in subsequent periods as may be determined by our Company, in accordance with applicable laws.

Subject to applicable law, in case of variations in the actual utilization of funds earmarked for the purposes set forth above, increased fund requirements for a particular purpose may be financed by our internal accruals, additional equity and/or debt arrangements, as required. In case the actual utilization towards any of the Objects is lower than the proposed deployment, such balance will be used for funding other existing Objects, if necessary and/or towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes does not exceed 25% of the Gross Proceeds in accordance with the SEBI ICDR Regulations.

Further, our Company may decide to accelerate the estimated Objects ahead of the schedule specified above. However, in the event that estimated utilization out of the Net Proceeds in a scheduled Fiscal being not undertaken in its entirety, the remaining Net Proceeds shall be utilized in subsequent Fiscals, as may be decided by our Company, in accordance with applicable laws. Any such change in our plans may require rescheduling of our expenditure programs and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Net Proceeds.

Further, in case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the objects or any increase in the actual utilisation of funds earmarked for the Objects, our Company may explore a range of options including utilizing our internal accruals and/or seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls.

Means of finance

Except for a payment of ₹2,017.41 lakhs made by our Company out of internal accruals and an amount of ₹182.59 lakhs to be paid by our Company out of our internal accruals to one of the vendors, MRN Civiltech Private Limited, towards the civil work, the fund requirements for the Objects above are proposed to be entirely funded from the Net Proceeds and hence, no amount is proposed to be raised through any other means of finance. Accordingly, we are in compliance with the requirements prescribed under Paragraph 9(C)(1) of Part A of Schedule VI and Regulation 7(1)(e) of the SEBI ICDR Regulations which require firm arrangements of finance to be made through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Fresh Issue and existing internal accruals.

Details of the Objects

1. Funding capital expenditure towards setting up multi-feed stock operations to pave- way for utilizing grains as an additional raw material in ethanol plant located at TBL Unit 4 of 300 KLPD capacity.

The production of ethanol requires sugar syrup / juice and molasses, amongst others, as raw material and we source a significant portion of such raw materials from sugar manufacturing facilities owned by an entity forming part of our Promoter Group. For details, see "*History and Certain Corporate Matters – Shareholders' agreements and other agreements - Other Agreements*" on page 333. We are in the process of setting up an additional plant at TBL Unit 4 of 300 KLPD capacity which will operate on a multi feed basis, utilizing grains (particularly maize and rice), alternatively in the off-season in order to reduce our dependence and storage cost on sugar syrup / juice and molasses at in TBL Unit 4 which currently has a capacity of 200 KLPD in mono-feed.

As on the date of this Red Herring Prospectus, the mono feed plant at TBL Unit 4 received the consent to operate in December 2024, and our Company has commenced production at TBL Unit 4 with a capacity of 200 KLPD in mono-feed in February 2025. Our Company is in the process of converting the mono feed plant at TBL Unit 4 into a multi-feed plant, towards which the proceeds from the Fresh Issue are proposed to be utilised. To convert the mono feed plant into a multi-feed plant, our Company is adding plant and machinery along with relevant civil works, required for processing the grains, during the off-season, when sugar syrup / juice and molasses are not available. Our Company has sufficient land to achieve multi-feed operations at TBL Unit 4, i.e., 17 acres, 11 guntas. While our multi-feed plant at TBL Unit 4 will particularly use maize and rice as additional feedstock, other starchy feedstocks such as wheat, barley and sorghum may also be used as additional feedstock in our proposed multi-feed plant.

Conversion of Mono Feed Operations to Multi Feed Operations at TBL Unit 4

The production of ethanol involves fermentation, distillation, and evaporation, involving three different types of plant and machineries to complete the processes. While the plant and machinery required for processing distillation and evaporation processes are common in mono feed and multi feed plants, the plant and machinery for fermentation differs. Accordingly, our Company is in the process of installing the relevant plants and machinery along with civil works for setting up fermentation process and upgrading the evaporation and cogeneration process. Additionally, our Company is adding new sections including grain storage section, loading and unloading section, grain handling, cleaning, milling and flour handling, flour weighing system, slurry handling, jet cooking, liquefaction, pre-scarification section, decantation section, the distiller's dried grains solubles ("**DDGS**") dryer section, boiler and turbine, which our Company is installing on a credit basis from the vendors. The total estimated cost in relation to the same is ₹17,268.00 lakhs, out of which our Company has made a payment of ₹2,017.41 lakhs out of our internal accruals and shall make a payment of ₹182.59 lakhs out of our internal accruals to one of the vendors, MRN Civiltech Private Limited in relation to the civil work done by them, and the remaining cost aggregating to ₹15,068.00 lakhs is proposed to be funded from the Net Proceeds, as per the ITCOT DPR.

The following table sets forth further information relating to existing TBL Unit 4 which is being converted from Mono feed to Multi feed plant:

Location	Owned/ leased	Area	Raw material to be used	Installed capacity in Mono feed (in KLPD)	Proposed installed capacity in Multi feed (in KLPD)
Non-agricultural land parcels comprising survey numbers 10/3, 10/4, 10/5, 10/6 (new survey number 10/20), 10/7, 10/8 (new survey number 10/19), 10/9, 10/10 (new survey number 10/17), 10/11, 10/12 (new survey number 10/18), 10/13, 10/15, at Ganganaboodhihala village and survey numbers 36/4, 36/5, 37/2, 37/3, 37/4, 37/5 at Jalageri village, Kerakalmatti, Badami taluk, Bagalkot, Karnataka	Owned	17 acres and 11 guntas	Maize and broken rice, sugar syrup / juice and molasses	200	300

Estimated Cost

A detailed breakdown of the total costs incurred / to be incurred to achieve multi-feed operations at TBL Unit 4, is as follows:

(₹ in lakhs)

Sr. No	Item	Amount*
1.	Civil works^	2,200.00
2.	Plant and Machinery	14,313.00
3.	Miscellaneous fixed assets	755.00
	Total	**17,268.00**

** As certified by ITCOT Limited and are inclusive of goods and services tax.*

** Out of ₹2,200.00 lakhs payable to one of the vendors, MRN Civiltech Private Limited, towards the civil works cost, an amount of ₹2,017.41 lakhs has already been paid by our Company out of our internal accruals, and the remaining ₹182.59 lakhs shall also be paid by our Company out of our internal accruals. No amount will be paid to MRN Civiltech Private Limited for civil works cost out of the proceeds from the Fresh Issue.*

The above costs have been arrived at on the basis of purchase orders awarded by our Company for civil works and plant and machinery to the vendors, and proforma invoice obtained by our Company for miscellaneous fixed assets, as listed below:

Sr. No	Name of the vendor / supplier	Date of the purchase order / proforma invoice	Amount	Scope of work
1.	MRN Civiltech Private Limited	October 3, 2024	2,200.00	Civil construction
2.	MP Engineering Works	October 19, 2024	6,602.00	Supply of plant and machinery
3.	ESBEE Power Solutions Private Limited	May 6, 2025	3,122.00	Supply of plant and machinery
4.	Raj Process Equipment and Systems Private Limited	May 7, 2025	4,589.00	Supply of plant and machinery

Sr. No	Name of the vendor / supplier	Date of the purchase order / proforma invoice	Amount	Scope of work
5.	Jiangsu Grand Drying and Concentrating Equipment Co. Ltd.	May 28, 2025 (proforma invoice)	755.00	Supply of plant and machinery
	Total		**17,268.00**	

While our Company had previously obtained quotations from a different vendor, however, on account of better payment terms (including permitting supply on credit basis), faster delivery schedules for the plant and machinery to ensure that the progress at TBL Unit 4 is completed within the estimated timelines and experience and goodwill of the vendors in the market, our Company has placed purchase orders with the above vendors. While there have been changes in the form of increase or decrease to the estimated cost of certain plant and machinery from the quotations procured previously and the purchase orders finally placed, the aggregate cost of the project remains unchanged.

Except for a payment of ₹2,017.41 lakhs which has been made by our Company towards civil works cost to MRN Civiltech Private Limited out of our internal accruals, no other payment has been made by our Company to the above vendors, and the machinery, equipment and other services are being procured by our Company on a credit basis from the vendors. Further, while no penalty or interest has been levied by any of the vendors as on the date of this Red Herring Prospectus, in the event there is any penalty or interest levied by any vendor, the same shall be paid by our Company out of our internal accruals, and no portion of the Net Proceeds will be used towards payment of such penalty or interest. We further confirm that no portion of the expenses related to Objects which have been paid out of our internal accruals, shall be re-couped by our Company, Promoters, members of our Promoter Group, Directors, KMPs or SMPs out of the Net Proceeds.

Except as disclosed below, none of the above vendors are related to our Company, our Promoters, members of our Promoter Group, Directors, KMPs and SMPs:

Vijay Basavaraj Ingali, one of the directors of MRN Civiltech Private Limited, is also a director of Nirani Energy Private Limited, wherein Vijaykumar Murugesh Nirani and Vishal Nirani, two of our Promoters and Directors, held directorships in the past. However, as on the date of this Red Herring Prospectus, Vijaykumar Murugesh Nirani and Vishal Nirani are no longer directors of Nirani Energy Private Limited, since they ceased to be directors of Nirani Energy Private Limited with effect from March 18, 2024. For details of this cessation, see "*Our Promoters and Promoter Group – Companies or firms with which our Promoters have disassociated in the last three years*" on page 381.

Further, neither our Company, nor our Promoters, members of our Promoter Group, Directors, KMPs or SMPs have any interest in MRN Civiltech Private Limited.

Break-Down of Civil Works Cost

The main civil works to be undertaken in connection with multi- feed operations and the costs to be incurred are set forth below.

#	Particulars	TBL Unit 4 300 KLPD *(₹ in lakhs)*	Name of the vendor	Date of the purchase order
1	Earth work in excavation of foundation trenches or drains, in all sorts of soil (including necessary trimming the sides of trenches, levelling, dressing and ramming the bottom, bailing out water as required complete up to 1.5 meter (4,850 Cubic meter x ₹ 162.75)	7.89	MRN Civiltech Private Limited	The purchase order is dated October 3, 2024.
2	Earth work in excavation of foundation trenches or drains, in all sorts of soil (including necessary trimming the sides of trenches, leveling, dressing and ramming the bottom, bailing out water as required complete above 1.5 meter (3,637.50 Cubic meter x ₹ 187.16)	6.81		
3	Earth work in filling in foundation trenches or plinth with good earth (Murom filling brought from outside (5,092.50 Cubic meter x ₹ 527)	26.84		

#	Particulars	TBL Unit 4 300 KLPD *(₹ in lakhs)*	Name of the vendor	Date of the purchase order
4	Transportation of excavated from site to unloading area (8,487 Cubic meter x ₹ 220)	18.67		
5	Soiling (320 Cubic meter x ₹ 420)	1.34		
6	Providing and laying in position plain cement concrete of mix 1:4:8 with Ordinary Portland Cement ("**OPC**") @ 180kgs, with 40 millimetre ("**mm**") and downsize graded granite metal coarse aggregates @0.85 cubic meter ("**cum**") and fine aggregates @ 0-57cum (890 Cubic meter x ₹ 6,185)	55.05		
7	Providing and laying in position reinforced cement concrete of design Mix M20 with OPC @ 330kgs, with 20mm and down size graded granite metal coarse aggregates @0.95cum and fine aggregates @0.65cum			
a	Up to Finished Floor Level ("**FFL**") (4,348.76 Cubic meter x ₹ 7,185)	312.46		
b	Above FFL to 4Mtr (3,165 Cubic meter x ₹ 7,903.5)	250.15		
c	4Mts Above (4.00mt to 8.00mt) (1,266 Cubic meter x ₹ 8,262.75)	104.61		
d	Vacuum Dewatering Flooring ("**VDF**") Concreting (Only concrete) (1,050 Cubic meter x ₹ 7,185)	75.44		
8	Providing and removing centering, shuttering, strutting, propping etc., and removal of form work for all work for mass concrete			
a	Straight			
i	Up to FFL (4,566.20 Cubic meter x ₹ 650)	29.68		
ii	Above FFL to 4 meters (3,323.25 Cubic meter x ₹ 722)	23.99		
ii	4Mts Above (4.00mt to 8.00mt) (1,329.30 Cubic meter x ₹ 830.30)	11.04		
b	Circular			
i	Up to FFL (2,609.26 Cubic meter x ₹ 780)	20.35		
ii	Above FFL to 4 meters (2,215.50 Cubic meter x ₹ 897)	19.87		
9	Providing T.M.T steel reinforcement for reinforced concrete cement ("**R.C.C**") work			
a	Over all quantity (658.48 MT x ₹ 96,000)	632.14		
b	Lead and Lift (131.70 MT x ₹ 1,680)	2.21		
1	Pockets (890 running meter ("**RMT**") x ₹ 1,080)	9.61		
1	Providing and constructing burnt brick masonry	48.87		

#	Particulars	TBL Unit 4 300 KLPD *(₹ in lakhs)*	Name of the vendor	Date of the purchase order
	(865 Cubic meter x ₹ 5,650)			
1	Providing any type thick cement plaster in any coat with cement mortar to brick masonry			
a	Internal (up to FFL) (3,760.87 Square meter x ₹ 455)	17.11		
b	External (up to FFL) (4,150 Square meter x ₹ 552)	22.91		
c	Cement Polishing (up to FFL) (1,851.4 Square meter x ₹ 652)	12.07		
1	Providing & fixing vitrified Tiles of various sizes at flooring & wall			
a	Vitrified Tiles (up to FFL) (456 Square meter x ₹ 1,350)	6.16		
b	Vitrified Skirting (up to FFL) (228 RMT x ₹ 350)	0.80		
1	Granite Work (up to FFL) (189 Square meter x ₹ 4,160)	7.86		
a	Chamfering (up to FFL) (85 RMT x ₹ 175)	0.15		
b	Platform (up to FFL) (31 RMT x ₹ 4,150)	1.29		
1	Grouting (108 Cubic meter x ₹ 83,000)	89.64		
1	Painting			
a	Internal (up to FFL) (3,760.87 Square meter x ₹ 195)	7.33		
b	External (up to FFL) (4,150 Square meter x ₹ 205)	8.51		
1	Staging (3,980 Cubic meter x ₹ 175)	6.97		
1	VDF Finishing (5,250 Square meter x ₹ 225.20)	13.40		
1	Bitumen Work (785 Square meter x ₹ 1,680)	13.19		
	Basic Cost	**1,864.41**		
	Goods & Services Tax	335.59		
	Total	**2,200.00**		

** As certified by ITCOT Limited.*

As on the date of this Red Herring Prospectus, in relation to the aforementioned civil works, our Company has made a payment of ₹2,017.41 lakhs out of our internal accruals to MRN Civiltech Private Limited, which has been certified by our Statutory Auditors, N.M. Raiji & Co., Chartered Accountants, pursuant to their certificate dated September 19, 2025. Further, our Company shall make a payment of ₹182.59 lakhs to MRN Civiltech Private Limited out of our internal accruals towards the remaining cost for the civil works. We confirm that the same shall not be re-couped by us out of the Net Proceeds.

Break- Down of Plant and Machinery Cost

The plant and machinery required to be installed at TBL Unit 4 to achieve multi-feed operations and the cost incurred in this regard is set forth below:

#	Particulars	Amount^ *(₹ in lakhs)*	Name of the vendor	Date of the purchase order	Estimated date of delivery / installation
1.	**GRAIN SILOS:** Grain Silo of 12,500 metric tonnes ("**MT**") Capacity x 2 Nos. with accessories **GRAIN HANDLING AND MILLING:** - Grain unloading, Precleaning and Feeding to Silo - 85 tonnes per hour ("**TPH**") - Grain cleaning, handling & milling 35 TPH - Grain flour handling system, silo and weighing system- 28 TPH **Liquefaction** Initial liquefaction and final liquefaction tank with Jet cooker along with bought out items, piping and valves, electrical and instrumentation **Fermentation section (Modification)** Modification in existing fermentation for grain suitability with wide gap Plate Heat Exchanger ("**PHE**"), top entry agitator addition, piping and valves, electrical and instrumentation **Structural Works:** Structure staging and equipment support structure for above process sections with sandblasting and epoxy coating	6,602.00	MP Engineering Works	The purchase order is dated October 19, 2024	October 1, 2025
2.	**Integrated Evaporation:** Falling film effect and force circulation effect (4 Falling Film + 1 Force Circulation) suitable for grain evaporation along with Vapor Liquid Solid, tanks, piping and valves, electrical and instrumentation **Decantation:** Decanters (Quantity 4) working + 2 Nos standby with ribbon mixer, tanks, bought out items, piping and valves, electrical and instrumentation **DDGS Dryer:** Dryer of Heat Transfer Area 1650 m2 x 2 Nos., with accessories along with cooling, conveying and semi-automatic packaging machine **Utility:** Cooling tower for liquefaction and evaporation section with recirculation pump with motor, instrument air, piping and valves, electrical and instrumentation, plant lighting and yard piping	4,589.00	Raj Process Equipment and Systems Private Limited	The purchase order is dated May 7, 2025	October 1, 2025
3.	**Boiler** Design, engineering, manufacturing supply and	3,122.00	ESBEE Power Solutions	The purchase order is	January 15, 2026

#	Particulars	Amount^ *(₹ in lakhs)*	Name of the vendor	Date of the purchase order	Estimated date of delivery / installation
	conducting performance guarantee test of 55TPH and capacity enhancement of 55TPH to 65TPH boiler		Private Limited	dated May 6, 2025	
4.	Packing, forwarding, installation, training and supervision of commissioning charges	Included above			
5.	Erection, installation and supervision of construction	Included above			
6.	Goods and services tax	Included above			
	Total	**14,313.00**			

** As certified by ITCOT Limited.*

Break- Down of Miscellaneous Fixed Assets

Miscellaneous fixed assets to be installed at TBL Unit 4 to achieve multi-feed operation and their estimated erected costs are given in the following table:

Particulars	Amount *(₹ in lakhs)*	Name of the vendor	Date of proforma invoice	Estimated date of delivery / installation
GZG 1650 m2 dryer	510.40	Jiangsu Grand Drying and Concentrating Equipment Co. Ltd.	The proforma invoice is dated May 28, 2025	October 15, 2025
GH7 60 high speed mixer	13.20			
Sub-total	***523.60***[(1)]			
Add: CFS, transportation and miscellaneous charges	231.40			
Total	**755.00**			

[*] *As certified by ITCOT Limited.*
[(1)] *Conversion rate of ₹88 per USD, basis the rate of exchange available at https://www.exchangerates.org.uk/, as on September 3, 2025.*

The quantity of equipment to be purchased as part of the above spend is based on the purchase orders and the present estimates of our management. Our Company shall have the flexibility to deploy such other equipment as may be considered appropriate, according to the business or engineering requirements of such facilities, subject to the total amount to be utilized out of the Net Proceeds towards purchase of such equipment and other expenditure not exceeding ₹ 15,068.00 lakhs. For further details, see "*Risk Factors – Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control*" and "*Risk Factors – Any variation in the utilization of the Net Proceeds would be subject to certain compliance requirements, including prior shareholders' approval*" on pages 55 and 65, respectively.

Our Company has not procured, nor have we placed purchase orders for, any second-hand equipment, as part of the above stated spend towards the project.

Schedule for Implementation

Major activities	Present status / Target Completion Date TBL Unit 4
Date of commencement	March 2025
Date of placing the purchase orders	May 2025 to September 2025
Estimated date of delivery	September 2025 to October 2025
Estimated date of installation and erection	November 2025
Estimated date of Completion / Trial production	December 2025
Estimated date of Final Commercial production	January 2026

Physical progress as on August 31, 2025

Approximately 75% of the progress towards the project has been completed.

The detailed physical progress for add on grain plant, as on August 31, 2025 is provided below:

Sr. No	Section	Status of civil work	Status of mechanical work
A	**Unloading and Precleaning**		
1.	Unloading and precleaning	100% completed	100% completed
2.	Unloading hopper	100% completed	100% completed
3.	1.3 m unloading hopper slab	100% completed	100% completed
4.	1st bucket elevator	100% completed	85% completed
5.	Precleaning foundation and slab	100% completed	80% completed
6.	2nd bucket elevator	100% completed	85% completed
B	**Silo**		
1.	Grain silo foundation -"A"	100% completed	100% erection work completed
2.	Grain silo foundation - "B"	100% completed,	100% completed
3.	Grain silo erection Work	100% completed	1st silo 100% completed and 2nd silo 100% completed
C	**Milling section**		
1.	Main mill foundation	100% foundation work completed as per existing 10 mt x 05 mills design	65 % completed
2.	Elevator pit and slab details	100% pit work completed, slab completed	80% completed
3.	Inside small foundation	100% completed	90% completed
4.	Structural column foundation	100% column civil foundation work completed	90% completed
5.	Equipment erection	Completed	75% completed
6.	Loading elevator pit	100% work completed	90% completed
D	**Liquefaction section**		
1.	Slurry tank	100% completed with bitumin layer	95% erection work completed
2.	Liquefaction tank	100% completed with bitumin layer	95% completed
3.	Cleaning in place - tank	100% completed with bitumin layer	95% erection work completed
4.	Hot water tank	100% completed with bitumin layer	90% erection work completed
5.	Retention vessel	100% completed	95% erection work completed
6.	Structural column foundation	100% completed,	95% completed
7.	PHE foundation – slurry cooler 1	100% completed	Erection 100% completed
8.	PHE foundation – slurry cooler 2	100% completed	Erection 100% completed
9.	Pump foundation -	100% completed	Erection 90% completed
10.	Gutter	60% completed	60% completed
11.	Flooring	80% completed	80% completed
12.	Steam line	60% completed	50% completed
13.	Water line	100% completed	60% completed
14.	Cooling tower erection	90% completed	60% completed
15.	Cooling tower pumps and piping erection	100% completed	75% completed
16.	Internal stainless steel pipeline	80% completed	75% completed
E	**Dryer section**		
1.	Distiller's dried grains solubles dryer and decanter section column foundation	70 % completed	Erection work 65% completed
2.	Main dryer foundation A&B	100% work completed	65% completed
3.	MCC panel and decanter slab	100% completed	85% completed
4.	Pump foundation	100% completed	95% completed
5.	Feed and thin slope tank foundation	100% completed	90% completed
6.	Steam line	80% completed	60% completed
7.	Distiller's dried grains solubles godown	30% work in progress	50% completed
8.	Structural column foundation	100% civil foundation work completed.	80% completed
9.	MS structural columns sand blasting work	100% completed	95% completed
10.	Gutter and reinforced cement concrete flooring	In progress	In progress

The detailed physical progress for 55 TPH traveling grate boiler, as on August 31, 2025, is provided below:

Sr. No	Section	Status of civil work	Status of mechanical work
1.	Pressure parts - One lot Steam drum of fusion welded construction provided with necessary nozzle and with dished ends on both side with manways.	70% completed	erection
2.	Combustor – Turbo generator assembly consisting of grate castings, grate frame & plenum chamber below the grate with slide gate arrangement at bottom & by pass chute	60% work completed	50% completed
3.	Fuel storage & feeding system - 5 Nos. fuel silo (bagasse) with 10-12 minutes storage capacity considering 150-200 Kg/m3 density for bagasse & conveyor elevation to be decided during detail engineering.	80% completed	65% completed
4.	Deaerator cum storage tank (shall be located on separate steel structure adjacent & connected to boiler main structure)	80% completed	60% completed
5.	Feed water tank - one number feed water tank (30 minutes storage) with 2 x 110% feed water transfer pumps with VFD drives including valves and fittings. Deaerator & feed water tank shall be located on same steel structure	80% completed	65% completed
6.	Feed water piping - makeup water / process condensate piping up to feed water tank	80% completed	60% completed
7.	Boiler feed water pumps - 3 x 60% (2W + 1SB) boiler feed water pumps with ARC	Work in progress	50% completed
8.	Boiler mountings & fittings	100% civil foundation work completed	65% completed
9.	Blow down system - one No. CBD and one No. IBD tank supplied with necessary nozzles, mountings & fittings.	80% completed	60% completed
10.	Soot blowers - 4 Nos. long retractable soot blowers & 4 Nos. rotary soot blowers for superheater zone.	80% completed	60% completed
11.	Draft equipment - 2x60% MCR capacity secondary air (SA) fan including base frame, coupling and coupling guard with suction damper, expansion joint.	80% completed	50% completed
12.	Chemical dosing system - one set skid mounted low pressure (LP) dosing system comprising of one number mixing cum storage tank with motorized agitator and 2 numbers positive displacement pumps (1W + 1SB).	40% completed	30% completed
13.	Non pressure parts, boiler supporting structures, platforms, staircase & operating floor, air ducting (5mm thick)	80% completed	30% completed
14.	Integral piping- one lot integral piping consists	100% completed	20% completed
15.	Drain and vent piping lot	100% completed	20% completed
16.	External steam piping lot	100% completed	30% completed
17.	Chimney - along with platforms and ladders & lighting arrestor and aviation lamp	100% completed	90% completed
18.	SWAS panel includes PH and conductivity transmitters including shell & tube sampling cooling system to sampling the feed water, drum water and superheated steam	80% completed	60% completed
19.	Electricals - control transformer 415/230VAC, LT MCC for boiler & its auxiliaries.	60% completed	65% completed
20.	Boiler Controls & Instrumentation	100% completed	30% completed
21.	Complete distributed control system for boiler and fuel handling system	100% completed	30% completed
22.	Complete electrical and instrumentation required air compressor	90% completed	40% completed
23.	Required air condition system for distributed control system room and panels	50% completed	20% completed

24.	Ash handling system	In progress	In progress

Government approvals

We have received the environmental clearance issued by the Ministry of Environment, Forest and Climate Change, Delhi, State Environment Impact Assessment Authority and State High-Level Clearance Committee of Department of Commerce and Industries of the Government of Karnataka, consent for establishment issued by the Karnataka State Pollution Control Board, consent for operation for sugarcane syrup based distillery issued by the Karnataka State Pollution Control Board and the license to import and store petroleum from the Petroleum & Explosives Safety Organization, certificate for verification for weights and measurement, fire fighting compliance certificate, approval for possession & use of molasses for manufacturing rectified spirit, regular interconnection approval, which are relevant for us at this stage, in relation to this proposed object. Further, we have updated the registration of our units under the industrial entrepreneur's memorandum. We will be required to obtain certain other approvals and/or licenses, which are routine in nature, from certain governmental or local authorities, which include, water withdrawal permission, and certificate for use of boiler. Our Company undertakes to file necessary applications with the relevant authorities, to the extent not already made, for obtaining all final approvals as applicable, at the relevant stages. For details of laws applicable and approvals required for units, see "*Key Regulations and Policies in India*" and "*Government and Other Approvals*" on pages 321 and 571.

In the event of any unanticipated delay in receipt of such approvals, the proposed schedule implementation and deployment of the Net Proceeds may be extended or may vary accordingly. For details, see "*Risk Factors – We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business and our Units, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations*" on page 64.

2. Funding our working capital requirements

Our business is working capital intensive due to factors such as the cyclical nature of our business, increase in prices of raw materials during off-season, dependence of sale of ethanol on the bidding process of Oil Marketing Companies ("**OMCs**") and supply of ethanol as per the delivery schedules guided by OMCs pursuant to various market factors. Our needs for working capital have gone up and we fund a majority of our working capital requirements in the ordinary course of business through our internal accruals, borrowings and shareholders' capital.

To effectively meet the anticipated year-round demand, it is crucial for our Company to build a substantial inventory by the fourth quarter of every Financial Year on account of inventory supply being limited during the production off-seasons which runs from April to September. Accordingly, inventory levels are significantly high at the end of the Financial Year to support the requirements of the off-season.

The proceeds from the Offer deployed towards working capital requirements, will enable the Company to primarily:

- procure and store inventory at the end of the sugarcane crushing season which is end of March and may extend up to mid April;
- procure raw materials to operate the units round the year; and
- reduce trade payable period from an average of 100 days to 52 days, allowing the Company to pay suppliers more promptly.

Basis of estimation of working capital requirement

The details of our Company's working capital derived from the restated standalone financial information of the Company for the financial years ended March 31, 2023, March 31, 2024 and March 31, 2025, and source of funding are provided in the table below:

(₹ in lakhs)

Sr. No.	Particulars	Fiscal Year		
		2023^^	2024	2025
(A)	**Current assets**			

a	Inventories	15,348.50	15,551.38	20,420.23
b	Trade receivables	8,654.24	29,692.79	33,780.40
c	Cash and cash equivalents	477.91	1,738.09	14,782.67
d	Other financial assets (including loans to Subsidiary) *	3,571.27	402.91	1,936.45
e	Government grant	-	4,999.32	9,561.50
f	Other current assets	4,993.81	10,294.86	23,812.15
g	Investment in mutual funds	-	1,000.02	436.08
	Total current assets (A)	**33,045.73**	**63,679.37**	**1,04,729.48**
(B)	**Current liabilities****			
a	Trade payables	30,872.40	13,765.06	46,826.90
b	Other financial liabilities	5,188.10	19,222.76	11,981.78
c	Provisions	4.66	14.47	24.16
d	Lease liabilities	-	-	166.46
e	Other current liabilities	211.49	139.04	183.33
	Total current liabilities (B)	**36,276.65**	**33,141.33**	**59,182.63**
(C)	**Total working capital requirements (C=A-B)**	**(3,230.92)**	**30,538.04**	**45,546.85**
	Less: Cash and Bank	**477.91**	**1,738.09**	**14,782.67**
	Total Net working capital requirements	**(3,708.83)**	**28,799.95**	**30,764.18**
(D)	**Funding Pattern**			
	Borrowings from banks (D)	-	25,455.37***	27,941.95
	Internal accruals (E)	**-**	**3,344.58**	**2,822.23**

Our Statutory Auditors, N.M. Raiji & Co., Chartered Accountants, pursuant to their certificate dated September 19, 2025, have certified the abovementioned working capital requirements and source of funding.

^^ The closing pursuant to the business transfer agreements each dated September 26, 2022 with Erstwhile Nirani Sugars Limited, Shri Sai Priya Sugars Limited, and MRN Cane Power (India) Limited took place on October 1, 2022, hence these are effectively only 6 months numbers.
** Excludes receivable from third parties amounting to nil as at March 31, 2025 (₹544.81 lakhs as at March 31, 2024 and ₹13,364.59 lakhs as at March 31, 2023) representing capital advances recoverable from vendors and includes income tax assets of ₹170.98 lakhs as at March 31, 2025 (₹397.13 lakhs as at March 31, 2024 and nil as at March 31, 2023).*
*** Current maturities of term loans and liability component of Compulsorily Convertible Preference Shares are excluded from above current liabilities.*
**** Working Capital loan was disbursed by State Bank of India on January 23, 2024.*

The table below highlights the installed capacity of our TBL Unit 1, TBL Unit 2, TBL Unit 3, TBL Unit 4 and TBL Unit 5:

Particulars	**Fiscal Year 2023** (in KLPD)	**Fiscal Year 2024** (in KLPD)	**Fiscal Year 2025** (in KLPD)
TBL Unit 1	700*	700	700
TBL Unit 2	500**	500	500
TBL Unit 3	200	200	400***
TBL Unit 4	-	-	200****
TBL Unit 5	-	-	200*****
Total	**1,400**	**1,400**	**2,000**

** The capacity was increased from 150 KLPD to 700 KLPD effective from February 2023.*
*** The capacity was increased from 240 KLPD to 500 KLPD effective from December 2022.*
**** The capacity was increased from 200 KLPD to 400 KLPD effective from November 1, 2024.*
***** TBL Unit 4 received the consent for operation on December 24, 2024 and was capitalised on March 30, 2025, post completion of trial run of production on March 29, 2025.*
****** TBL Unit 5 was installed but not operational as on March 31, 2025.*

The table below highlights the operational capacity of our TBL Unit 1, TBL Unit 2, TBL Unit 3, TBL Unit 4 and TBL Unit 5:

Particulars	Fiscal Year 2023 (in KLPD)	Fiscal Year 2024 (in KLPD)	Fiscal Year 2025 (in KLPD)
TBL Unit 1	700*	700	700
TBL Unit 2	500**	500	500
TBL Unit 3	200	200	400***
TBL Unit 4	-	-	200****
TBL Unit 5*****	-	-	-
Total	**1,400**	**1,400**	**1,800**

* *The capacity was increased from 150 KLPD to 700 KLPD effective from February 2023.*
** *The capacity was increased from 240 KLPD to 500 KLPD effective from December 2022.*
*** *The capacity was increased from 200 KLPD to 400 KLPD effective from November 1, 2024.*
**** *TBL Unit 4 received the consent for operation on December 24, 2024 and was capitalised on March 30, 2025, post completion of trial run of production on March 29, 2025.*
***** *TBL Unit 5 was installed but not operational as on March 31, 2025.*

The table below sets forth salient operational details of our TBL Unit 1, TBL Unit 2 and TBL Unit 3, ***post acquisition of distillery units pursuant to the business transfer agreements, each dated September 26, 2022***, and TBL Unit 4 and TBL Unit 5:

Particulars	Fiscal Year		
	2023	2024	2025
No. of Units functional at the start of the Fiscal Year/period / Acquired during the Fiscal Year/period	3	3	3
No. of Units expanded / started during the Fiscal Year/period	2*	-	2**
No. of Units functional at the end of the Fiscal Year/period	3	3	4
Operational capacity at start of the Fiscal Year/period (in KLPD)	590	1,400	1,400
Operational capacity increased during the Fiscal Year/period (in KLPD)	810	-	400
Operational capacity at end of the Fiscal Year/period (in KLPD)	1,400	1,400	1,800
Actual production (in KL)	1,22,535	1,81,445	2,29,255***
Capacity at the end of the Fiscal Year/period (in KL)	1,65,450	4,25,600	5,08,600
Capacity utilization (%)****	74.06%	42.63%	45.08%
No. of days of operation of distillery unit	151	304	365

* *In Fiscal 2023, the installed capacity of TBL Unit 1 increased from 150 KLPD to 700 KLPD and the installed capacity of TBL Unit 2 increased from 240 KLPD to 500 KLPD.*
** *In Fiscal 2025, the installed capacity of TBL Unit 3 increased from 200 KLPD to 400 KLPD. TBL Unit 4 received the consent for operation on December 24, 2024 and was capitalised on March 30, 2025, post completion of trial run of production on March 29, 2025. TBL Unit 5 was installed but not operational as on March 31, 2025.*
*** *Includes the trial run production of TBL Unit 4 aggregating to 3,874 KL for the period from February 20, 2025 to March 29, 2025.*
**** *For details in relation to production, capacity and capacity utilisation (%), please see "- Capacity Utilisation" on page 150.*

The table below sets forth salient operational details of our TBL Unit 1, TBL Unit 2 and TBL Unit 3, ***as if the acquisition of the distillery units pursuant to the business transfer agreements, took place with effect from April 1, 2020***, and TBL Unit 4 and TBL Unit 5:

Particulars	Fiscal Year		
	2023	2024	2025
No. of Units functional at the start of the Fiscal Year/period	3	3	3
No. of Units expanded / started during the Fiscal Year/period	2*	-	2**
No. of Units functional at the end of the Fiscal Year/period	3	3	4
Operational capacity at start of the Fiscal Year/period (in KLPD)	590	1,400	1,400
Operational capacity increased during the Fiscal Year/period (in KLPD)	810	-	400
Operational capacity at end of the Fiscal Year/period (in KLPD)	1,400	1,400	1,800
Actual production (in KL)	1,81,431	1,81,445	2,29,255***
Capacity at the end of the Fiscal Year/period (in KL)	2,60,220	4,25,600	5,08,600
Capacity utilization (%)***	69.72%	42.63%	45.08%
No. of days of operation of distillery unit	365	304	365

[*] *In Fiscal 2023, the installed capacity of TBL Unit 1 increased from 150 KLPD to 700 KLPD and the installed capacity of TBL Unit 2 increased from 240 KLPD to 500 KLPD.*

[**] *In Fiscal 2025, the installed capacity of TBL Unit 3 increased from 200 KLPD to 400 KLPD. TBL Unit 4 received the consent for operation on December 24, 2024 and was capitalised on March 30, 2025, post completion of trial run of production on March 29, 2025. TBL Unit 5 was installed but not operational as on March 31, 2025.*

[***] *Includes the trial run production of TBL Unit 4 aggregating to 3,874 KL for the period from February 20, 2025 to March 29, 2025.*

[****] *For details in relation to production, capacity and capacity utilisation (%), please see "- Capacity Utilisation" on page 150.*

[*The remainder of this page is intentionally left blank*]

Capacity Utilisation

During the Fiscals 2023, 2024 and 2025, our Company had a capacity utilisation rate of 69.72%, 42.63% and 45.08%, respectively. The lower capacity utilisation was primarily due to non-availability of working capital for procurement of raw materials for manufacture during the off season.

The following table sets forth in detail, our capacity utilization data and the number of operational days on a monthly basis for Fiscals 2023, 2024 and 2025. The cells highlighted in grey in the below table are ***as if the acquisition of the distillery units pursuant to the business transfer agreements, took place with effect from April 1, 2020***.

Month	Fiscal 2023					Fiscal 2024					Fiscal 2025				
	No. of Days	Capacity in KLPD	Production (KL)	Capacity (KL)	Utilization (%)	No. of Days	Capacity in KLPD	Production (KL)	Capacity (KL)	Utilization (%)	No. of Days	Capacity in KLPD	Production (KL)	Capacity (KL)	Utilization (%)
Apr	30	590	12,739	17,700	71.97%	30	1,400	18,583	42,000	44.25%	30	1,400	8,540	42,000	20.33%
May	31	590	13,029	18,290	71.24%	31	1,400	21,992	43,400	50.67%	31	1,400	8,645	43,400	19.92%
June	30	590	10,237	17,700	57.84%	30	1,400	11,002	42,000	26.20%	30	1,400	8,138	42,000	19.38%
July	31	590	12,299	18,290	67.24%	31	1,400	4,598	43,400	10.59%	31	1,400	5,136	43,400	11.83%
Aug	31	590	9,202	18,290	50.31%	31	1,400	3,302	43,400	7.61%	31	700*	4,138	21,700	19.07%
Sep	30	150*	1,387	4,500	30.82%	-	-*	-	-	-	30	900*	8,513	27,000	31.53%
Oct	31	150*	1,044	4,650	22.46%	-	-*	-	-	-	31	900*	4,538	27,900	16.27%
Nov	30	850	12,861	25,500	50.44%	30	1,400	22,348	42,000	53.21%	30	1,600	19,434	48,000	40.49%
Dec	31	850	23,543	26,350	89.35%	31	1,400	25,559	43,400	58.89%	31	1,800**	45,550	51,200	88.96%
Jan	31	850	26,516	26,350	100.63%	31	1,400	19,959	43,400	45.99%	31	1,800	47,548	55,800	85.21%
Feb	28	1,400	30,623	39,200	78.12%	28	1,400	30,077	39,200	76.73%	28	1,800	36,080	50,400	71.59%
Mar	31	1,400	27,948	43,400	64.40%	31	1,400	24,024	43,400	55.36%	31	1,800	32,995	55,800	59.13%
Total	**365**	**1,400**	**1,81,431**	**2,60,220**	**69.72%**	**304**	**1,400**	**1,81,445**	**4,25,600**	**42.63%**	**365**	**1,800**	**2,29,255*****	**5,08,600*****	**45.08%**

[*] *Balance capacity under maintenance / planned shutdown due to lack of raw material. In Fiscal 2023, TBL Unit 1 (150 KLPD), TBL Unit 2 (240 KLPD) and TBL Unit 3 (200 KLPD) were operational from April to August 2022. The installed capacity of TBL Unit 1 increased from 150 KLPD to 700 KLPD from February 2023 and the installed capacity of TBL Unit 2 increased from 240 KLPD to 500 KLPD from December 2022. In August 2024, TBL Unit 1 (700 KLPD) was operational and in September and October 2024, TBL Unit 1 (700 KLPD) and TBL Unit 3 (200 KLPD) were operational.*

[**] *In Fiscal 2025, the installed capacity of TBL Unit 3 increased from 200 KLPD to 400 KLPD. TBL Unit 4 received the consent for operation on December 24, 2024 and was capitalised on March 30, 2025, post completion of trial run of production on March 29, 2025. TBL Unit 5 was installed but not operational as on March 31, 2025.*

[***] *Includes the trial run production of TBL Unit 4 aggregating to 3,874 KL for the period from February 20, 2025 to March 29, 2025.*

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The following table sets forth the details of our capacity utilization and the number of operational days on a monthly basis for Fiscal 2026:

Month	Fiscal 2026			
	No. of Days	Production (KL)	Capacity (KL)	Utilization (%)
Apr	3-20*	7,189	15,500	46.38%
May	2-22**	6,793	16,200	41.93%
June	5***	1,949	3,500	55.69%
July	4***	1,800	2,800	64.29%
Total		**17,731**	**35,200**	**50.37%**

***Note**: The above information has been calculated based on the number of operational days of the plants. The plants typically operate for 300 to 330 days in a year. However, TBL Units 2, 3 and 4 were under a scheduled shutdown between May 2025 and July 2025.*

** Number of operational days – TBL Unit 1 – 20 days; TBL Unit 2 – 3 days. TBL Units 3 and 4 were not operational.*

*** Number of operational days – TBL Unit 1 – 22 days; TBL Unit 3 – 2 days. TBL Units 2 and 4 were not operational.*

**** Only TBL Unit 1 was operational.*

Consent to operate is yet to be received from the Karnataka State Pollution Control Board for TBL Unit 5.

Underutilisation During November 2023 to July 2024

The average utilisation for the period extending from November 1, 2023 to March 31, 2024 is equivalent to 57.70% on account of the following reasons:

- The crushing of sugarcane season started on November 28, 2023.
- The Ministry of Consumer Affairs, Government of India, under the Essential Commodities Act, 1955, and the Sugar (Control) Order, 1966 issued notification on December 7, 2023, ("**Notification 1**") prohibiting all sugar mills and distilleries from using sugarcane juice/syrup for production of ethanol in ethanol supply year 2023-2024, i.e., from November 1, 2023 till October 31, 2024 with immediate effect. However, the supply of ethanol from existing offers received from OMCs from B-heavy molasses could continue.
- On December 15, 2023, by a further notification by the Ministry of Consumer Affairs, Government of India ("**Notification 2**", and together with Notification 1, "**Notifications**"), OMCs were directed to issue a revised allocation of sugarcane juice and B-heavy molasses based ethanol for ethanol supply year 2023-24 to each distillery, including our Company. The Ministry of Consumer Affairs, Government of India also prohibited the use of sugarcane juice and B-heavy molasses for rectified spirit and extra neutral alcohol.
- Subsequently, writ petitions were filed before the High Court of Karnataka ("**Karnataka High Court**") seeking quashing of Notification 1 and Notification 2.
- By way of a judgment dated April 25, 2024, the Karnataka High Court upheld the Notifications observing that the Notifications are a temporary measure and being applicable only for the present ethanol supply year and will be subject to review by the Group of Ministers, the following year. The Karnataka High Court, *inter alia*, restrained all petitioners from generating any more 'B' heavy molasses and/or purchasing 'B' heavy molasses from the market, and also directed certain impugned OMCs, to procure the stock of ethanol already produced by the manufacturers and the ethanol to be manufactured within the following eight weeks from manufacturers who already have certain stock of 'B' heavy molasses.
- Pursuant to the Karnataka High Court order, we started dispatching ethanol from July 2024.

We had finished goods (including goods sold and earmarked for sale to particular customers) aggregating to 46,786 KL as of March 31, 2024 and 42,272 KL as of June 30, 2024. Our storage capacity for finished goods was 53,803 KL as of March 31, 2024 and 53,803 KL as of June 30, 2024. By virtue of our entire storage capacity being almost full, we could not produce more goods, leading to under-utilisation of our existing capacity.

Subsequently, through notifications dated August 29, 2024 and September 13, 2024, the Ministry of Consumer Affairs, Food and Public Distribution, Department of Food and Public Distribution (Directorate of Sugar and Vegetable Oils), (a) permitted sugar mills and distilleries to produce ethanol from sugar juice/syrup, B-heavy molasses and C-heavy molasses during ethanol supply year 2024-25, i.e., from November 1, 2024 till October 31, 2025 as per the agreement/allocation with OMCs, and (b) allowed manufacture of rectified spirit and extra neutral alcohol. However, owing to it being production off-season and due to lack of availability of raw material, our capacity utilisation was low in the months of August to October 2024.

For further details, please refer to "*Financial Information*" on page 393.

(a) ***Future working capital***

We propose to utilize ₹ 30,000.00 lakhs and ₹ 12,500.00 lakhs of the Net Proceeds in the Fiscals ended March 31, 2026 and March 31, 2027, respectively, towards our Company's working capital requirements. The balance portion of working capital requirement of our Company shall be met through internal accruals and borrowings.

On the basis of our existing working capital requirements, management estimates and the projected working capital requirements, our Board, pursuant to their resolution dated September 6, 2025, has approved the projected working capital requirements for Fiscal Year 2026 and Fiscal Year 2027. Further, for risks in relation to use of the Net Proceeds for funding working capital gap of our Company, see "*Risk Factors - Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and may be subject to change based on various factors, some of which are beyond our control*" on page 55. The proposed funding of such working capital requirements is stated below:

(₹ in Lakhs)

Sr. No.	Particulars	Estimated as at March 31, 2026	Estimated as at March 31, 2027
	Capacity	**2,000 KLPD**	**2,000 KLPD**
	Capacity Utilization	77%	90%
	No. of Days of Operation of Distillery Unit	330	330
(A)	**Current assets**		
a	Inventories	1,04,760.39	1,26,228.04
b	Trade receivables	39,153.22	39,266.56
c	Cash and cash equivalents	19,157.21	33,958.54
d	Other financial assets	15,320.88	17,175.50
e	Government grant	15,000.00	15,000.00
f	Other current assets	31,500.00	31,500.00
	Total current assets (A)	**2,24,891.70**	**2,63,128.64**
(B)	**Current liabilities**		
a	Trade payables	37,238.76	38,926.21
b	Other financial liabilities	61,820.88	63,675.50
c	Provisions and other current liabilities	1,030.35	1,061.26
	Total current liabilities (B)	**1,00,089.99**	**1,03,662.97**
(C)	**Total working capital requirements (C=A-B)**	**1,24,801.72**	**1,59,465.67**
	Less: Cash and Bank	**19,157.21**	**33,958.54**
	Total Net working capital requirements	**1,05,644.50**	**1,25,507.13**
(D)	**Funding Pattern**		
	Borrowings from banks (D)	30,000.00	30,000.00
	Internal accruals (E)	**45,644.50**	**83,007.13**
	Funding through IPO Proceeds (F) (Incremental for the year)	30,000.00	12,500.00

^*Our Statutory Auditors, N.M. Raiji & Co., Chartered Accountants, pursuant to their certificate dated September 19, 2025, have certified the abovementioned projected working capital requirements and proposed funding.*

(b) ***Assumptions for working capital requirements***^

Particulars	Actuals based on restated standalone financial information			Projected	
	March 31			March 31	
	2023	2024	2025	2026	2027
Inventory days (Note-1)	56	70	52	139	174
- Raw Material	22	26	16	111	139
- Finished Goods	30	39	33	28	35
Trade receivables days	21	58	62	38	37
Other financial assets days	17	4	4	15	16
Government grant	-	15	19	15	14
Other current assets	24	31	46	31	30
Cash and cash equivalents	2	5	29	19	32
Trade payables days	112	102	87	50	54

Particulars	Actuals based on restated standalone financial information			Projected	
	March 31			March 31	
	2023	2024	2025	2026	2027
Other financial liabilities	3	12	6	59	64
Provisions and other current liabilities	2	1	1	1	1
Net Working Capital Days (Note-2)	-	64	89	128	152

***** *The high trade payable days for the years ended March 31, 2023 and March 31, 2024 resulted from our group companies extending the credit period due to our Company's lack of working capital. Further, since our Company was able to procure a working capital loan from State Bank of India on January 23, 2024, we were able to achieve a reduction in trade payables days from 102 as at March 31, 2024 to 87 days as at March 31, 2025. This extension is not indicative of the typical trade cycle for the industry, which generally ranges from 30 to 45 days.*

^ *Our Statutory Auditors, N.M. Raiji & Co., Chartered Accountants, pursuant to their certificate dated September 19, 2025, have certified the abovementioned assumptions of working capital requirements.*

Note-1: High inventory days stem from the need to store raw material which primarily is syrup / molasses for usage during off season period which generally lasts for 6-8 months from the months of April to October. During peak crushing seasons (lasting 4 to 5 months from the months of November to mid April) when the output surpasses demand the sugar manufacturing industry produces and stores final product (sugar / ethanol) and various byproducts like molasses. Thus, for Ethanol players, syrup is used as a raw material in the crushing season and molasses is used in the off season. Additionally, evolving market conditions with respect to domestic and international markets may also play a role in inventory management decisions leading to prolonged storage periods.

Sale of ethanol is to various OMCs. The OMCs issue a tender, and our Company participates in such tenders and upon being awarded the contract, we supply ethanol.

Further the supply of ethanol is as per the delivery schedules which is guided by OMCs pursuant to various market factors. Hence during the crushing season, wherein manufacturing is a continuous process, we have to store the finished product also to enable us to supply on a regular basis as per delivery schedules of OMCs.

Further, for pure-play ethanol companies, the raw material (syrup / juice and molasses) prices increase in the off season due to which they are procured in the cane crushing season and stored in inventory, to ensure continuous supply of raw material throughout the year, thus leading to a higher investment in inventory resulting in a longer working capital cycle.

Note-2: Higher number of inventory days in the industry can be attributed to its cyclic nature with production being concentrated in sugarcane crushing season which generally lasts for 4-5 months, leading to a mismatch between cashflows and expenses throughout the year thus necessitating higher working capital days to manage daily operations and inventory.

Financial information used to calculate the aforementioned days derived from the restated standalone financial information for the financial years ended March 31, 2023, March 31, 2024 and March 31, 2025 are as follows:

(a) Trade receivables is calculated as (average receivables divided by revenue from operations) and multiplied by the number of days in the year.
(b) Inventory days is calculated as (average inventory divided by cost of goods sold) and multiplied by number of days in the year.
(c) Other current assets days is derived from other current assets at the year-end multiplied by number of days in the year divided by revenue from operations and other financial asset days is derived from other financial asset including income tax assets at the year end and excluding receivable from third parties representing capital advances receivable from vendors at the year-end multiplied by number of days in the year divided by revenue from operations.
(d) Trade payable days is calculated as (average payables divided by cost of goods sold) and multiplied by the number of days in the year.
(e) Other financial liabilities days is derived as other financial liabilities less due to related parties and creditors for capital goods at the period end, multiplied by number of days in the year and divided by cost of goods sold.
(f) Provisions and other current liabilities days is derived from provisions and other current liabilities at the year end, multiplied by number of days in the year and divided by cost of goods sold.

(c) Justifications for holding period levels

Basis for working capital requirement: To effectively meet the anticipated year-round demand, it is crucial for our Company to build a substantial inventory by the fourth quarter, as inventory supply is limited during the off-season extending from April to October. Consequently, inventory levels are significantly high at the end of the Financial Year to support this off-season. Our Company plans to raise ₹ 42,500.00 lakhs through the proposed Offer to finance working capital requirements of our Company, of which ₹ 30,000.00 lakhs will be deployed in the production season of Fiscal 2026, and ₹ 12,500.00 lakhs will be deployed in the production season of Fiscal 2027, thereby enabling the procurement and storage of inventory at the end of the crushing season March / April and procurement and storage of raw materials to operate the unit round the year. These funds will also help reduce the trade payable period from an average of 100 days to 52 days, allowing the Company to pay suppliers more promptly. Additionally, the funds will streamline trade receivables from an average 47 days to 38 days, accelerating cash flow from customers and enhancing the Company's liquidity position. Further, our Company is also in the process of increasing the storage capacity by expanding the warehouse facility for procurement and storage of grain based raw material in the form of rice and maize.

Particulars	Justification
Trade receivables	The extended trade receivable days in the initial years are due to outstanding debts owed by existing debtors. As we achieve stability in our operations and implement enhanced control mechanisms, our Company aims to streamline its trade receivable cycle with the industry.
Inventories	The inventory holding period has historically ranged from 56 to 70 days. As of March 31, 2024, inventory levels were high due to Notification 1, restricting the use of sugarcane juice/syrup in ethanol production. This restriction led to a decline in ethanol sales to OMCs and an increase in inventory. Additionally, due to the seasonal nature of our business, it is crucial to accumulate a substantial inventory by the fourth quarter to meet anticipated demand effectively throughout the year, resulting into high inventory as at 31 March due to production off season (from April to September). Our capacity utilization rate was 69.72%, 42.63% and 45.08% for Fiscals 2023, 2024 and 2025, respectively. However, with the additional working capital raised through the proposed Offer, we aim to increase our utilization rate to 77% in Fiscal 2026 and 90% in Fiscal 2027, which will lead to a projected increase in inventory days from 2026 onwards.
Other financial assets / other current assets	Other financial assets and other current assets are expected to increase in line with expected business growth. This primarily comprises of receivable from third parties, balance with government authorities, prepaid expenses and advance to third parties and government grants (interest subvention).
Trade payables	Our credit terms with vendors are 30 to 45 days. However, in the absence of a working capital facility, our trade payable days ranged between 102 to 112 days. During the quarter ending March 31, 2024, we secured a working capital loan and trade payables days reduced to 87 days. We further aim to reduce the trade payables day to a range of 50 to 54 days with support of additional working capital.
Provisions and other current liabilities (including financial liabilities)	Other financial liabilities (including other current liabilities and provisions) are expected to increase in line with expected business growth. This primarily comprises dues to related parties, interest payable, statutory dues payable and provisions.

^Our Statutory Auditors, N.M. Raiji & Co., Chartered Accountants, pursuant to their certificate dated September 19, 2025, have certified the abovementioned justifications for holding period levels.

3. General corporate purposes

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] lakhs towards general corporate purposes, subject to such amount not exceeding 25% of the Gross Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise Net Proceeds include, but are not restricted to, the following:

(i) meeting ongoing general corporate expenses, exigencies and contingencies;
(ii) marketing, advertising expenditures and business development expenses; and
(iii) payment of salaries and allowances, administration, insurance, repair & maintenance, payment of taxes,

duties and meeting expenses incurred by our Company in the ordinary course of business.

The allocation or quantum of utilisation of funds towards the specific purposes described above will be determined by our Board, based on our business requirements and other relevant considerations, from time to time, subject to compliance with applicable laws.

In addition to the above, our Company may utilise the Net Proceeds towards other purposes considered expedient and as approved periodically by our Board, subject to compliance with necessary provisions of the Companies Act and other applicable law. Our Company's management shall have flexibility in utilising surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. However, no part of the funds earmarked for general corporate purposes shall be utilised by our Company towards the other Objects of the Offer as included in this section. Further, our Company shall not make any payment out of such fund earmarked for general corporate purposes towards making any payments to MRN Civiltech Private Limited in relation to the cost for the civil works done by them, or any other vendors as are disclosed under "*– Details of the Objects – 1. Funding capital expenditure towards setting up multi-feed stock operations to pave- way for utilizing grains as an additional raw material in ethanol plant located at TBL Unit 4 of 300 KLPD capacity – Estimated Cost*" on page 137. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals.

Bridge Financing

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Monitoring of Utilisation of Funds

In terms of Regulation 41 of the SEBI ICDR Regulations, our Company has appointed CRISIL Ratings Limited as the Monitoring Agency for monitoring the utilisation of Gross Proceeds, as our size of the Offer (excluding the Offer for Sale by the Selling Shareholders) exceeds ₹ 10,000.00 lakhs. Our Company shall make the payment to the vendors for the capital expenditure towards setting up multi-feed stock operations to pave- way for utilizing grains as an additional raw material in ethanol plant at TBL Unit 4 of 300 KLPD capacity. The details of such vendors are disclosed under "*– Details of the Objects – 1. Funding capital expenditure towards setting up multi-feed stock operations to pave- way for utilizing grains as an additional raw material in ethanol plant located at TBL Unit 4 of 300 KLPD capacity – Estimated Cost*" on page 137, and are also annexed to the Monitoring Agency Agreement.

Our Audit Committee and the Monitoring Agency will monitor the utilisation of the Gross Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency on receipt before the Audit Committee without any delay. Our Company will disclose the utilisation of the Gross Proceeds, including interim use under a separate head in our balance sheet for such periods as required under the SEBI ICDR Regulations, the SEBI Listing Regulations and any other applicable laws or regulations, clearly specifying the purposes for which the Gross Proceeds have been utilised if any, of such currently unutilised Gross Proceeds. Our Company will also, in its balance sheet for the applicable Fiscals, provide details, if any, in relation to all such Gross Proceeds that have not been utilised, if any, of such currently unutilised Gross Proceeds.

Pursuant to Regulation 18(3) and Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. On an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in this Red Herring Prospectus and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilised. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our director's report, after placing the same before the Audit Committee. We will disclose the utilisation of the Gross Proceeds under a separate head along with details in our balance sheet(s) until such time as the Gross Proceeds remain unutilised clearly specifying the

purpose for which such Gross Proceeds have been utilised. Our Company will indicate investments, if any, of unutilised Gross Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Offer related Expenses

Except for the (a) listing fees payable to the Stock Exchanges which will be borne by the Company, (b) audit fees of statutory auditors (to the extent not attributable to the Offer) which will be borne by the Company, (c) expenses for any product or corporate advertisements consistent with past practice of the Company (other than the expenses relating to marketing and advertisements undertaken in connection with the Offer) which will be borne by the Company, (d) stamp duty payable on issue of Equity Shares pursuant to Fresh Issue which will be borne by the Company; (e) fees and expenses in relation to the legal counsel to the Selling Shareholders which shall be borne by the Selling Shareholders, and (f) outstanding amounts payable to BRLMs, below, all costs, charges, fees and expenses associated with and incurred in connection with the Offer (including all applicable taxes except securities transaction tax, which shall be solely borne by the respective Individual Selling Shareholder) shall be paid in the first instance by the Company, and shall be reimbursed by the Selling Shareholders in accordance with the Applicable Laws upon completion of the Offer and each Selling Shareholder authorises the Company to deduct from the proceeds of the Offer for Sale, set-off or otherwise claim and receive from them their proportionate offer expenses required to be borne by it in accordance with the Offer Agreement.

The total expenses of the Offer are estimated to be approximately ₹ [●] lakh. The expenses of the Offer include, amongst others, listing fees, selling commission, fees payable to the BRLMs, fees payable to legal counsels, fees payable to the Registrar to the Offer, Bankers to the Offer, processing fee to the SCSBs for processing ASBA Forms, brokerage and selling commission payable to members of the Syndicate, Registered Brokers, Collecting RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges.

The estimated Offer expenses are as follows:

(*₹ in lakh, unless otherwise stated*)

Activity	Estimated expenses [(1)] (₹ in lakh)	As a % of total estimated Offer related expenses [(1)]	As a % of Offer size [(1)]
Fees payable to the BRLM and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Selling commission payable to SCSBs for Bids directly procured by them and processing fees payable to SCSBs for Bids (other than Bids submitted by UPI Bidders using the UPI Mechanism) procured by the members of the Syndicate, the Registered Brokers, CRTAs or CDPs and submitted to SCSBs for blocking, Bankers to the Offer, fees payable to the Sponsor Bank for Bids made by RIBs [(2)(3)]	[●]	[●]	[●]
Selling commission and uploading charges payable to members of the Syndicate (including their Sub-Syndicate Members), RTAs, CDPs and Registered Brokers [(4)(5)(6)]	[●]	[●]	[●]
Processing fees payable to the Sponsor Bank [(6)]	[●]	[●]	[●]
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Printing and stationery expenses	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Listing fees, SEBI fees, BSE and NSE processing fees, book-building software fees, and other regulatory expenses	[●]	[●]	[●]
Fees payable to legal counsel	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

(1) Offer expenses include applicable taxes, where applicable. Offer expenses will be finalised on determination of Offer Price and incorporated at the time of filing of the Prospectus. Offer expenses are estimates and are subject to change.

(2) Selling commission payable to the SCSBs on the portion for RIBs and Non-Institutional Bidders which are directly procured and uploaded by the SCSBs, would be as follows:

*Portion for RIBs**	*0.30% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*0.15% of the Amount Allotted (plus applicable taxes)*

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

Selling commission payable to the SCSBs will be determined on the basis of the bidding terminal ID as captured in the bid book of BSE or NSE.

No processing fees shall be payable by the Company and the Selling Shareholders to the SCSBs on the applications directly procured by them.

(3) Processing / uploading fees payable to the SCSBs for capturing Syndicate Member / sub-Syndicate (broker) / sub broker code on the ASBA Form for Non-Institutional Bidders and Qualified Institutional Bidder with Bids above ₹5.00 lakhs would be ₹10.00 plus applicable taxes, per valid application.

Notwithstanding anything contained above, the total processing fee payable under this clause will not exceed ₹10.00 lakhs (plus applicable taxes) and in case if the total processing fees exceeds ₹10.00 lakhs (plus applicable taxes) then processing fees will be paid on pro-rata basis for portion of Non-Institutional Bidders, as applicable, per valid application.

(4) Brokerage, selling commission and processing / uploading charges on the portion for RIBs (using the UPI Mechanism), and Non-Institutional Bidders which are procured by members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:

*Portion for RIBs**	*0.30% of the Amount Allotted (plus applicable taxes)*
*Portion for Non-Institutional Bidders**	*0.15% of the Amount Allotted (plus applicable taxes)*

** Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.*

The Selling Commission payable to the Syndicate / Sub-Syndicate Members (RIBs up to ₹2.00 lakhs and Non-Institutional Bidders (from ₹2.00 lakhs to ₹5.00 lakhs) will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Members. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Members, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Members.

For Non-Institutional Bidders (above ₹5.00 lakhs), Syndicate ASBA Form bearing Syndicate Member code and Sub-Syndicate code of the application form submitted to SCSBs for blocking of the fund and uploading on the Exchanges platform by SCSBs. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the Syndicate / Sub Syndicate members and not the SCSB.

Uploading charges payable to members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the applications made by RIBs, using 3-in-1 accounts/ Syndicate ASBA mechanism and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts/ Syndicate ASBA mechanism, would be as follows: ₹10.00 plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.

Bidding charges/ processing charges payable on the application made using 3-in-1 accounts will be subject to a maximum cap of ₹15.00 lakhs (plus applicable taxes), in case if the total bidding charges / processing charges exceeds ₹ 15.00 lakhs (plus applicable taxes) then it will be paid on pro-rata basis for portion of (i) Retail Individual Bidders and (ii) Non-Institutional Bidders, as applicable.

(5) The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid book of BSE or NSE.

Selling commission / uploading charges payable to the Registered Brokers on the Non-Institutional Bidders which are directly procured by the Registered Broker and submitted to SCSB for processing, would be as follows:

*Portion for Non-Institutional Bidders**	*₹10.00 per valid application (plus applicable taxes)*

(6) Uploading charges / processing fees for applications made by RIBs using the UPI Mechanism (up to ₹2.00 lakhs) and Non-Institutional Bidders (from ₹2.00 lakhs to ₹5.00 lakhs) would be as under:

Members of the Syndicate / RTAs / CDPs / Registered Brokers	*₹30.00 per valid application (plus applicable taxes) subject to a maximum cap of ₹40.00 lakhs (plus applicable taxes)*

** Based on valid applications*

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Cash Escrow and Sponsor Bank Agreement.

The total uploading charges / processing fees payable to Members of the Syndicate, RTAs, CDPs, Registered Brokers will be subject to a maximum cap of ₹40.00 lakhs (plus applicable taxes). In case the total uploading charges/processing fees payable exceeds ₹40.00 lakhs, then the amount payable to Members of the Syndicate, RTAs, CDPs, Registered Brokers would be proportionately distributed based on the number of valid applications such that the total uploading charges / processing fees payable does not exceed ₹40.00 lakhs.

Kotak Mahindra Bank Limited	*Nil up to 8,00,000 Bids. Above 8,00,000 Bids, ₹6.50 plus GST per UPI Bid for applications made by UPI Bidders using the UPI mechanism*. The Sponsor Bank(s) shall be responsible for making payments to the third parties such as remitter bank,*

	NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.
ICICI Bank Limited	*Nil up to 2,50,000 Bids. Above 2,50,000 Bids, ₹6.50 plus GST per UPI Bid for applications made by UPI Bidders using the UPI mechanism*. The Sponsor Bank(s) shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under the SEBI circulars, the Syndicate Agreement and other applicable laws.*

* *Based on valid applications*

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with the SEBI RTA Master Circular and the SEBI ICDR Master Circular, in a format as prescribed by SEBI, from time to time, and in compliance with SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, to the extent applicable and not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations..

Pursuant to SEBI ICDR Master Circular and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022 (to the extent not rescinded by the SEBI ICDR Master Circular in relation to the SEBI ICDR Regulations), applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories). Accordingly, Syndicate / Sub-Syndicate Members shall not be able to accept Bid Cum Application Form above ₹ 5.00 lakhs and the same Bid Cum Application Form needs to be submitted to SCSBs for blocking of fund and uploading on the exchange bidding platform. To identify bids submitted by Syndicate / Sub-Syndicate Members to SCSB, a special Bid Cum Application Form with a heading / watermark, 'Syndicate ASBA' may be used by Syndicate / Sub-Syndicate Member along with SM code and Broker code mentioned on the Bid Cum Application Form to be eligible for brokerage on Allotment. However, such special forms, if used for RIB Bids and NIB Bids up to ₹ 5.00 lakhs will not be eligible for brokerage.

Interim use of Net Proceeds

The Net Proceeds shall be retained in the Public Offer Account until receipt of the listing and trading approvals from the Stock Exchanges by our Company. Pending utilization of the Net Proceeds for the purposes described above, our Company undertakes that no lien of any nature shall be created on the underlying funds and to deposit the Net Proceeds only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as may be approved by our Board or the IPO Committee.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

Appraising agency

None of the Objects for which the Net Proceeds will be utilised have been appraised by any agency.

Other Confirmations

Except to the extent of any proceeds received pursuant to the sale of Offered Shares proposed to be sold in the Offer by the Selling Shareholders and the purchase of raw material and / or services that will be financed by the working capital proceeds from the Offer, no part of the proceeds of the Offer will be paid by our Company to our Promoters, members of the Promoter Group, our Directors, our Group Companies, our Key Managerial Personnel or our Senior Management.

Our Company has not entered into and is not planning to enter into any arrangement / agreements with any of our Directors, Key Managerial Personnel, Senior Management or our Group Companies in relation to the utilisation of the Net Proceeds. Further, there are no material existing or anticipated interest of such individuals and entities in the objects of the Offer.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and the applicable rules, and the SEBI ICDR Regulations, our Company shall not vary the objects of the Fresh Issue without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Notice**") shall specify the prescribed details as required under the Companies Act, 2013. The Notice shall simultaneously be published in the newspapers, one in

English and one in Kannada, the vernacular language of the jurisdiction where our Registered Office is situated. Pursuant to Section 13(8) of the Companies Act, 2013, our Promoters will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal, to vary the objects, subject to the provisions of the Companies Act, 2013 and in accordance with such terms and conditions, including in respect of pricing of the Equity Shares, in accordance with the Companies Act, 2013 and the SEBI ICDR Regulations.

BASIS FOR OFFER PRICE

The Price Band, Floor Price and Offer Price will be determined by our Company, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the quantitative and qualitative factors described below. The face value of the Equity Shares is ₹10 each and the Offer Price is [●] times the face value of the Equity Shares. Investors should also refer to *"Our Business"*, *"Risk Factors"*, *"Restated Financial Information"* and *"Management's Discussion and Analysis of Financial Position and Results of Operations"* on pages 282, 36, 399 and 526, respectively, to have an informed view before making an investment decision.

Qualitative factors

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are:

1. **Largest installed capacity for production of ethanol in India**

   As of March 31, 2025, we are the largest producer of Ethanol in India in terms of installed capacity. (Source: CRISIL Report). Our Company was incorporated in March 2021, cognizant of the headroom for growth in the Ethanol industry, aided by GoI schemes and incentives towards non-fossil fuels and renewable energy. To this end, we acquired three distillery units pursuant to the Acquisition.

   We own five molasses and sugar syrup-based distillery units in Karnataka, with an aggregate installed Ethanol production capacity of 2,000 KLPD, out of which we have an operational capacity of 1,800 KLPD as of March 31, 2025. In comparison, we had an aggregated installed capacity of 590 KLPD as of March 31, 2022, when TBL Unit 1, TBL Unit 2 and TBL Unit 3 were not part of our Company.

   We have recently completed a capacity expansion of 600 KLPD in three locations. We have an approval of loan of up to ₹1,93,197.00 lakhs under Ethanol Interest Subvention Schemes from the Central Government for our proposed capacity expansion.

   We have also applied for environmental clearance for the proposed expansion. Further, we have received approval from the State High Level Clearance Committee of Karnataka to scale our Ethanol manufacturing capabilities to 4,600 KLPD.

   We believe our large installed capacity for Ethanol production, coupled with our systematic expansion pathway that continues to diversify our raw material base and offer additional sustainable energy solutions, provides us a distinct competitive advantage in utilizing the growth runway for Ethanol and biofuels.

2. **Assured supply of key raw materials and utilities**

   We believe we are able to differentiate ourselves through our ease of access to raw materials, as the bulk of the sugar syrup/sugarcane juice and molasses that we require for Ethanol production are procured from sugar manufacturing facilities owned by entities forming part of our Promoter Group. Further, our Promoter Group company has the ability to supply adequate amounts of raw material even following our proposed capacity expansion.

   We leverage comprehensive access to essential raw materials such as sugarcane juice, sugar syrup and molasses through existing relationships with our Promoter Group entity. We have ensured uninterrupted supply of sugar syrup, sugarcane juice and molasses through supply agreements with Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), one of our Promoter Group entities and Group Company, and with MRN Bhima Sugar and Power Private Limited and MRN Canepower and Biorefineries Private Limited.

   As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, the Seller Companies, Nirani Sugars Limited, Shri Sai Priya Sugars Limited and MRN Cane Power India Limited, stand merged with our Group Company and Promoter Group entity, Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), with the appointed date of October 1, 2022, and we acquire our key raw material from this entity.

   These agreements do not impose minimum purchase obligations upon us, although our Promoter Group entity is required to supply its goods and services upon our request and on an exclusive basis. This allows

us flexibility in our purchase decisions, as we may choose to procure sugarcane juice, sugar syrup and molasses from the open market in seasons when a better price is offered than what is stipulated under our existing supply agreements. The non-exclusive nature of our purchase obligation, while the Promoter Group entity is mandated to offer its produce to us exclusively, is as a result of our ability to leverage our existing relationships with the relevant Promoter Group company. We believe this distinguishes us from Ethanol producers who only have the opportunity to obtain sugar syrup and molasses in a timely manner and at suitable costs from the open market, and are subject to the vagaries thereof. With a cane crushing capability of 79,000 TCD per day, (Source: CRISIL Report) we ensure a robust and uninterrupted supply chain while reducing dependency on external resources.

A distinct advantage that sets us apart from other biofuel players lies in our robust network of raw material sources, majority of which are internally generated. This vertically integrated approach to sourcing raw materials contributes significantly to our competitive edge by having direct control over the supply of raw material via supply arrangement with promoter group entities. Leveraging the sister concern/ promoter group resources enhances efficiency, reduces external dependency, and boosts overall operational stability, providing a distinct strategic advantage. Thus, we are at a position to ensure reliability, consistency, and quality in our Ethanol production processes. Our long-term growth strategy entails reducing our reliance on a single feedstock and diversifying our range of raw materials, and the diversification aims to enhance operational efficiency while positioning us as a carbon-neutral entity. (Source: CRISIL Report)

3. Scalable and vertically integrated biofuels player

A distinct advantage that sets us apart from other biofuel players lies in our robust network of raw material sources, majority of which are internally generated. This vertically integrated approach to sourcing raw materials contributes significantly to our competitive edge by having direct control over the supply of raw material via supply arrangement with promoter group entities. Leveraging the sister concern/ promoter group resources enhances efficiency, reduces external dependency, and boosts overall operational stability, providing a distinct strategic advantage. Thus, we are at a position to ensure reliability, consistency, and quality in our Ethanol production processes. Our long-term growth strategy entails reducing our reliance on a single feedstock and diversifying our range of raw materials, and the diversification aims to enhance operational efficiency while positioning us as a carbon-neutral entity. (*Source: CRISIL Report*)

As of March 31, 2025, we are the largest producer of Ethanol in India in terms of installed capacity. (*Source: CRISIL Report*). Our Company was incorporated in March 2021, cognizant of the headroom for growth in the Ethanol industry, aided by GoI schemes and incentives towards non-fossil fuels and renewable energy. To this end, we acquired three distillery units pursuant to the Acquisition.

We own five molasses and sugar syrup-based distillery units in Karnataka, with an aggregate installed Ethanol production capacity of 2,000 KLPD out of which we have an operational capacity of 1,800 KLPD as of March 31, 2025. In comparison, we had an aggregated installed capacity of 590 KLPD as of March 31, 2022, when TBL Unit 1, TBL Unit 2 and TBL Unit 3 were not part of our Company

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We have also applied for environmental clearance for the proposed expansion. Further, we have received approval from the State High Level Clearance Committee of Karnataka to scale our Ethanol manufacturing capabilities to 4,600 KLPD.

We believe our large installed capacity for Ethanol production, coupled with our systematic expansion pathway that continues to diversify our raw material base and offer additional sustainable energy solutions, provides us a distinct competitive advantage in utilizing the growth runway for Ethanol and biofuels.

4. Rapid scale up with multiple CBG plants, positioning ourselves among India's leading producers of CBG/Bio-CNG.

Through our Subsidiary, Leafiniti, we are one of the first producers of CBG under the Sustainable Alternative Towards Affordable Transportation ("**SATAT**") scheme introduced by the Government of India in 2018. (*Source: CRISIL Report*) We are rapidly expanding our CBG capacity with multiple plants

and are set to become one of India's leading CBG/ bio-CNG producers. (*Source: CRISIL Report*) Our Subsidiary, Leafiniti, operates one CBG plant with a capacity of 10.20 tonnes per day ("**TPD**") as of March 31, 2025, which also produces solid and liquid fermented organic manure ("**FOM**"). To strengthen our CBG capabilities further, on August 11, 2025, our Company entered into a share subscription cum shareholders' agreement with GAIL through which our Subsidiary, Leafiniti will commence setting up multiple CBG units across various locations in a phased manner, of which 20 locations have been identified in the subscription cum shareholders' agreement. GAIL is proposing to hold not more than 49% shareholding in Leafiniti. In order to further explore strategic partnerships to expand our CBG capabilities, we have entered into a memorandum of understanding ("**MOU**") dated November 18, 2024 with a globally recognized Japanese trading and investment company and a Japanese gas company to establish a joint venture for setting up multiple CBG plants starting from three to five CBG plants in different parts of India.

Additionally, we have signed a non-binding term sheet dated February 18, 2025 and a memorandum of understanding dated October 25, 2024 with Sumitomo Corporation Asia & Oceania Pte. Ltd. for potential collaboration in the bioenergy sector. The initial phase will involve developing four CBG plants (three in Karnataka and one in Maharashtra), followed by future projects in ethanol and sustainable aviation fuel.

5. **Ethanol to SAF: Towards one of the world's largest facilities**

We intend to move-up the value chain further by utilizing Ethanol to produce Sustainable Aviation Fuel ("**SAF**"). We have also entered into a process license agreement with **UOP, LLC ("UOP")**, for Ethanol to Jet (ETJ) process technology to transform ethanol into high-quality, renewable jet fuel (SAF). We intend to set up a facility to produce 10 crore litres of SAF annually, which, according to the CRISIL Report, is intended to place us as one of the world's largest producers of SAF from Ethanol.

It is expected that from 2027, all international flights will be subject to offsetting requirements under the mandatory stage of the Carbon Offsetting and Reduction Scheme for International Aviation, and the Indian Government has also announced a 1% SAF indicative blending target for 2027. (Source: CRISIL Report) To meet this requirement, we aim to scale our existing facility to produce SAF.

6. Recognition as a private OMC: Expanding into Direct-to-Consumer Biofuel Retail

With the Government of India's increased push towards use of non-fossil fuel vehicles and leveraging our ready source of Ethanol and CBG, we intend to further set up biofuel dispensing stations. We will be recognized as a private OMC in India, alongside established players such as Reliance Industries – BP, Shell and Nayara Energy. (Source: CRISIL Report). We have received approval from the Ministry of Petroleum and Natural Gas, Government of India, to exercise retail marketing rights to market motor spirit and high-speed diesel.We operate five dispensing stations in Mudhol, Jamkhandi, Badami, and Kerakalmatti in the Bagalkot district of Karnataka, as of March 31, 2025.

We intend to make our dispensing stations to be capable of dispensing motor spirit, high speed diesel, E85 and E93 blended fuel, bio-CNG, and will also have EV charging points, EV battery swapping and create a non-fuel retail division to cater to fast moving consumer goods and automotive products. These biofuel dispensing stations will allow us to venture into the direct to consumer space as direct retail suppliers.

7. Partnerships for Progress: Expanding through Strategic Partnerships and Acquisitions

We may pursue inorganic growth opportunities through joint ventures and strategic acquisition to expand our opportunities in other end-markets, acquire new customers and introduce new products. For instance, our Company entered into a share subscription cum shareholders' agreement with GAIL through which our Subsidiary, Leafiniti will commence setting up multiple CBG units across various locations in a phased manner, of which 20 locations have been identified in the subscription cum shareholders' agreement. GAIL is proposing to hold not more than 49% shareholding in Leafiniti. We intend to maintain a disciplined approach while growing inorganically through joint ventures and strategic acquisitions and consider various selection criteria such as skills of the management team, operation scale, technological capability, product portfolio, customer base, endmarket exposures, valuation and estimated costs, as well as cultural fit.

In order to further explore strategic partnerships to expand our CBG capabilities, we have entered into a memorandum of understanding ("**MOU**") dated November 18, 2024 with a globally recognized Japanese

trading and investment company and a Japanese gas company to establish a joint venture for setting up multiple CBG plants starting from three to five CBG plants in different parts of India.

Additionally, we have signed a non-binding term sheet dated February 18, 2025 and a memorandum of understanding dated October 25, 2024 with Sumitomo Corporation Asia & Oceania Pte. Ltd. for potential collaboration in the bioenergy sector. The initial phase will involve developing four CBG plants (three in Karnataka and one in Maharashtra), followed by future projects in ethanol and sustainable aviation fuel.

These partnerships aim to advance projects in several key areas, including biogas, compressed biogas, bioethanol from first-generation feedstock, bioethanol from second-generation feedstock, sustainable aviation fuel, carbon credit projects and biochemicals from sugar value chain. We also aim to explore carbon credit initiatives to strengthen our commitment to innovation and environmental sustainability in India's bioenergy landscape.

8. Advanced production infrastructure with a focus on technological innovation and sustainability

Ethanol Production Infrastructure

We believe technological competence is a key differentiator in our business and we have deployed significant efforts to coopt technological advances into our operations. We have adopted technology such as multi-pressure vacuum distillation and molecular sieve dehydration systems, which create ease of operations. We have cooling towers and have large fermenters with capacities of 18 lakhs litres.

CBG Production Infrastructure

For CBG production, our CBG Unit is equipped with technology sourced from Praj Industries Limited. Our CBG Unit is a "no effluent discharge plant". Further, liquid fermented organic manure is recycled to reduce fresh water consumption. We have focused on sustainability in our CBG operations as well. Our Subsidiary, Leafiniti, utilizes effluents from the ethanol distillation process, or 'spent wash', for CBG production. We also use spent wash in boilers to burn as fuel and the residual waste which is otherwise hazardous, known as spent leese, is used in the digesters to produce methane for CBG production.

To minimize waste while adding a revenue stream, we have commenced the sale of FOM, which is a byproduct of our CBG production process, at a price range of approximately ₹5,565 (including GST) per MT.

Sustainability Measures

We endeavour to be an environmentally conscious enterprise and our production processes are driven by technological innovation with an emphasis on sustainability. Other key steps we have taken towards sustainability include the following:

- we have installed zero discharge facilities at our units for the treatment of all liquid effluents;
- 100% of the water that we use in the distillation process is condensed and reused further. Similarly, the moisture extracted in the spent wash process is further used for fermentation, instead of fresh water;
- we have established effluent treatment plants at our distillery units, to reduce fresh water usage, and mitigate disruptions to the ecology of the areas.
- all Ethanol units have bagasse and spent wash-fired incineration boilers, compared to erstwhile boilers which use coal;
- the ash emitted from the boilers is sold externally, which is then used in making bricks and in making potash granules which are used as manure;
- we have cogeneration units, with boilers and turbines, at each of our units, which generate steam and power for captive consumption, and reduce external power requirements;
- potash derived from molasses, a by-product of our ethanol production, is sold externally; and
- CO2 expelled as a by-product of our production process is sold to third parties for use in other applications as either dry ice or as liquid CO2, instead of being externally discharged.

Our production units have processes to monitor product quality. As part of our continued focus on technology that aids sustainability, our proposed new units will be equipped with distillation sections requiring steam pressure of 1.2 kilograms per square centimetre compared to our existing distillery units, where steam pressure of 3.5 kilograms per square centimetre is utilized. This in turn is intended to allow

for higher electricity to be generated at our turbo generators, leading to energy optimization and cost efficiency.

Our steps towards sustainability have the added benefit of contributing to our revenues as well. We are able to sell CO2 to two individual entities for use in other applications, which apart from ecological benefits, has contributed ₹290.74 lakhs, ₹571.01 lakhs, and ₹600.77 lakhs, respectively to our revenue from operations in Fiscal 2023, 2024 and 2025, as per the Restated Financial Information.

9. Well-positioned to capture favourable industry tailwinds

The biofuel market in India is majorly divided into Ethanol, CBG and biodiesel currently, of which Ethanol forms a major chunk. The Indian biogas market is expected to grow up to USD 2.25 billion in 2029, at a CAGR of 6.3% between 2022 and 2029. (Source: CRISIL Report) As part of our product portfolio, we produce Ethanol and CBG. Along with Ethanol, the Government of India is looking forward to exploring CBG as an addition in the biofuel mix of the country.

Ethanol Support Initiatives

The Ethanol Blended Petrol (EBP) programme was launched in 2003, aiming to promote the use of environmentally friendly alternative fuels and reduce import dependency for energy requirements. Sizeable investments, especially by the government, are aimed at converting excess sugar availability into Ethanol to strengthen its pursuit of creating an Ethanol economy. (Source: CRISIL Report) Incentives and schemes have been offered by the Government of India and the State Government of Karnataka, which provide impetus to our operations, and which we intend to benefit from, include several Ethanol interest subvention schemes, exemptions on excise duty production linked incentives, central financial assistance, working capital subsidies, as well as key Ethanol blending targets.

CBG Support Initiatives

As one of the first producers of CBG under the SATAT scheme through our Subsidiary, we are also well placed to benefit from the increased demand for CBG pursuant to initiatives such as SATAT. The mandatory CBG blending initiative ensures a significant market for CBG, offering assured offtake for producers. (Source: CRISIL Report)

Our Subsidiary has also received authorization from the Ministry of Agriculture and Farmers Welfare for selling FOM and liquid FOM in bulk directly to farmers for a period of three years from November 14, 2023.

Through our proposed capacity additions, including the CBG projects we intend to set up, as described in "*Our Business – Business Strategies – Focus on increasing our CBG capabilities*", on page 301, we believe we will be able to further consolidate our leadership position and expand our CBG business. We believe we will be able to grow further, backed by policy support towards biofuel production, and be integral to bridging the demand-supply gap in the market.

10. Entrenched customer relationships, creating a strong demand pipeline

Our Company was incorporated in March 2021, and commenced Ethanol production pursuant to the Acquisition. However, our business benefits from our Promoters' relationships with customers, as a result of their association with Ethanol production through Promoter Group companies, which our Company has been able to strengthen.

As part of the EBP, OMCs sell petrol blended with an average 15.9% Ethanol as of July 2024, which will be increased to 20% by Fiscal 2025. (Source: CRISIL Report) With OMCs which are Government of India enterprises, we have successfully bid for supply of Ethanol, pursuant to which we have received letters of intent, and subsequent purchase orders for the supply of certain quantities of Ethanol to them as per their allocation guidelines. Particularly under the SATAT scheme, our Subsidiary has offtake agreements for CBG with two OMCs, with tenure of 10 years and 15 years respectively, demonstrating our demand pipeline.

Further, the residual waste from CBG production in the digester that comes out as solid waste is treated subsequently and converted into FOM. We are also able to sell FOM to various fertilizer and manure companies and farmers. We have received a purchase order on May 12, 2025 effective from April 24,

2025 to March 31, 2026 from an Indian public sector undertaking which produces chemicals and fertilizers, which enables us to sell FOM at the price of ₹5,565.00 (including GST) per MT.

The utilization of ENA in Indian-made foreign liquor production has also allowed us to forge relationships with customers in the spirits industry such as John Distilleries, InBrew Beverages Private Limited, Amrut Distilleries and Elite Vintage Winery India Private Limited. The production process of ENA is similar to Ethanol, and requires the same raw materials, but the cost of production of ENA is typically slightly lower than Ethanol although the selling price may be higher. (*Source: CRISIL Report*) Therefore, we are able to supply ENA without significant additional expenditure, and without it being our core business. This in turn provides higher realization for us, and creates shorter payment cycles.

11. Sound financial performance in a limited operating period, with headroom for growth

Our Company was incorporated in March 2021, cognizant of the headroom for growth in the Ethanol industry, aided by GoI schemes and incentives towards non-fossil fuels and renewable energy. To this end, we acquired three distillery units pursuant to the Acquisition.

We achieved installed operational capacity for Ethanol production of 1,800 KLPD as of March 31, 2025, based on the capacities of TBL Unit 1, TBL Unit 2, TBL Unit 3 and TBL Unit 4, which commenced operations on December 24, 2024. In comparison, we had an aggregated installed capacity of 590 KLPD as of March 31, 2022, when TBL Unit 1, TBL Unit 2 and TBL Unit 3 were not part of our Company.

Even in the absence of any working capital limits in these periods, we achieved capacity utilization of 74.06%, 42.61%, 45.08% for Ethanol and ENA in Fiscal 2023, 2024 and 2025, respectively. Our operational growth is further demonstrated by the fact that in Fiscal 2023, 2024 and 2025, our revenue from sale of Ethanol amounted to ₹70,080.78 lakhs, ₹95,635.79 lakhs, and ₹1,43,393.84 lakhs, respectively, as per the Restated Financial Information. As per the Proforma Condensed Combined Financial Information, revenue from sale of Ethanol was ₹39,961.07 lakhs, ₹63,382.75 lakhs and ₹1,03,610.59 lakhs in Fiscal 2021, 2022 and 2023, respectively.

12. Skilled and experienced Promoters and management team, with committed employee base

We possess a qualified senior management team with considerable industry experience. Our Promoter, Founder and Managing Director, Vijaykumar Murugesh Nirani, has nine years of experience as an industrialist holding diverse leadership positions. Our Promoter and Director Vishal Nirani, has six years of as an industrialist holding diverse leadership positions and our Promoter and Director Sushmitha Vijaykumar Nirani has six years of experience as an industrialist holding diverse leadership positions. Vijaykumar Murugesh Nirani, our Promoter, Founder and Managing Director has been associated with certain our erstwhile group entities since 2016, which were engaged in Ethanol production, and which subsequently transferred their Ethanol business to us. Therefore, our Promoters are familiar with our day-to-day operations. As a result, we rely on their expertise in course of our operations and strategic expansion. Through their years of experience in management roles at sugar producing companies with Ethanol competencies, our Promoters have been able to successfully helm our operations towards rapid but prudent growth in a limited time.

We have an experienced Board of Directors, who actively contribute to and participate in our strategies, operations and development. Our Key Managerial Personnel and Senior Management Personnel have significant expertise in areas of finance, manufacturing and sales, which positions us well to capitalize on future growth opportunities.

Our management and technical personnel are supported by other skilled workers who benefit from regular inhouse and onsite training initiatives. As on March 31, 2025, our Company had 714 on-roll employees. We have implemented stringent recruitment policies and hire individuals with engineering or management qualifications.

We support our employees in their career growth, and focus on employee morale. The quality of our management team is enhanced with specific and extensive industry experience. We believe that the experience, depth and diversity of our Directors and management team have enabled our Company to grow. Their industry experience enables us to anticipate and address market trends, manage and grow our operations, maintain and nurture customer relationships and respond to changes in the renewable energy market. Our management team, with extensive experience in the manufacturing industry, positions us well to capitalize on future growth opportunities.

For further details, see *"Our Business - Competitive Strengths"* on page 293.

Quantitative factors

The information presented below relating to our Company is based on the Restated Financial Information, unless indicated otherwise. For further information, see "*Financial Information*" on page 393.

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

I. Basic and diluted earnings per share ("EPS") (as adjusted for changes in capital, if any)

Derived from Restated Financial Information:

Fiscal	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2025 as per the Restated Financial Information (Consolidated)	20.94	20.94	3
March 31, 2024 as per the Restated Financial Information (Consolidated)	4.25	4.25	2
March 31, 2023 as per the Restated Financial Information (Standalone)	7.10	7.10	1
Weighted Average	**13.07**	**13.07**	

^ *Not annualised*

Notes:

- *Basic earnings per share (₹) = Restated consolidated net profit after tax for the year attributable to equity shareholders divided by the Weighted average number of equity shares outstanding during the year in calculating basic EPS*
- *Diluted earnings per share (₹) = Restated consolidated net profit after tax for the year attributable to equity shareholders divided by the Weighted average number of potential equity shares outstanding during the year in calculating diluted EPS*
- *Basic and diluted earnings per equity share: Basic and diluted earnings/ (loss) per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended)*
- *Weighted Average Number of Equity Shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor*

II. Price/Earning ("P/E") ratio in relation to Price Band of ₹[●] to ₹[●] per Equity Share:

Derived from Restated Financial Information:

Particulars	P/E at the lower end of the Price Band (number of times)*	P/E at the higher end of the Price Band (number of times)*
Based on basic EPS for Fiscal 2025 as per the Restated Financial Information	[●]	[●]
Based on diluted EPS for Fiscal 2025 as per the Restated Financial Information	[●]	[●]

* *To be updated upon finalisation of the Price Band.*

III. Industry Peer Group P/E ratio

Particulars	Industry P/E (based on basic)	Industry P/E (based on diluted EPS)
Highest	33.07	33.07
Lowest	7.75	7.75
Industry composite	21.54	21.57

Notes:

- *The industry high and low has been considered from the industry peer set provided under "– VI. Comparison with Listed Industry Peers" below. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed hereunder.*
- *P/E figures for the peers are computed based on closing market price as on September 17, 2025 on BSE, divided by Basic and Diluted EPS for the year ending March 31, 2025.*

IV. Return on Net Worth ("RoNW")

Derived from Restated Financial Information:

Financial Year ended	RoNW (%)	Weight
March 31, 2025 (Consolidated)	19.07	3
March 31, 2024 (Consolidated)	12.02	2
March 31, 2023 (Standalone)	14.74	1
Weighted Average	**16.00**	

Notes:

- *Weighted Average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.*
- *Return on Net Worth (%) = Net Profit after tax attributable to shareholders of the Company, as restated / Restated net worth for the year.*
- *'Net worth': Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Financial Information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*
- *For the purpose of computing net worth, we have considered the equity component of Compulsorily Convertible Preference Shares (CCPS). The CCPS aggregating to INR 46,919.00 lakhs has been converted into fully paid-up equity shares at an issue/conversion price of INR 491 per equity share.*

V. Net asset value per Equity Share

Restated Net Asset Value per Equity Share of face value of ₹ 10 each as per the Restated Financial Information:

Particulars	Net Asset Value per Equity Share (in ₹)
As on March 31, 2025 (Consolidated)	108.87
After the Offer	
(i) Floor Price	[●]
(ii) Cap Price	[●]
(iii) Offer Price	[●]

Notes:

- *Offer Price per Equity Share will be determined on conclusion of the Book Building Process.*
- *Net Asset Value per Equity Share = Net worth as per the Restated Financial Information at the end of the year / Number of equity shares outstanding as at the end of year.*
- *'Net worth': Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the Restated Financial Information, but does not include reserves created out of revaluation of assets, writeback of depreciation and amalgamation.*

VI. Comparison with Listed Industry Peers

Name of the company	Face Value (₹ per share)	Revenue for Fiscal 2025 (in ₹ Lakhs)	EPS (₹ per share)		NAV (₹ per share)	P/E	RONW (%)	Market price[@] (₹)
			Basic	Diluted				
TruAlt Bioenergy Limited[*]	10	1,90,772.40	20.94	20.94	108.87	[●][^]	19.07	[●][^]
PEER GROUP:								
Balrampur Chini Mills Ltd[#]	1.0	5,41,538	21.65	21.57	187.99	23.89	11.51%	515.35
Triveni Engineering & Industries Ltd[#]	1.0	6,80,794	10.88	10.88	144.34	33.07	7.66%	359.75
Dalmia Bharat Sugar & Industries Ltd[#]	2.0	3,74,578	47.78	47.78	399.62	7.75	11.96%	370.45

[*] *Financial information for Company is derived from the Restated Financial Information for the year ended March 31, 2025.*

[@] *As of September 17, 2025.*

[^] *To be determined upon conclusion of the Book Building Process.*

[#] *Notes for listed peers:*

(a) All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual reports/annual results as available of the respective company for the year ended March 31, 2025 submitted to stock exchanges.
(b) P/E Ratio has been computed based on the closing market price of equity shares on BSE on September 17, 2025, divided by the Diluted EPS.
*(c) Return on net worth ("**RoNW**") is computed as total profit/ (loss) for the year attributable to equity shareholders of the parent divided by net worth (excluding non-controlling interest), as at March 31, 2025.*
(d) Return on Net Worth (%) = Net Profit for the year divided by Net-Worth (Total Equity) as at March 31, 2025.
(e) NAV per share is computed as the Net-Worth (Total Equity) divided by the outstanding number of equity shares as at March 31, 2025.
(f) All the listed peers are integrated sugar industries whilst our Company is the only biofuel industry.

VII. Key financial and operational metrics

In evaluating our business, we consider and use certain KPIs as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Financial Information. We use these KPIs to evaluate our financial and operating performance. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to Ind AS measures of performance or as an indicator of our operating performance, liquidity or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS.

Investors are encouraged to review the Ind AS financial measures and to not rely on any single financial or operational metric to evaluate our business.

The KPIs disclosed below have been approved and confirmed by a resolution of our Audit Committee dated September 19, 2025 and certified by our Managing Director, Vijaykumar Murugesh Nirani, on behalf of the management of our Company by way of certificate dated September 19, 2025. The management and the members of the Audit Committee have confirmed that the KPIs disclosed below have been identified and disclosed in accordance with the SEBI ICDR Regulations and the Industry Standards on Key Performance Indicators Disclosures in the Draft Offer Document and Offer Document ("**KPI Standards**"). Further, the management and members of the Audit Committee have verified the details of all KPIs pertaining to the Company and confirmed that the KPIs pertaining to our Company, as disclosed below, have been identified from the Selected Data as defined in the KPI Standards (which also includes the data disclosed to investors at any point of time during the three years period prior to the date of filing of this Red Herring Prospectus), and have been subject to verification and have been certified by way of certificate dated September 19, 2025, issued by N.M. Raiji & Co., Chartered Accountants, who hold a valid certificate issued by the peer review board of the Institute of Chartered Accountants of India. The certificate dated September 19, 2025, issued by N.M. Raiji & Co., Chartered Accountants, has been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

The KPIs of our Company have been disclosed in the sections "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" starting on pages 282 and 526, respectively. We have described and defined the KPIs, as applicable, in the section "*Definitions and Abbreviations*" on page 4.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the utilization of the Net Proceeds or such other duration as may be required under the SEBI ICDR Regulations. Any change in these KPIs, during the aforementioned period, will be explained by our Company. The ongoing KPIs will continue to be certified by as required under the SEBI ICDR Regulations.

Set forth below are KPIs, both financial and operational, which have been used historically by our Company to understand and analyse the business performance, which in result, help us in analyzing the growth of various verticals in comparison to our listed peers, and other relevant and material KPIs of the business of the Company that have a bearing for arriving at the Basis for the Offer Price.

Financial KPIs

The following table sets forth certain financial information for our Company, as per the Restated Financial Information:

Sr. No.	Particulars	Metric	As of/ For the Year Ended March 31, 2023	As of/ For Year Ended March 31, 2024	As of/ For Year Ended March 31, 2025
			(Standalone)	(Consolidated)	(Consolidated)
1.	Revenue from operations	*₹ in lakhs*	76,238.03	1,22,340.47	1,90,772.40
2.	EBITDA[(1)]	*₹ in lakhs*	10,504.65	18,808.51	30,914.37
3.	EBITDA Margin[(2)]	*%*	13.78%	15.37%	16.20%

Sr. No.	Particulars	Metric	As of/ For the Year Ended March 31, 2023	As of/ For Year Ended March 31, 2024	As of/ For Year Ended March 31, 2025
			(Standalone)	(Consolidated)	(Consolidated)
4.	Profit / (Loss) for the period/year	*₹ in lakhs*	3,545.99	3,180.79	14,663.85
5.	PAT Margin[(3)]	*%*	4.65%	2.60%[*]	7.69%
6.	Working Capital Days[(4)]	*days*	(36)	26	26
7.	Return on Equity[(5)]	*%*	27.04%	10.27%	28.27%
8.	Return on Capital Employed[(6)]	*%*	11.38%	7.42%	10.88%
9.	Net Debt[(7)]	*₹ in lakhs*	1,14,532.02	1,66,133.14	1,39,990.17

[*] *PAT was low due to the ban on use of sugarcane juice / syrup and B- Heavy Molasses causing an increase in raw material consumption.*

Notes:

1. *EBITDA is calculated as profit before tax plus depreciation and amortisation expense plus finance cost, less other income.*
2. *EBITDA Margin is calculated as EBITDA divided by revenue from operations.*
3. *PAT Margin is calculated as profit for the period/year, divided by revenue from operations.*
4. *Working Capital Days is calculated as the sum of trade receivable days and inventory days less trade payable days. Trade receivables is calculated as (average receivables/ revenue from operations*365), trade payable days is calculated as (average payables/ cost of goods sold*365) and inventory days is calculated as (average inventory/ cost of goods sold*365).*
5. *Return on Equity is calculated as profit after tax less preference dividend divided by average total equity.*
6. *Return on Capital Employed is calculated as EBIT divided by average capital employed. Capital employed is calculated as net worth (shareholders equity) plus total debt plus deferred tax liability (net of deferred tax assets), while EBIT is calculated as profit after tax plus total income tax expense plus finance costs.*
7. *Net Debt is calculated as the sum of long term borrowing and short term borrowings, less cash and cash equivalents.*

Operational KPIs

Particulars	As of/ For the Year Ended March 31,		
	2023	2024	2025
No of distilleries	3	3	4[*]
Ethanol/Distillery capacity (KLPD)	1,400	1,400	1,800[*]
Production (KLPD)	597	598	628
Capacity Utilisation %	70%	43%	45%

** TBL Unit 5, which has an installed capacity of 200 KLPD, has not been considered in the above table, as the same is installed but not operational as at March 31, 2025.*

Notes:

1. *Installed capacity represents the installed capacity as of the last date of the relevant period. The installed capacity is based on various assumptions and estimates, including standard capacity calculation practice in the Indian ethanol industry and capacity of other machinery installed at the relevant distillery unit. Assumptions and estimates taken into account for measuring capacity utilization is calculated on a weighted average basis.*
2. *Average actual production in KLPD is calculated as the quantum of ethanol and ENA produced in the relevant period at a particular distillery unit, divided by the number of days the relevant distillery unit was operational in the same period.*
3. *Capacity utilization has been calculated on the basis of average actual production in the relevant period divided by the installed capacity in the period. See notes (4), (5), (6) and (7) below.*
4. *KLPD represents kilolitres per day.*
5. *In Fiscal 2025, the installed capacity of TBL Unit 3 increased from 200 KLPD to 400 KLPD with effect from November 1, 2024. Accordingly, the capacity utilization for Fiscal 2025 is the weighted average of the capacity utilization in the seven months ended October 31, 2024 (which is calculated on the basis of installed capacity being 200 KLPD from April 2024 to October 2024) and the capacity utilization for the five months ended March 31, 2025 (which is calculated on the basis of installed capacity being increased to 400 KLPD with effect from November 1, 2024). TBL Unit 4 received consent for operation for 200 KLPD on December 24, 2024 and was capitalised on March 30, 2025, post completion of trial run production on March 29, 2025.*
6. *In Fiscal 2023, the installed capacity of TBL Unit 1 has increased from 150 KLPD to 700 KLPD from February 2023. Accordingly, our capacity utilization for Fiscal 2023 is the weighted average of the capacity utilization in the ten months of Fiscal 2023 ended January 2023 (which is calculated on the basis of installed capacity being 150 KLPD from April 2022 to January 2023) and the capacity utilization in two months, being February and March 2023 (which is calculated on the basis of installed capacity being 700 KLPD in February and March 2023).*
7. *In Fiscal 2023, the installed capacity of TBL Unit 2 has increased from 240 KLPD to 500 KLPD from November 2022. Accordingly, our capacity utilization for Fiscal 2023 is the weighted average of the capacity utilization in the seven months of Fiscal 2023 ended October 2022 (which is calculated on the basis of installed capacity being 240 KLPD from April 2022 to October 2022) and the capacity utilization in the five months ended March 2023 (which is calculated on the basis of installed capacity being 500 KLPD from November 2022 to March 2023).*

Explanation for the KPI metrics

Sr. No.	KPI	Explanation
1.	Revenue from Operations	We selected this KPI because it reflects the main income generated by our company's core activities. It's crucial for understanding how well our business is performing financially, without including other sources of income that might skew the picture.
2.	EBITDA	EBITDA is a valuable KPI because it provides a clear view of our operational performance by excluding non-operating expenses. This allows us to focus specifically on how well the business is running without the impact of external factors like taxes or interest payments.
3.	EBITDA margin	This KPI is selected because it shows us the percentage of our revenue that translates into EBITDA, which helps us assess our profitability and margin profile. It's preferred over other margin calculations because it focuses solely on operational performance, excluding non-operating factors
4.	Profit for the period/ year (₹ lakhs)	Profit is essential for understanding our overall profitability representing the income remaining after all expenses, including taxes, have been deducted. It's a straightforward measure of financial health and the Company's ability to generate income.
5.	Working capital cycle	This metric is crucial for understanding how quickly we are able to convert our working capital into revenue. It helps us manage cash flow effectively and identify any inefficiencies in our working capital management.
6.	Return on equity	RoE is selected because it measures how effectively the Company is using shareholder equity to generate profits. It is a key indicator of our efficiency and performance from the shareholders' perspective.
7.	Return on capital employed	RoCE helps us understand how efficiently we are utilizing both equity and debt to generate profits. It provides insight into the returns generated from the total capital invested in the business.
8.	Net debt	Net Debt is selected as it provides us with a clear picture of our liquidity position by considering our borrowings and subtracting liquid assets. It's an essential metric for assessing our financial leverage and ability to meet short-term obligations.

Comparison of the KPI metrics of our Company and our listed peers

While the listed peers mentioned below operate in the same industry as us, and may have similar offerings or end use applications, our business may be different in terms of differing business models, different product verticals serviced or focus areas or different geographical presence. Below are details of the KPIs of our Company and our listed peers as at and for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023.

Comparison with listed industry peers (for the year ended March 31, 2025)

Particulars	For the year ended March 31, 2025			
	Company*	Balrampur Chini Mills Ltd#	Triveni Engineering & Industries Ltd#	Dalmia Bharat Sugar & Industries Ltd#
Financial KPIs				
Revenue from operations (₹ lakhs)	1,90,772.40	5,41,538	6,80,794	3,74,578
EBITDA (₹ lakhs)	30,914.37	73,943	47,620	46,891
EBITDA Margin (%)	16.20%	13.65%	6.99%	12.52%
Profit for the period/year (₹ lakhs)	14,663.85	43,692	23,826	38,675
PAT Margin (%)	7.69%	8.07%	3.50%	10.32%
Working Capital Days (in days)	26	265	212	203
Return on Equity (%)	28.27%	12.10%	7.90%	12.50%
Return on Capital Employed (%)	10.88%	8.83%	6.83%	7.90%
Net Debt (₹ lakhs)	1,39,990.17	2,62,583	1,92,295	71,074
Operational KPIs				
No of distilleries	4**	5	5	4
Ethanol/Distillery capacity (KLPD)	1,800*	1,050	860	850
Production (KLPD)	628	716	658	NA
Capacity Utilisation (%)$	45%	68%	77%	NA

**Financial information for our Company is derived from the Restated Financial Information*
*** TBL Unit 5, which has an installed capacity of 200 KLPD, has not been considered in the above table, as the same is installed but not operational as at March 31, 2025.*
[#]All the financial and operational information for listed industry peers mentioned above are on a consolidated basis and is sourced from the CRISIL report.
[$]Capacity Utilization – Production (KLPD)/ Ethanol Capacity (KLPD). Number of days is taken as 365.
***Note**: In Fiscal 2025, the installed capacity of TBL Unit 3 increased from 200 KLPD to 400 KLPD with effect from November 1, 2024. Accordingly, the capacity utilization for Fiscal 2025 is the weighted average of the capacity utilization in the seven months ended October 31, 2024 (which is calculated on the basis of installed capacity being 200 KLPD from April 2024 to October 2024) and the capacity utilization for the five months ended March 31, 2025 (which is calculated on the basis of installed capacity being increased to 400 KLPD with effect from November 1, 2024). TBL Unit 4 received consent for operation for 200 KLPD on December 24, 2024 and was capitalised on March 30, 2025, post completion of trial run production on March 29, 2025.*

Comparison with listed industry peers (for the year ended March 31, 2024)

Particulars	For the year ended March 31, 2024			
	Company*	Balrampur Chini Mills Ltd[#]	Triveni Engineering & Industries Ltd[#]	Dalmia Bharat Sugar & Industries Ltd[#]
Financial KPIs				
Revenue from operations (₹ lakhs)	1,22,340.47	5,59,374	6,15,140	2,89,937
EBITDA (₹ lakhs)	18,808.51	81,227	62,659	41,185
EBITDA Margin (%)	15.37%	14.52%	10.19%	14.20%
Profit for the period/year (₹ lakhs)	3,180.79	53,447	39,516	27,247
PAT Margin (%)	2.60%[^]	9.55%	6.42%	9.40%
Working Capital Days (in days)	26	222	210	223
Return on Equity (%)	10.27%	16.98%	14.20%	9.67%
Return on Capital Employed (%)	7.42%	11.58%	15.20%	7.68%
Net Debt (₹ lakhs)	1,66,133.14	2,00,793	1,33,455	95,953
Operational KPIs				
No of distilleries	3	5	5	4
Ethanol/Distillery capacity (KLPD)	1,400	1,050	860	850
Production (KLPD)	598	921.00	606	580
Capacity Utilisation (%)[$]	43%	88%	71%	68%

**Financial information for our Company is derived from the Restated Financial Information*
[#]All the financial and operational information for listed industry peers mentioned above are on a consolidated basis and is sourced from the CRISIL report.
[$]Capacity Utilization – Production (KLPD)/ Ethanol Capacity (KLPD). Number of days is taken as 304.
[^] PAT was low due to the ban on use of sugarcane juice / syrup and B- Heavy Molasses causing an increase in raw material consumption.
***Note**: Installed capacity represents the installed capacity as of the last date of the relevant period. The installed capacity is based on various assumptions and estimates, including standard capacity calculation practice in the Indian ethanol industry and capacity of other machinery installed at the relevant distillery unit. Assumptions and estimates taken into account for measuring capacity utilization is calculated on a weighted average basis.*

Comparison with listed industry peers (for the year ended March 31, 2023)

Particulars	As of/ For the Year Ended March 31, 2023			
	Company*	Balrampur Chini Mills Ltd[#]	Triveni Engineering & Industries Ltd[#]	Dalmia Bharat Sugar & Industries Ltd[#]
Financial KPIs				
Revenue from operations (₹ lakhs)	76,238.03	4,66,586	6,31,010	3,25,208
EBITDA (₹ lakhs)	10,504.65	51,204	61,591	43,653
EBITDA Margin (%)	13.78%	10.97%	9.76%	13.42%
Profit for the period/year (₹ lakhs)	3,545.99	28,417	1,79,181	24,832
PAT Margin (%)	4.65%	6.09%	28.40%	7.64%
Working Capital Days (in days)	(36)	219	165	160
Return on Equity (%)	27.04%	10.03%	78.28%	9.76%
Return on Capital Employed (%)	11.38%	8.70%	14.80%	9.90%
Net Debt (₹ lakhs)	1,14,532.02	1,87,831	83,928	38,828
Operational KPIs				
No of distilleries	3	5	4	4
Ethanol/Distillery capacity (KLPD)	1,400	1,050	660	710
Production (KLPD)	597	589	496	485
Capacity Utilisation %	70%	56%	75%	68%

*Financial information for our Company is derived from the Restated Financial Information.
#All the financial and operational information for listed industry peers mentioned above are on a consolidated basis and is sourced from the CRISIL report.
$ Capacity Utilization = Production (KLPD)/ Ethanol Capacity (KLPD). Number of days is taken as 365.
Note: TruAlt increased capacity in Unit 1 by 550 KLPD and Unit 2 by 260 KLPD on January 26, 2023 and November 15, 2022 respectively. As a result, TruAlt's total capacity increased from 590 KLPD in FY22 to 1,400 KLPD in FY23. In Fiscal 2023 capacity in Unit 1 has increased from 150 KLPD to 700 KLPD from February 2023 and in Unit 2 has increased from 240 KLPD to 500 KLPD from November 2022. Installed capacity represents the installed capacity as of the last date of the relevant period. The installed capacity is based on various assumptions and estimates, including standard capacity calculation practice in the Indian ethanol industry and capacity of other machinery installed at the relevant distillery unit. Assumptions and estimates taken into account for measuring capacity utilization is calculated on a weighted average basis. The corresponding capacity utilization has been considered on a weighted average basis. In Fiscal 2023 capacity in Unit 1 has increased from 150 KLPD to 700 KLPD from February 2023 and in Unit 2 has increased from 240 KLPD to 500 KLPD from November 2022. The corresponding capacity utilization has been considered on a weighted average basis.

VIII. Weighted average cost of acquisition

A. The price per share of our Company based on the primary/ new issue of shares (equity/ convertible securities

Except as stated below, there has been no issuance of Equity Shares or convertible securities, excluding shares issued under bonus shares, during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-Offer capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("**Primary Issuance**").

Date of sale / acquisition	Name of the Aquirer/Transferee	Number of Equity Shares acquired/sold	% of paid-up share capital on a fully diluted basis	Face value (₹)	Price per share (₹)	Nature of transaction	Nature of consideration	Total consideration (in ₹ Lakhs)
May 3, 2024	Ritesh G Lakhi	2,54,582	0.36	10.00	491.00	Conversion of CCPS into Equity Shares	NA*	1,250.00
May 3, 2024	Chirag D Lakhi	2,54,582	0.36	10.00	491.00	Conversion of CCPS into Equity Shares	NA*	1,250.00
May 3, 2024	Narendra Goel (on behalf of Shri. Bajarang Commodity)	3,29,939	0.47	10.00	491.00	Conversion of CCPS into Equity Shares	NA*	1,620.00
May 3, 2024	Mayank Bajaj	2,03,666	0.29	10.00	491.00	Conversion of CCPS into Equity Shares	NA*	1,000.00
May 3, 2024	Praj Engineering and Infra Limited	2,03,666	0.29	10.00	491.00	Conversion of CCPS into Equity Shares	NA*	1,000.00
May 3, 2024	Siddhartha Sancheti	6,10,998	0.87	10.00	491.00	Conversion of CCPS into Equity Shares	NA*	3,000.00

Date of sale / acquisition	Name of the Aquirer/Transferee	Number of Equity Shares acquired/sold	% of paid-up share capital on a fully diluted basis	Face value (₹)	Price per share (₹)	Nature of transaction	Nature of consideration	Total consideration (in ₹ Lakhs)
May 3, 2024	Mithun Padam Sancheti	6,10,998	0.87	10.00	491.00	Conversion of CCPS into Equity Shares	NA*	3,000.00
May 3, 2024	Chartered Finance and Leasing Limited	12,21,996	1.73	10.00	491.00	Conversion of CCPS into Equity Shares	NA*	6,000.00
May 3, 2024	Nirani Holdings Private Limited	58,65,377	8.30	10.00	491.00	Conversion of CCPS into Equity Shares	NA*	28,799.00
Weighted average cost of acquisition (WACA)								**491.00**

** Consideration was received by the Company at the time of allotment of the CCPS.*

B. The price per share of our Company based on secondary sale/acquisition of shares (equity / convertible securities)

Details of secondary sales / acquisitions of Equity Shares or any convertible securities, where the Promoters, members of the Promoter Group, or Selling Shareholders are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested, if any), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("**Secondary Transactions**") are as follows:

Date of sale / acquisition	Name of the transferor	Name of the acquirer / transferee	Number of shares acquired/ sold^	% of paid-up share capital on a fully diluted basis	Face value (₹)	Price per share (₹)	Nature of transaction	Nature of consideration	Total consideration (in ₹ lakhs)
April 12, 2024	Erstwhile Nirani Sugars Limited*	Narendra Goel (on behalf of Shri. Bajrang Commodity)	16,20,000	0.47%	100.00	100.00	CCPS transfer	Cash	1,620.00
April 12, 2024	Erstwhile Nirani Sugars Limited*	Mayank Bajaj	10,00,000	0.29%	100.00	100.00	CCPS transfer	Cash	1,000.00

Date of sale / acquisition	Name of the transferor	Name of the acquirer / transferee	Number of shares acquired/ sold^	% of paid-up share capital on a fully diluted basis	Face value (₹)	Price per share (₹)	Nature of transaction	Nature of consideration	Total consideration (in ₹ lakhs)
April 25, 2024	Shri Sai Priya Sugars Limited*	Chartered Finance & Leasing Limited	30,00,000	0.87%	100.00	100.00	CCPS transfer	Cash	3,000.00
April 19, 2024	MRN Cane Power (India) Limited*	Nirani Holdings Private Limited	43,00,000	1.24%	100.00	100.00	CCPS transfer	Cash	4,300.00
April 25, 2024	Shri Sai Priya Sugars Limited*	Mithun Padam Sacheti	30,00,000	0.87%	100.00	100.00	CCPS transfer	Cash	3,000.00
April 23, 2024	Erstwhile Nirani Sugars Limited*	Praj Engineering and Infra Limited	10,00,000	0.29%	100.00	100.00	CCPS transfer	Cash	1,000.00
April 23, 2024	Erstwhile Nirani Sugars Limited*	Nirani Holdings Private Limited	64,74,000	1.87%	100.00	100.00	CCPS transfer	Cash	6,474.00
April 23, 2024	Shri Sai Priya Sugars Limited*	Nirani Holdings Private Limited	1,65,25,000	4.76%	100.00	100.00	CCPS transfer	Cash	16,525.00
April 24, 2024	MRN Cane Power (India) Limited*	Chartered Finance & Leasing Limited	30,00,000	0.87%	100.00	100.00	CCPS transfer	Cash	3,000.00
April 24, 2024	MRN Cane Power (India) Limited*	Siddhartha Sacheti	30,00,000	0.87%	100.00	100.00	CCPS transfer	Cash	3,000.00
May 02, 2024	Erstwhile Nirani Sugars Limited*	Nirani Holdings Private Limited	15,00,000	0.43%	100.00	100.00	CCPS transfer	Cash	1,500.00
July 24, 2024	Nirani Holdings Private Limited	Rakeshkumar Viththalbhai Patel (on behalf of Dhruv Khush Business Ventures)	32,79,022	4.64%	10.00	491.00	Transfer of Equity Shares	Cash	16,100.00
August 8, 2024	Nirani Holdings Private Limited	Vikasa India EIF I Fund - Incube Global	3,05,499	0.43%	10.00	491.00	Transfer of Equity Shares	Cash	1,500.00

Date of sale / acquisition	Name of the transferor	Name of the acquirer / transferee	Number of shares acquired/ sold^	% of paid-up share capital on a fully diluted basis	Face value (₹)	Price per share (₹)	Nature of transaction	Nature of consideration	Total consideration (in ₹ lakhs)
		Opportunities							
August 12, 2024	Nirani Holdings Private Limited	Vikasa India EIF I Fund	8,53,360	1.21%	10.00	491.00	Transfer of Equity Shares	Cash	4,190.00
August 12, 2024	Nirani Holdings Private Limited	Minerva Ventures Fund	2,03,666	0.29%	10.00	491.00	Transfer of Equity Shares	Cash	1,000.00
Weighted average cost of acquisition (WACA)									**491.00**

Note: On May 3, 2024, 4,69,19,000 Compulsorily Convertible Preference Shares (CCPS) were converted to Equity Shares of face value of ₹ 10 each.

[*]As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Erstwhile Nirani Sugars Limited, Shri Sai Priya Sugars Limited and MRN Cane Power (India) Limited, stand merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited was changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

**These are the CCPS which have been converted into Equity Shares. Percentage of paid up capital is calculated by dividing No. of Equity Shares for each transaction (assuming conversion of CCPS into Equity Shares) by total pre-Offer paid up capital (post conversion of CCPS into Equity Shares)*

C. Weighted average cost of acquisition, floor price and cap price

Past transactions	Weighted average cost of acquisition per Equity Share / Preference Share (in ₹)[*]	Floor price in ₹[●][**]	Cap price in ₹[●][**]
Weighted average cost of acquisition for Primary Issuance	491.00	[●] times	[●] times
Weighted average cost of acquisition for Secondary Transactions	491.00	[●] times	[●] times

[*] As Certified by N.M. Raiji & Co., Chartered Accountants by way of their certificate dated September 19, 2025.

[**]To be included on finalisation of Price Band

D. Justification for Basis of Offer Price

Detailed explanation for Offer Price/Cap Price being [●] price of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (as set out above) along with our Company's key financial and operational metrics and financial ratios for Fiscals 2025, 2024 and 2023 and in view of the external factors which may have influenced the pricing of the Offer.

[●][*]

[*]To be included on finalisation of Price Band

The Offer price is [●] times of the face value of the Equity Shares

The Offer Price of ₹[●] has been determined by our Company in consultation with the BRLMs, on the basis of market demand from investors for Equity Shares through the Book Building Process.

Investors should read the abovementioned information along with "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Statements*" on pages 36, 282, 526 and 393, respectively, to have a more informed view.

STATEMENT OF SPECIAL TAX BENEFITS

Date: September 6, 2025

To

The Board of Directors
TruAlt Bioenergy Limited
Survey No. 166
Kulali Cross, Jamkhandi Mudhol Road
Bagalkot – 587313
Karnataka, India.

DAM Capital Advisors Limited
Altimus 2202, Level 22
Pandurang Budhkar Marg
Worli, Mumbai – 400 018
Maharashtra, India.

SBI Capital Markets Limited
Unit No. 1501, 15th floor, Parinee Crescenzo
Bandra Kurla Complex, Bandra (East)
Mumbai - 400051
Maharashtra, India.

(DAM Capital Advisors Limited, SBI Capital Markets Limited and any other book running lead managers which may be appointed in relation to the Offer are collectively referred to as the "**Book Running Lead Managers**" or the "**BRLMs**")

Re: **Proposed initial public offering of equity shares of face value of ₹ 10 ("Equity Shares") by TruAlt Bioenergy Limited (the "Company") and such offering (the "Offer")**

We, **N. M. Raiji & Co.**, Chartered Accountants, FRN: 108296W, statutory auditors to the Company, have been informed that the Company has filed the Draft Red Herring Prospectus ("**DRHP**") dated August 16, 2024, and proposes to file the Red Herring Prospectus ("**RHP**"); the prospectus ("**Prospectus**") with the Registrar of Companies, Karnataka at Bangalore ("**RoC**") and the Stock Exchanges and any other documents or materials to be issued in relation to the Offer (collectively with the DRHP, RHP and Prospectus, the "**Offer Documents**") in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**ICDR Regulations**").
We hereby report the special tax benefits available to the Company and its shareholders (i) pursuant to the Income Tax Act, 1961, as amended by the Finance Act, 2025, and read with the rules, circulars and notifications issued in relation thereto; and (ii) applicable indirect taxation laws, as amended and read with the rules, circulars and notifications issued in connection thereto, are given in the enclosed statement at **Annexure A.**

Several of these stated tax benefits / consequences are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Therefore, the ability of the Company or its shareholders to derive the tax benefits is dependent on fulfilling such conditions.

The benefits discussed in the enclosed annexure are not exhaustive. **Annexure A** is for your information and for inclusion in the RHP and the prospectus to be filed with the RoC and with the SEBI and Stock Exchanges, in accordance with the provisions of the ICDR Regulations and any other material used in connection with the Offer, and is neither designed nor intended to be a substitute for professional tax advice.

In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. Neither are we suggesting nor advising the investor to invest money based on this statement. These statements do not cover any general tax benefits available to the Company and/or its shareholders and is neither designed nor intended to be a substitute for professional tax advice.

We do not express any opinion or provide any assurance as to whether:

i) the Company or its shareholders will continue to obtain these benefits in future; or

ii) the conditions prescribed for availing the benefits have been/would be met with; or
iii) the revenue authorities/courts will concur with the views expressed herein.

We hereby give consent to include this statement of special tax benefits in the Offer Documents.

The aforesaid information contained herein and in **Annexure A** may be relied upon by the Book Running Lead Managers and legal counsels appointed pursuant to the Offer and may be submitted to the Stock Exchanges, the Securities and Exchange Board of India, and any other regulatory or statutory authority in respect of the Offer and for the records to be maintained by the Book Running Lead Managers in connection with the Offer.

We undertake to update you in writing of any changes in the abovementioned position, immediately upon us becoming aware, until the date the Equity Shares issued pursuant to the Offer commence trading on the stock exchanges. In the absence of any communication from us till the Equity Shares commence trading on the stock exchanges, you may assume that there is no change in respect of the matters covered in this certificate.

Capitalized terms used herein, unless otherwise specifically defined, shall have the same meaning as ascribed to them in the Offer Documents.

Yours faithfully,
For and on behalf of
N. M. Raiji & Co.,
Chartered Accountants
FRN: 108296W

Vinay D. Balse
Partner
Membership Number: 039434
UDIN: 25039434BMKNYE5982,

Place: Bengaluru

CC:

Domestic Legal Counsel to the BRLMs

Cyril Amarchand Mangaldas
3rd Floor, Prestige Falcon Towers
19, Brunton Road, Off Mahatama Gandhi Road
Craig Park Layout, Ashok Nagar
Bengaluru – 560025.
Karnataka, India.

Domestic Legal Counsel to the Company

Khaitan & Co
Embassy Quest, 3rd Floor
45/1 Magrath Road
Bengaluru - 560025
Karnataka, India.

International Legal Counsel to the BRLMs
Hogan Lovells Lee & Lee
50 Collyer Quay
#10-01 OUE Bayfront
Singapore 049321.

Annexure A

1) Special tax benefits available to the Company
DIRECT TAXATION

This Annexure sets out only the possible special direct tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 (the "**Act**") as amended by the Finance Act, 2025, i.e. applicable to Financial Year 2025-26, presently in force in India.

I. Special direct tax benefits available to the Company under the Act

Lower Corporate Tax Rate under section 115BAA

A new section 115BAA was inserted by the Taxation Laws (Amendment) Act, 2019 ('**The Amendment Act, 2019**') granting an option to domestic companies to compute corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and cess of 4%), subject to the condition that going forward it does not claim specified deductions / exemptions as specified in section 115BAA(2) of the Act and computes total income as per the provisions of section 115BAA(2) of the Act. Proviso to section 115BAA(5) provides that once the Company opts for paying tax as per section 115BAA of the Act, such option cannot be subsequently withdrawn for the same or any other previous year. Further, the provisions of Section 115JB i.e. MAT provisions shall not apply to the Company on exercise of the option under section 115BAA, as specified under sub-section (5A) of Section 115JB of the Act.

The Company has evaluated and decided to opt for the lower corporate tax rate of 25.168% with effect from the Financial Year 2022-23. Such option has been exercised by the Company while filing its return for the Financial Year 2022-23 within the due date prescribed under sub-section (1) of section 139 of the Act.

INDIRECT TAXATION

There are no special tax benefits available to the Company pursuant to indirect taxation laws, as amended and read with the rules, circulars and notifications issued in connection thereto.

2) Special tax benefits available to Shareholders

There are no special direct or indirect tax benefits available to the shareholders of the Company under the relevant tax laws.

SECTION IV: ABOUT OUR COMPANY

INDUSTRY OVERVIEW

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Assessment of Biofuels Market" dated August 2024 (the "**CRISIL Report**") prepared and issued by CRISIL Market Intelligence & Analytics, a division of CRISIL Limited, pursuant to an engagement letter dated August 9, 2023 and addenda dated June 18, 2024, November 18, 2024, and June 6, 2025. The CRISIL Report has been exclusively commissioned and paid for by us in connection with the Offer. There are no parts, data or information (which may be relevant for the proposed Offer), that has been left out or changed in any manner. A copy of the CRISIL Report is available on the website of our Company at https://www.trualtbioenergy.com/investor-relations.*

Unless otherwise indicated, 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. For further information, see "Risk Factors – Industry information included in this Red Herring Prospectus has been derived from an industry report prepared by CRISIL Market Intelligence & Analytics, a division of CRISIL Limited, exclusively commissioned and paid for by us for such purpose." on page 59. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data" on page 18.

Macroeconomic overview – Introduction to global and Indian economy

Review and outlook of global GDP

Following a prolonged and unprecedented series of shocks, the global economy seems to have stabilized, albeit with steady yet underwhelming growth rates. However, the landscape has shifted as governments worldwide are reordering their policy priorities and uncertainties have surged to new heights.

The euro area's growth is anticipated to decline slightly to 0.8% in 2025, before moderately increasing to 1.2% in 2026. The key drivers of the subdued growth in 2025 are rising uncertainty and tariffs. Nevertheless, offsetting forces that support the modest pickup in 2026 include stronger consumption driven by rising real wages and a projected fiscal easing in Germany, following significant changes to its fiscal rule, known as the "debt brake." Within the region, Spain's momentum stands in contrast to the sluggish dynamics elsewhere, with a growth projection of 2.5% for 2025.

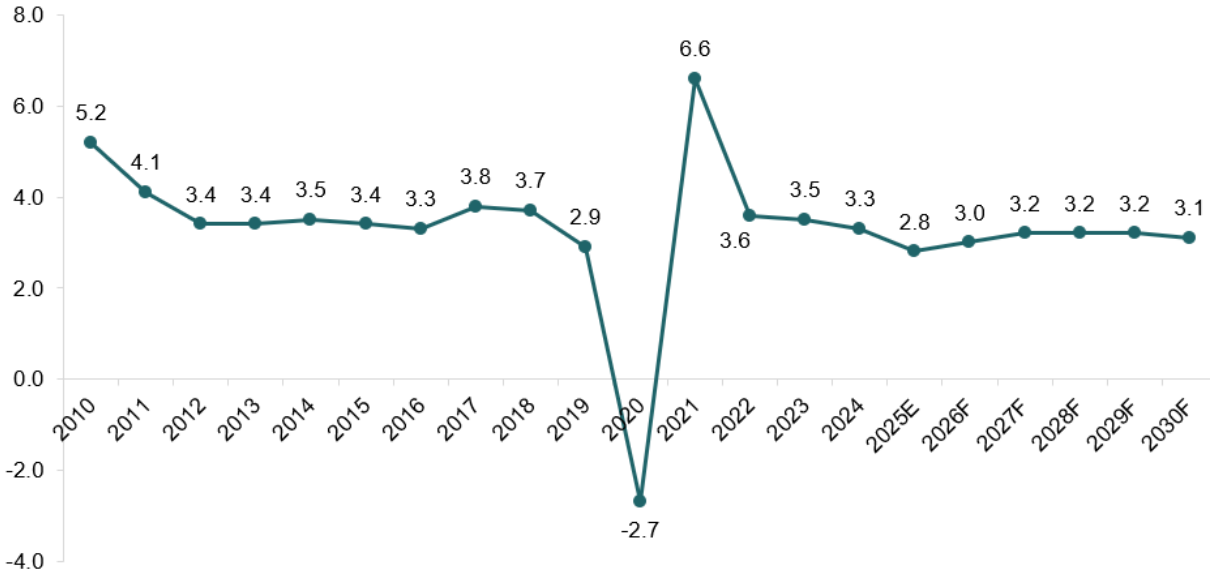
After a marked slowdown in 2024, growth in emerging and developing Asia is expected to decline further to 4.5% in 2025 and 4.6% in 2026. Emerging and developing Asia, particularly the Association of Southeast Asian Nations (ASEAN) countries, has been among the most affected by the April tariffs. For China, the expected GDP growth in 2025 is 4.0%, reflecting the impact of recently implemented tariffs, which offset the stronger carryover from 2024 and fiscal expansion in the budget. The growth in 2026 is also expected to be 4.0%, driven by prolonged trade policy uncertainty and the tariffs currently in place. In contrast, India's growth outlook is relatively more stable at 6.2% in 2025, supported by private consumption, particularly in rural areas, although there may be some uncertainty due to higher levels of trade tensions and global uncertainty.

For Latin America and the Caribbean, growth is projected to moderate from 2.4% in 2024 to 2.0% in 2025, before rebounding to 2.4% in 2026. The forecasts are largely due to a significant downgrade to growth in Mexico, by 1.7 percentage points for 2025 and 0.6 percentage point for 2026, reflecting weaker-than-expected activity in late 2024 and early 2025, as well as the impact of tariffs imposed by the United States, associated uncertainty, and geopolitical tensions, and a tightening of financing conditions.

Growth in emerging and developing Europe is projected to slow down considerably, from 3.4% in 2024 to 2.1% in 2025 and 2026. This reflects a sharp drop in growth in Russia from 4.1% in 2024 to 1.5% in 2025 and to 0.9% in 2026, as private consumption and investment decelerate amid reduced tightness in the labor market and slower wage growth.

According to the International Monetary Fund, the global economy is expected to grow by 2.8% in 2025 due to increasing trade tensions, policy uncertainty, and the resulting negative economic impacts. Emerging economies and advanced countries are estimated to grow by 3.7% and 1.4%, respectively, in 2023. The trade conflict has led to increased uncertainty, which has weighed on business confidence, reduced investment, and disrupted global supply chains, thereby slowing economic activity worldwide. For Türkiye, growth is projected to bottom out in 2025 at 2.7% and accelerate to 3.2% in 2026, owing to recent pivots in monetary policy. The Middle East and Central Asia is projected to come out of several years of subdued growth, with the rate accelerating from an estimated 2.4% in 2024 to 3.0% in 2025 and to 3.5% in 2026, as the effects of disruptions to oil production and shipping dissipate and the impact of ongoing conflicts lessens.

The world continues to watch as geopolitical uncertainties create a challenging environment for growth, however, economies like India have continued to grow through the uncertainty with robust private demand and efficient navigation of policy and global relations through these unpredictable circumstances.



Real GDP Growth (%) 2010-2030F

Note: E-Estimated, F-Forecast
Source: International Monetary Fund (IMF) World Economic Outlook April 2025

Review and outlook of Global GDP in Key Economies

Real GDP growth comparison among India vs Advanced and emerging economies

Year	World	India	United States	China	Europe	Japan	Advanced Economies	Emerging markets and developing economies
2010	5.2	8.5	2.7	10.6	2.5	4.1	3.1	7.2
2011	4.1	5.2	1.6	9.5	2.3	0.0	1.8	6.1
2012	3.4	5.5	2.3	7.8	0.3	1.4	1.2	5.3
2013	3.4	6.4	2.1	7.8	0.5	2.0	1.5	4.9
2014	3.5	7.4	2.5	7.5	1.6	0.3	2.1	4.7
2015	3.4	8	2.9	7.0	1.6	1.6	2.4	4.3
2016	3.3	8.3	1.8	6.8	1.7	0.8	1.8	4.4
2017	3.8	6.8	2.5	6.9	2.8	1.7	2.6	4.8
2018	3.7	6.5	3.0	6.8	2.3	0.6	2.3	4.7
2019	2.9	3.9	2.6	6.1	2.0	-0.4	1.9	3.7
2020	-2.7	-5.8	-2.2	2.3	-5.4	-4.2	-4.0	-1.7
2021	6.6	9.7	6.1	8.6	6.4	2.7	6.0	7.0
2022	3.6	7.6	2.5	3.1	2.4	0.9	2.9	4.1
2023	3.5	9.2	2.9	5.4	1.3	1.5	1.7	4.7
2024	3.3	6.5	2.8	5.0	1.7	0.1	1.8	4.3
2025 E	2.8	6.2	1.8	4.0	1.3	0.6	1.4	3.7
2026F	3	6.3	1.7	4.0	1.5	0.6	1.5	3.9
2027F	3.2	6.5	2.0	4.2	1.6	0.6	1.7	4.2
2028F	3.2	6.5	2.1	4.1	1.6	0.6	1.7	4.1
2029F	3.2	6.5	2.1	3.7	1.5	0.5	1.7	4.1
2030F	3.1	6.5	2.1	3.4	1.5	0.5	1.7	4.0

Note: E: Estimated, F: Forecast

Source: International Monetary Fund (IMF) World Economic Outlook April 2025

United States

The real GDP growth has shown varied trends, reflecting fluctuations in economic activity. Pre-pandemic, growth remained steady between 1.8%-3.0% from 2014 to 2019, reflecting mature economic expansion. The COVID-19 pandemic caused a sharp -2.2% contraction in 2020, followed by an exceptional 6.1% rebound in 2021 due to stimulus measures and economic reopening. The economy then normalized with 2.5%, 2.9% and 2.8% growth in 2022, 2023 and 2024 respectively, slightly above pre-pandemic averages.

Looking forward, the US economy is expected to grow by 1.8% in 2025 due to the uncertainty of the tariff imposed by US and other countries. The tariff policies have started impacting US consumers as major companies like Walmart, Mattel has announced price increase. Tariffs on Chinese goods and imported cars are pushing business to pass rising costs onto consumers. The new administration in the country has imposed a 10% baseline tariff on most imports and a 30% duty on Chinese goods, with some categories, such as steel and aluminium, facing even steeper rates. The tariffs are expected to impact the economic growth in 2026, real GDP is expected to grow by 1.7%. Over the longer term IMF expects the real GDP to stabilise at 2.1%.

Europe

Between 2014 and 2019, Europe experienced modest and stable growth, ranging from 1.6% to 2.8%, with the peak in 2017 reflecting post-Eurozone crisis recovery. In 2020, the region witnessed a sharp economic contraction of -5.4% due to the COVID-19 pandemic, which led to widespread lockdowns, supply chain disruptions, and reduced economic activity. This was followed by a strong rebound in 2021 with a growth rate of 6.4%, driven by vaccine rollouts, relaxation of restrictions, and stimulus measures. However, from 2022 to 2024, growth moderated to levels between 1.3% and 2.4%, reflecting lingering inflation, energy supply disruptions related to the Russia-Ukraine war, and the effects of monetary tightening.

Looking ahead, the period from 2025 to 2030 is expected to be marked by low but steady growth, ranging between 1.3% and 1.6%, as Europe grapples with several structural challenges. These include an aging population, subdued productivity growth, and tightening labour markets. The continent's green transition and decarbonization efforts, while vital for long-term sustainability, may create short-term fiscal pressures. Additionally, Europe's heavy reliance on exports makes it sensitive to global economic shifts, particularly in major markets like the US and China.

China

China's economy has undergone significant transformation since 2014, with growth gradually declining from 7.5% to 6.1% by 2019. The COVID-19 pandemic caused a sharp drop to 2.3% in 2020, though China uniquely maintained positive growth while other major economies contracted. A recovery to 8.6% in 2021 was followed by volatility, with growth falling to 3.1% in 2022 before rebounding to 5.4% in 2023. In 2024, the GDP grew by 5.0% driven by robust manufacturing and high export demand. In first quarter of 2025, the country’s GDP outstripped expectation with growth of 5.4%, underpinned by solid consumption and industrial output, but economists suggests momentum could shift sharply lower as US tariffs pose the biggest risk to the country’s economic growth. US has imposed 30% tariffs on Chinese goods, heightening the tension between two economies. On the other hand, China’s real estate is facing challenges, the value of the housing sold dropped by a quarter and the average prices of these houses also has plunged.

China is currently confronting dual significant challenges: domestically, the continuing deterioration of its property market, while internationally, it navigates an exceptionally severe trade conflict with US.

Japan

Between 2014 and 2019, Japan experienced moderate and fluctuating growth, ranging from 0.3% in 2014 to a peak of 1.7% in 2017, followed by a decline to -0.4% in 2019. This period reflects the low-growth trend typical of a mature economy. In 2020, the economy contracted sharply by -4.2% due to the COVID-19 pandemic, which caused disruptions in global trade, domestic demand, and tourism. A strong recovery followed in 2021 with growth reaching 2.7%, driven by government stimulus, export rebound, and improving consumption. However, growth slowed again to 0.9% in 2022 and modestly rebounded to 1.5% in 2023, indicating a partial but uneven recovery.

The growth rate is projected to stabilize at low levels from 2024 onward, with 0.1% growth in 2024 and consistent forecasts between 0.5% and 0.6% annually through 2030. This suggests that Japan faces long-term structural constraints on its economic potential. Demographics play a major role, as Japan’s rapidly aging population and declining workforce suppress labour supply and domestic consumption. Persistent deflationary pressures and low inflation have further dampened consumer spending and investment. As an export-driven economy, Japan is also

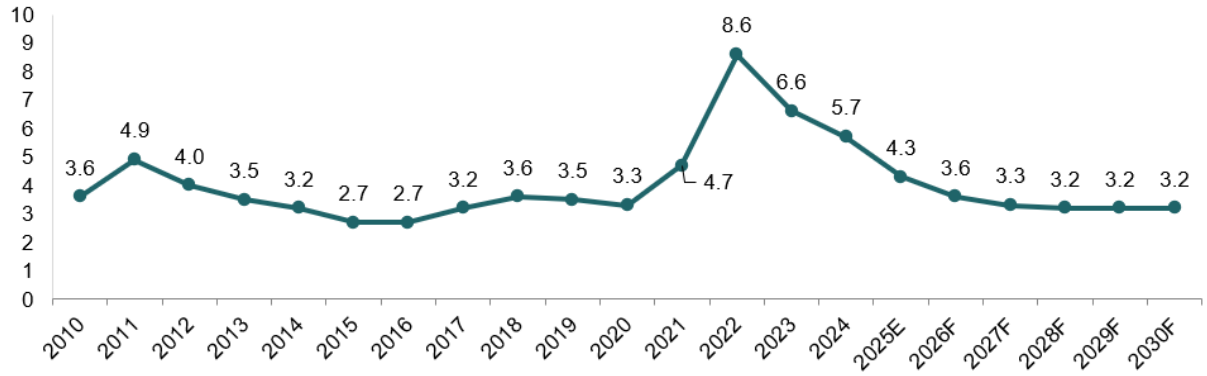
sensitive to global economic fluctuations, trade dynamics, and geopolitical tensions.

Global inflation overview

Global inflation declined steadily from 3.6% in 2010 to 2.7% in 2016 due to post-crisis recovery and accommodative policies. Between 2017 and 2020, it stabilized between 3.2% and 3.6%. However, it started increasing in 2021 and spiked sharply to 8.6% in 2022, driven by pandemic-related disruptions, supply chain issues, and geopolitical tensions, such as the Russia-Ukraine war, which significantly impacted energy and commodity prices. The inflation fall from 6.6% in 2023 to 5.7% in 2024 and is likely to reach 4.3% in 2025. The chemical industry has been heavily affected by inflation through rising raw material and transportation costs, disrupted supply chains, and weaker downstream demand, particularly in sectors like automotive and packaging.

The global economy continues to experience high rates of inflation and though inflation appears to be gradually declining in certain parts of the world, inflationary pressure and price uncertainty is expected to continue in 2024. In the 2025-2030 period, global headline inflation is forecast to average 3.5%.

Global Inflation Rate (Average Consumer Prices) (%) 2010-2030F



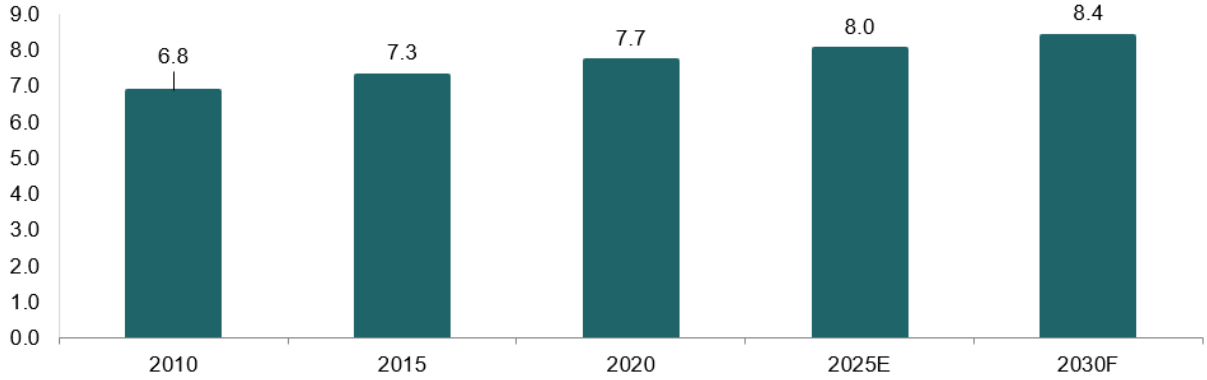
Note: E: Estimate, P: Projection

Source: International Monetary Fund (IMF) World Economic Outlook April 2025

India's GDP logged 5.7% CAGR during Fiscal 2012 - Fiscal 2023

The total population has more than doubled since the 1950s and is forecasted to surpass the 8.3 billion mark by 2030. Populous middle-income countries account for a considerable share of the growth in world population between 2010-25. Just five nations – China, India, Indonesia, Pakistan, and Nigeria – are expected to account for around 3.6 billion people in 2025. If the current trend continues, the majority of the next billion is destined to be born in low- and middle-income countries. However, the median age of the existing population in these nations – especially Nigeria, Pakistan, and India at an estimated 19.3 years, 22.9 years, and 29.8 years, respectively in 2024 underscore the massive demographic dividend potential. A young and cost-effective labour will drive the attractiveness of these nations as offshore manufacturing destinations.

World Population Estimates



Note: E-Estimated, F-Forecast

Source: International Monetary Fund (IMF) World Economic Outlook April 2025

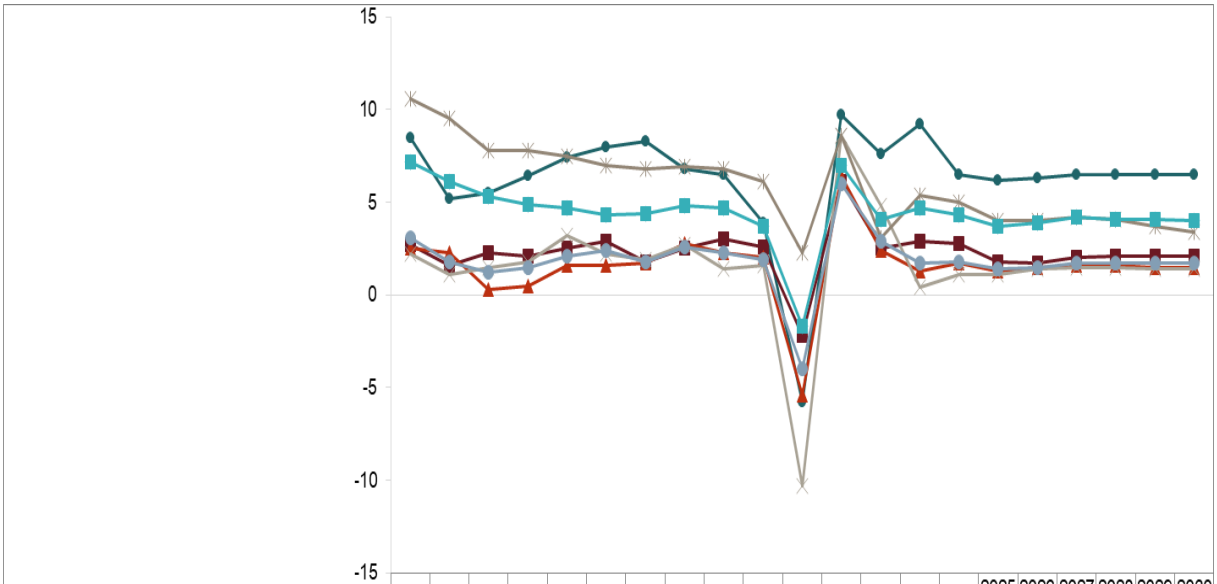
India Macroeconomic overview: GDP overview

The Indian economy posted a robust economic rebound of 9.7% in 2021, following the COVID-19 induced 5.8% GDP contraction in 2020. In response to the economic challenges posed by the COVID-19 pandemic, India implemented a series of comprehensive structural reforms aimed at revitalizing its manufacturing sector and enhancing its global competitiveness. The government's disinvestment strategy underwent a significant transformation, the new approach facilitated landmark privatizations such as Air India's acquisition by the Tata Group. The primary objectives behind this disinvestment push were to reduce the fiscal burden on government finances, improve operational efficiency through private sector management, and generate substantial resources for funding critical development programs. The Indian government as part of its proactive fiscal and monetary policies introduced several stimulus measures such as loan moratoriums, credit guarantees, and direct cash transfers to support businesses and households during the year. These measures helped sustain domestic consumption and mitigate the economic impact of the pandemic in 2021. Recovery within manufacturing as well as the services industry – particularly within segments such as information technology, healthcare, and e-commerce – provided further impetus.

GDP growth fell to 7.6% in 2022, mainly due to the Russia-Ukraine war and the resultant supply disruptions which led to a sharp increase in food and fuel prices. To curtail these high price pressures, the Reserve Bank of India (RBI) adopted a restrictive monetary policy – with the repo rate hiked to 6.25% by the end of 2022. This dampened consumer spending and business confidence during the year. As per IMF World Economic Outlook April 2025, GDP grew by 9.2% in 2023 considering strong domestic consumption and demand, public infrastructure investment and an upswing in household investments in real estate.

India's real GDP grew by 6.5% in 2024, a bright spot in an otherwise subdued global economic environment. The focus on infrastructural development, expanding manufacturing and services sectors, resilient credit growth and robust private consumption propelled economic momentum in 2024. However, in 2025 India's economic growth perform slightly weaker due to the uncertainty which could arise from shifts in US trade policy, which may further impact the global economic landscape. As per IMF, the real GDP is estimated to grow by 6.2% in 2025. Over the forecast period, the Indian economy is likely to grow by more than 6%. Consistent public expenditure on building and upgrading infrastructure and connectivity, boosting the scalability and uptake of the digital economy, strengthening domestic green energy generation capabilities, and undertaking economic policies that foster inclusive social development will be at the forefront of India's long-term economic vision.

Real GDP Growth Comparison (%) 2010-2029F



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025 E	2026 F	2027 F	2028 F	2029 F	2030 F
India	8.5	5.2	5.5	6.4	7.4	8.0	8.3	6.8	6.5	3.9	-5.8	9.7	7.6	9.2	6.5	6.2	6.3	6.5	6.5	6.5	6.5
United States	2.7	1.6	2.3	2.1	2.5	2.9	1.8	2.5	3.0	2.6	-2.2	6.1	2.5	2.9	2.8	1.8	1.7	2.0	2.1	2.1	2.1
Europe	2.5	2.3	0.3	0.5	1.6	1.6	1.7	2.8	2.3	2.0	-5.4	6.4	2.4	1.3	1.7	1.3	1.5	1.6	1.6	1.5	1.5
United Kingdom	2.2	1.1	1.5	1.8	3.2	2.2	1.9	2.7	1.4	1.6	-10.3	8.6	4.8	0.4	1.1	1.1	1.4	1.5	1.5	1.4	1.4
China	10.6	9.5	7.8	7.8	7.5	7.0	6.8	6.9	6.8	6.1	2.3	8.6	3.1	5.4	5.0	4.0	4.0	4.2	4.1	3.7	3.4
Advanced Economies	3.1	1.8	1.2	1.5	2.1	2.4	1.8	2.6	2.3	1.9	-4.0	6.0	2.9	1.7	1.8	1.4	1.5	1.7	1.7	1.7	1.7
Emerging Market and Developing Economies	7.2	6.1	5.3	4.9	4.7	4.3	4.4	4.8	4.7	3.7	-1.7	7.0	4.1	4.7	4.3	3.7	3.9	4.2	4.1	4.1	4.0

Note: E-Estimated, F: Forecast

Source: International Monetary Fund (IMF) World Economic Outlook April 2025

India Macroeconomic overview: India's inflation

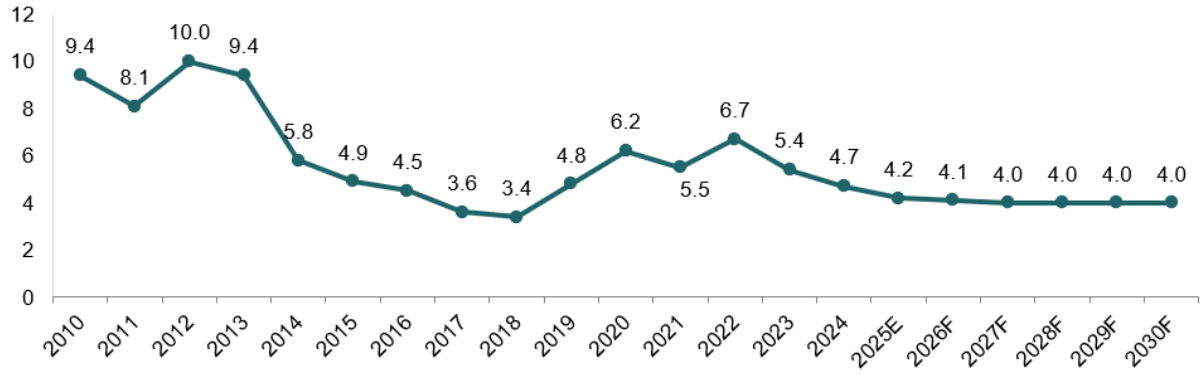
During the period from 2010 to 2013, inflation remained persistently high, ranging between 8.1% and 10.0%. This phase was driven primarily by supply-side constraints, high global crude oil prices, and elevated food inflation. From 2014 onward, inflation began to moderate, declining sharply to 5.8% in 2014 and eventually reaching a low of 3.4% in 2018. This period of moderation was the result of falling global oil prices, improved agricultural productivity, and tighter monetary policy measures implemented by the RBI.

However, the onset of the COVID-19 pandemic in 2020 disrupted this trend. Inflation rose to 6.2% due to supply chain bottlenecks and cost-push pressures, before dropping to 5.5% in 2021 as conditions began to stabilize. In 2022, inflation surged again to 6.7%, influenced by the Russia-Ukraine war, which led to a spike in global commodity and energy prices. The inflation rate began moderating again in 2023 and 2024, falling to 5.4% and 4.7% respectively, indicating a return to stability.

Food inflation has been taking a toll on the Indian economy since 2023, with several categories witnessing significant inflation. This includes oils and fats at +17.4% YOY, fruits at +13.8% year-on-year ("**YOY**"), personal care and effects at +12.9% YOY, cereals and products at +5.3% YOY, sugar and confectionary at 4.6% YOY, non-alcoholic beverages at 4.4% and housing at +3.0% YOY in April 2025.

Since May 2022, the RBI implemented a significant tightening cycle, raising the repo rate by a cumulative 250 basis points from 4.0% to 6.5% to counter post-pandemic inflationary pressures. This rate remained unchanged since February 2023, with the central bank maintaining a "withdrawal of accommodation" stance till January 2025. Currently, the central bank reduced the report rate by 25 bps to 6% for the second consecutive policy review, taking the cumulative cut by 50 bps in last two months. In the long run, India's annual inflation is forecast to average approximately 4.1%, well within the central bank's target range of 4.0±2%.

Inflation Rate in India, Average Consumer Prices



Note: E-Estimated, F-Forecast

Source: International Monetary Fund (IMF) World Economic Outlook April 2025

India's macroeconomic overview: India's population

India's population has grown by more than 1 billion since 1950. India's population stood at 1.24 billion in 2010 and has grown with a CAGR of 3.8% till 2024 to reach 1.44 billion. In 2022, India surpassed China to become the most populous country in the world. It is estimated that India's population will surpass 1.5 billion people by 2029 and will continue to slowly increase till early 2060s, when it will peak at 1.7 billion people.

As of 2022, people under the age of 25 accounted for more than 40% of India's population. Adults with age 65 and above comprise approximately 7% of India's population, compared with 14% in China and 18% in the US. As per United Nations projections, the share of Indians who are 65 and above is likely to remain under 20% until 2063 and will not approach 30% until 2100.

Population (billions of people) 2010-2030F

Year	World	Advanced Economies	Emerging markets and developing economies	China	India
2010	6.85	1.03	5.81	1.34	1.24
2011	6.91	1.04	5.87	1.35	1.26
2012	7.01	1.04	5.97	1.36	1.27

Year	World	Advanced Economies	Emerging markets and developing economies	China	India
2013	7.10	1.05	6.05	1.37	1.29
2014	7.19	1.05	6.14	1.38	1.31
2015	7.28	1.06	6.22	1.38	1.32
2016	7.37	1.07	6.30	1.39	1.34
2017	7.46	1.07	6.39	1.40	1.35
2018	7.54	1.07	6.46	1.41	1.37
2019	7.62	1.08	6.54	1.41	1.38
2020	7.69	1.08	6.61	1.41	1.40
2021	7.76	1.08	6.68	1.41	1.41
2022	7.82	1.09	6.73	1.41	1.42
2023	7.90	1.10	6.80	1.41	1.43
2024	7.93	1.10	6.83	1.41	1.44
2025E	8.01	1.11	6.90	1.41	1.45
2026F	8.08	1.11	6.97	1.40	1.47
2027F	8.15	1.12	7.04	1.40	1.48
2028F	8.22	1.12	7.11	1.40	1.49
2029F	8.30	1.12	7.17	1.39	1.50
2030F	8.37	1.13	7.24	1.39	1.51

Note: E-Estimated, F-Forecast

Source: International Monetary Fund (IMF) World Economic Outlook April 2025

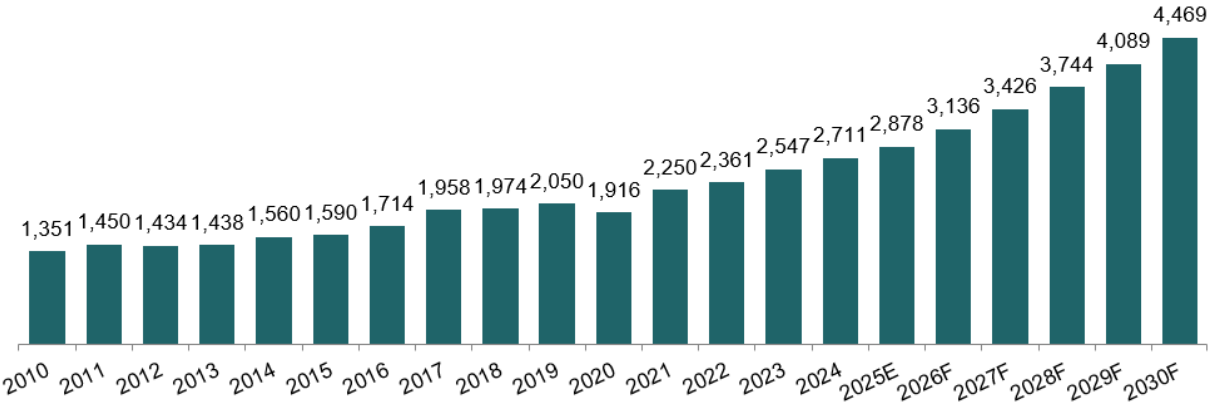
India's macroeconomic overview: GDP per capita at current prices and its growth

India's GDP Per Capita (at current prices) is likely to reach approximately USD 4.47 thousand by 2030, growing at a CAGR of 9.2% between 2025 and 2030. This boost in per capita GDP levels will play a crucial role in propelling India's vision to become a USD 5 trillion economy by 2030. The IMF expects India's GDP to reach approximately USD 6.77 trillion which represents a growth of 10.07% CAGR between 2025-2030. This upward trend in per capita GDP levels will be supported by domestic structural reforms, fiscal prudence, monetary policy stability, reduced input costs, falling price pressures, political stability, and rapid urbanization.

Expansion of capacity utilisation and productivity across critical sectors such as manufacturing, transport, infrastructure, construction, chemicals, telecom, and financial services will lead to a sustained growth in GDP per capita levels, with positive spillovers being witnessed in India's economic growth.

Increased infrastructural investment inflows, an accelerating green transition, strengthening energy and commodity supply chains, and building multi-industry economies of scale for the digital economy will boost competitiveness, enhance efficiency, and create new job opportunities, thus promoting India's transition to an upper-income country over the coming decade. However, geopolitical tensions, extreme climate events, and international financial sector volatility can present short-term to medium-term challenges to this growth outlook.

India's urban population versus rural



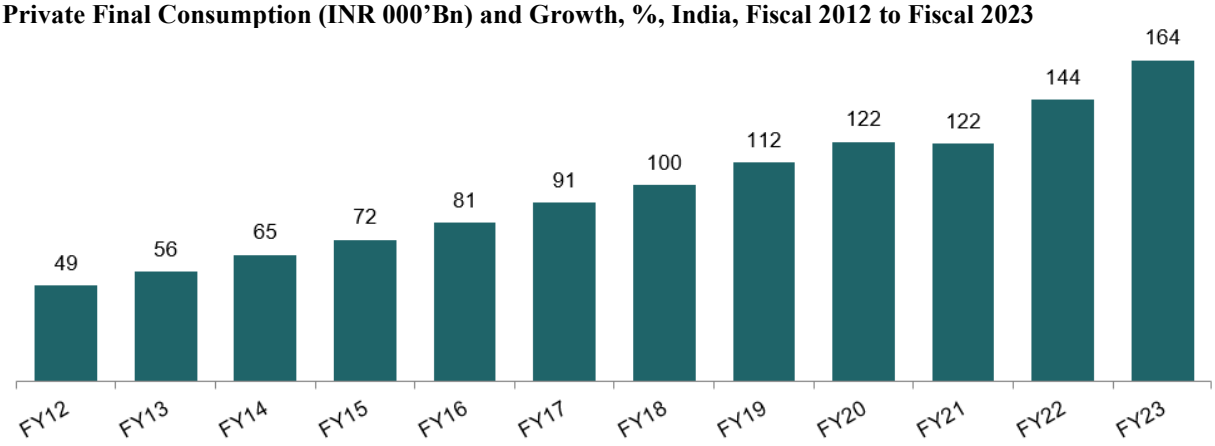
Note: F-Forecast

Source: International Monetary Fund (IMF) World Economic Outlook April 2025

India's macroeconomic overview: PFCE (% of GDP) and growth

Private Final Consumption Expenditure ("**PFCE**") has remained an important factor in insulating the Indian economy, contributing to over 60.0% of the country's GDP. PFCE picked up steam after a brief plunge in 2020 due to the pandemic. In Fiscal 2023, PFCE witnessed growth of 13.9% compared to the previous year. A pattern has been emerging in India's demand recovery thus far, by which demand growth for mid-premium products has been stronger, while that for budget and entry-level products has been weaker. Looking at automotive sales, for example, sales for entry-level cars saw some challenges in 2023, while luxury car sales growth was strong.

Private Final Consumption (INR 000'Bn) and Growth, %, India, Fiscal 2012 to Fiscal 2023

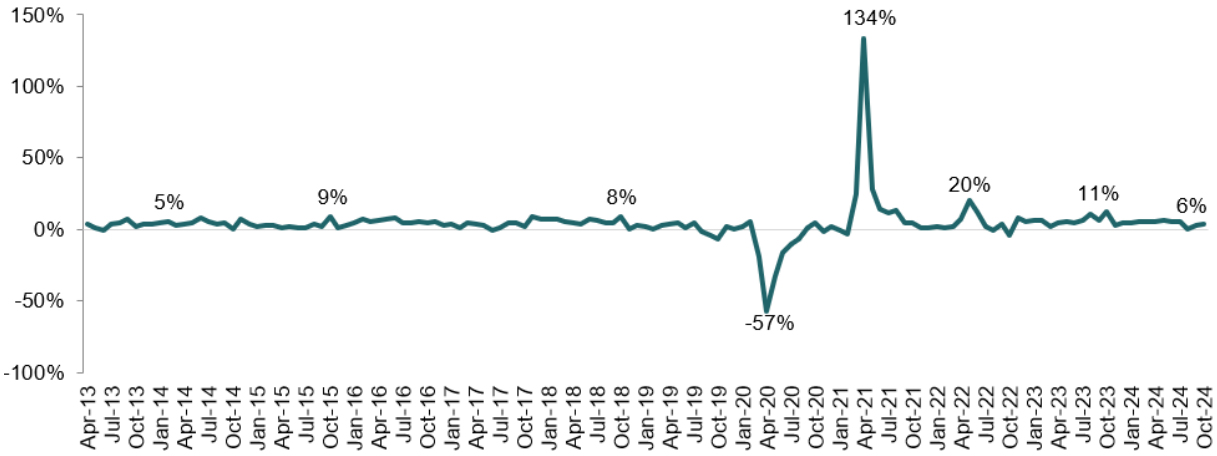


Source: MOSPI

India's macroeconomic overview: Index of Industrial Production IIP and its growth

Robust growth in the manufacturing, mining, as well as the electricity sectors helped overall industrial activity expand by 3.5% YoY in October2024. The IIP growth rates for electricity, mining, and manufacturing stood at 2.0%%, 0.9%, and 4.1%, respectively, over the same period. Infrastructure/capital goods IIP, as per the use-based classification (Six use-based categories have been defined: primary goods, capital goods, infrastructure/ construction goods, intermediate goods, consumer durables, consumer non-durables.), posted the largest growth at 9.7% in 2023-2024 compared to the previous fiscal, followed by capital goods and the primary goods categories at 6.3% and 6.1%, respectively. In October 2024, the highest IIP year-on-year growth was posted by consumer durables and infrastructure/capital goods at 5.9% and 4.0%, respectively, whereas intermediate and consumer non-durable goods' IIP growth stood at 3.7% and 2.7%, respectively (MOSPI).

IIP Growth (%)



Source: MOSPI

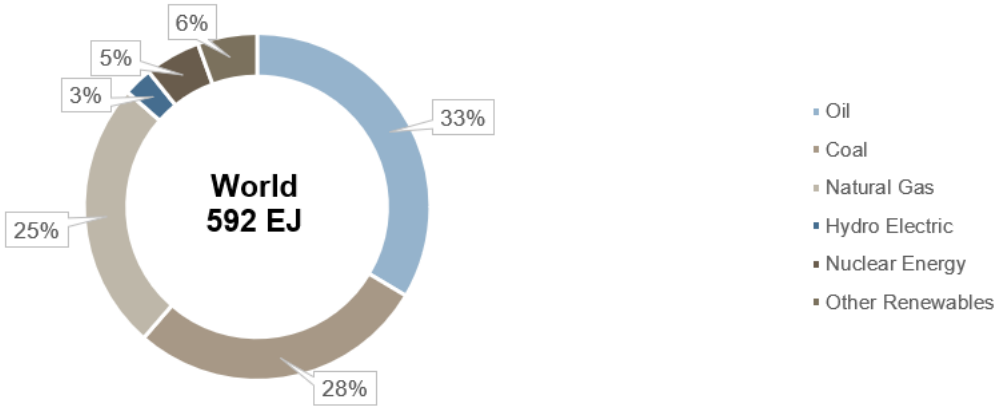
Overview of the broader energy market in the world and in India

The evolving energy landscape of the world

As per the Statistical Review of World Energy 2025 Report, global energy demand increased 2% in 2024 with

non-OECD countries dominating both the share of absolute demand and annual growth rates. Fossil fuels continue to underpin the energy system accounting for 86% of the energy mix.

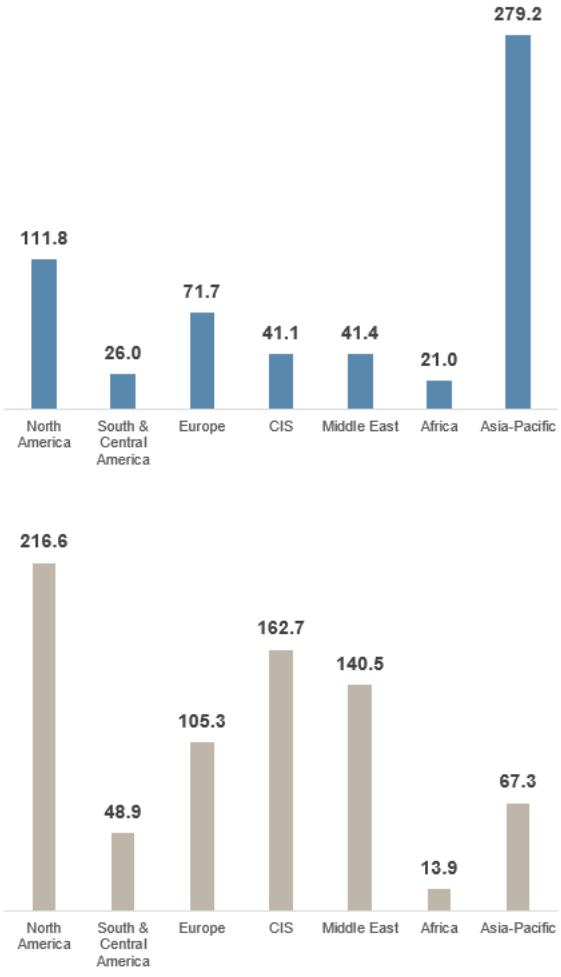
World overview of energy consumption, 2024



Source: Statistical Review of World Energy 2025

Total energy demand increased across all regions, but the growth was far from evenly distributed, reflecting stark regional variations shaped by economic development, climate conditions, and energy policy. North America and Europe exhibited the slowest growth rates at 0.4% and 0.7%, respectively. However, in absolute terms, Africa had the smallest increase in energy demand, at 0.2 EJ its increase in demand was less than half of Europe's increased energy demand (0.5 EJ). The Asia Pacific region drove 68% of the total global energy demand increase and was responsible for 47% of total global energy demand. Total renewable energy demand increased by 7%, of which China alone was responsible for more than the rest of the world combined (at 56%).

Region overview – Total energy supply (EJ) and total energy supply per capita (GJ/ capita), 2024



Source: Statistical Review of World Energy 2025

In terms of absolute primary energy consumption, the world consumed approximately 592 EJ in 2024. The Asia-Pacific region had the largest share of approximately 47% followed by North America with approximately 19%. This, however, does not reflect the true picture as the consumption levels seen in the Asia-Pacific region are primarily driven by higher population numbers and faster economic growth. When one looks at the primary energy consumption levels per capita, one can see developed regions having a much higher per capita number as compared to developing regions. The world average per capita energy consumption stood at approximately 73 GJ/ capita. As is expected, the growth in per capita is much higher in developing regions as compared to the developed ones. This is especially true for the Asia-Pacific region which with the presence of rapidly growing economies like China and India saw the most robust growth making them key developing markets on which the success of the sustainability efforts will be hinged.

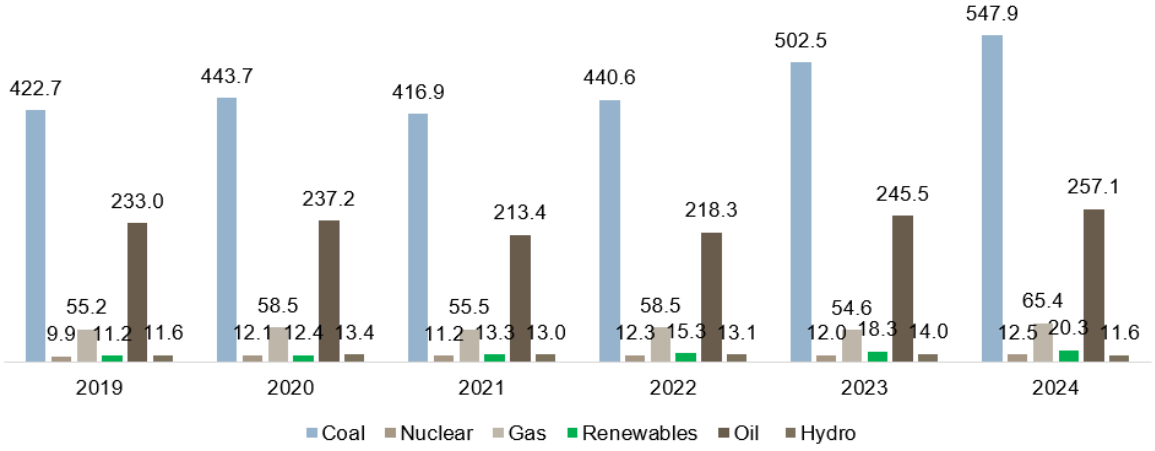
The evolving energy landscape of India

Energy demand in India is growing rapidly with major implications for the global energy market. The Government of India has made remarkable progress in providing access to electricity and clean cooking while implementing a range of energy market reforms and integrating a high share of renewable energy sources into the grid. India, with a population of approximately 1.4 billion and a fast-growing economy, has seen its energy demand increasing rapidly as the country continues to urbanize and the manufacturing sector develops. While developing clean sources of energy is a major challenge, the Government of India is continuing to focus on providing secure, affordable, and sustainable energy, while achieving its ambitious renewable energy targets and reducing local air pollution.

Energy is the mainstay of socio-economic growth and development for a nation like India which is currently the third largest primary energy consumer while its per capita energy consumption is only a third of the global average. As per various projections India's Energy demand is expected to grow 2.7% till 2050 as compared to the world's 0.6%. India constitutes 6% of the global primary energy wherein it constitutes 9.4% of global oil demand and 2.2% of the global gas demand. This provides a scope and opportunity for increasing energy consumption by India near future and it being the central driving force in the global energy narrative.

According to Energy Statistics India 2025, India's Energy mix has been seeing a shift from more conventional resources of energy to renewable sources. Fiscal 2024 has witnessed a growth of 14.77% over last year in the installed capacity of renewable energy sources. As per insights from Energy Outlook 2024 of BP, India's primary energy is expected to grow strongly, nearly doubling between 2022-2050. As a result of this strong growth, India is likely to account for around 13% of the global primary energy consumption in 2050 up from a little over 7% in 2022. Given the role India is expected to play in the global energy market, decarbonizing its energy basket must become a central focus on India's energy policy. Conventional and polluting fuels like coal and oil made up approximately 89% of the energy consumption in 2023-2024 in India and while the situation has been improving there still is a significant distance to cover in order to reach the sustainability targets set by the government.

Source-wise Primary Energy Supply, India (in Mtoe)

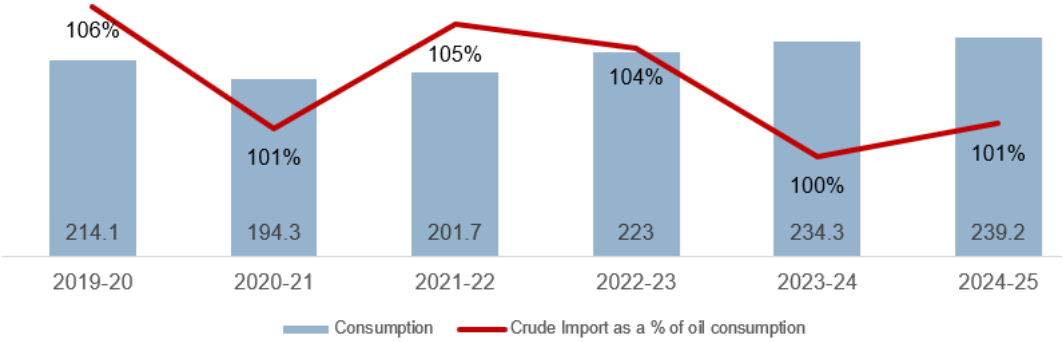


Source: India Climate and Energy Dashboard

The shifting and growing energy landscape represents an ideal opportunity for entities operating in the clean energy sector, especially, the ones operating in the bioenergies sector. The sector has the ability to tackle two birds with one stone, it can not only enhance India's energy independence by reducing reliance on energy imports but can also help India achieve its sustainability targets. That is precisely why sectors like biofuels (ethanol, biodiesel, and sustainable aviation fuel ("**SAF**")) and compressed biogas ("**CBG**") have garnered attention from the government, public sector, and private sector entities alike in the past decade or so.

This is especially true for India's consumption of crude oil, in Fiscal 2025, India's oil consumption surged to approximately 239 million metric tons ("**MMT**"). The Indian oil market is predominantly influenced by imports, which account for about 86-88% of the nation's total oil demand for the past 10 years.

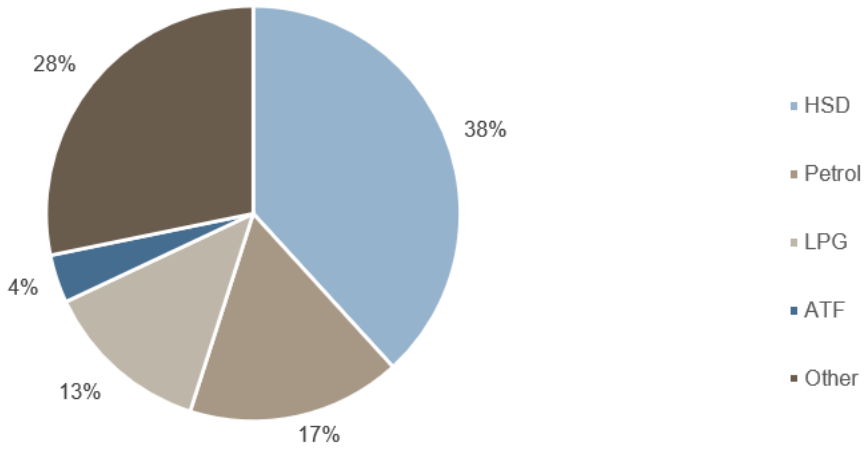
Oil consumption trend 2019-20 – 2024-25 (in MMT)



Source: PPAC

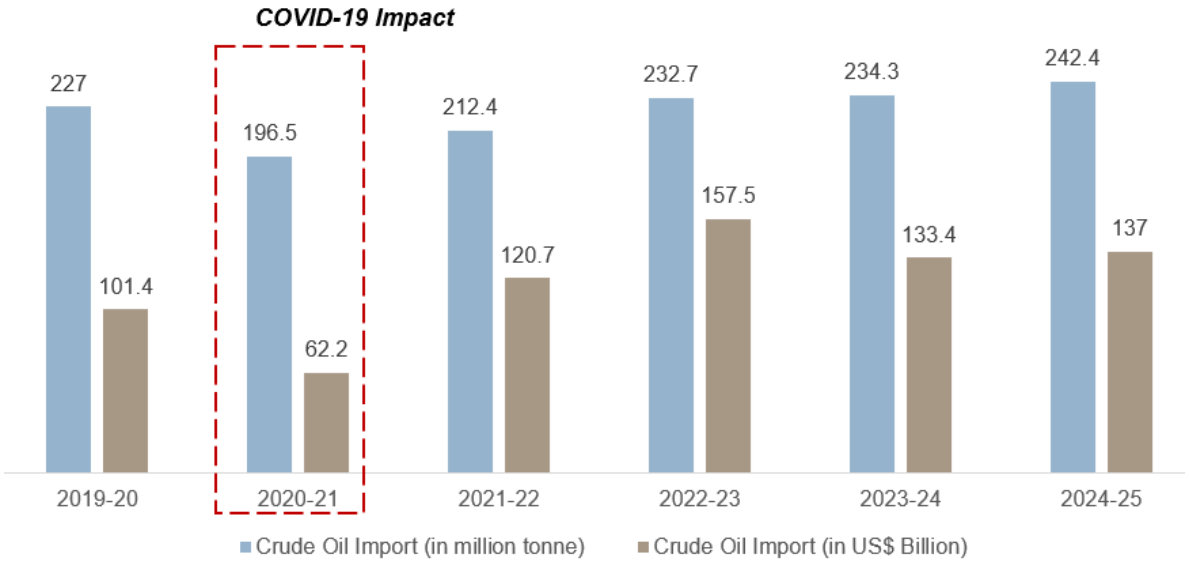
The majority of the oil consumption is encumbered in high-speed diesel oil (HSD), petrol and LPG. Petrol accounts for approximately 17% of the total petroleum product consumption. Furthermore, India's petroleum product production grew by approximately 3% in Fiscal 2025 compared to previous year, reaching a total volume of 284.1 million tonne in Fiscal 2025 from to 276.1 million tonne in Fiscal 2024. This growth was led through an increase in petrol consumption and in the consumption of high-speed diesel. Robust economic growth, increased industrialization, urbanization, and infrastructure development, along with rising vehicle sales, contributed to the overall higher demand for transportation, energy, and fuel, thereby driving up the consumption of petroleum products.

Petroleum products consumption for Fiscal 2025



Source: PPAC

Crude oil imports, India (2019-2020 to 2024-2025)



Source: Petroleum Planning and Analysis Cell

Another major benefit that emanates from the push towards clean energies is the reduction in India's energy import bill, more specifically, the cash outflow dedicated towards crude oil which has risen at a rapid pace as India progresses, and its per capita energy requirements rise. The amount of crude oil India imports has risen consistently in the past five years barring 2020-21 on account of the COVID-19 pandemic.

The push that came for fuels like ethanol and biodiesel is rooted in this need to reduce dependence on oil imports. It not only enables India to become more resilient to geopolitical shocks but also ensures that funds that would have potentially left India's ecosystem, now stay within the country and are utilized to boost farmer incomes, create jobs, and take the fight for sustainable growth forward.

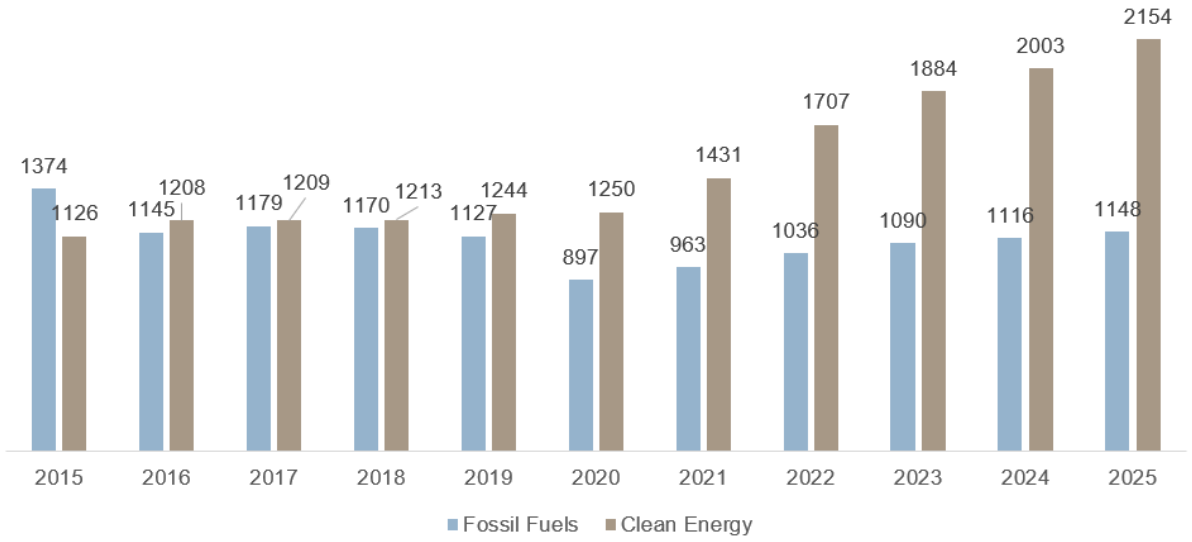
Bioenergies align seamlessly with the Government's vision for India's future energy sector, which is built upon four key pillars:

(i) Energy access
(ii) Energy efficiency
(iii) Energy sustainability
(iv) Energy security

The evolving landscape of energy investing

As the world takes cognizance of the need to reduce its collective carbon footprint, the same gets reflected in the way it is investing into the future of energy. Despite geopolitical headwinds, global energy investments exceeded USD 3 trillion for the first time in 2024 and are set to rise by 2% to reach USD 3.3 trillion in 2025, with over USD 2.1 trillion going to clean energy technologies and infrastructure. Investment in clean energy has accelerated since 2020, and spending on renewable power, grids and storage is now higher than total spending on oil, gas, and coal.

Global investment in clean energy and fossil fuels, 2015-2025 (in US$ Billion)



Source: World Energy Investment 2025
Note: Clean energy includes investments in renewable power, grids and storage, energy efficiency and end-use, nuclear and other clean power, and low emissions fuels

These trends can be seen the world over, the annual World Energy Investment report of IEA warned of energy investment flow imbalances, particularly insufficient clean energy investments in EMDE outside China who received USD 627 billion of clean energy investing. However, now there are tentative signs of a pick-up in these investments: clean energy investments in other EMDE are set to approach USD 300 billion in 2025, while India is set to receive USD 100 billion. Advanced economies like EU, USA, and other advanced economies are set to receive USD 386 billion, USD 400 billion, and USD 175 billion respectively in clean energy investing.

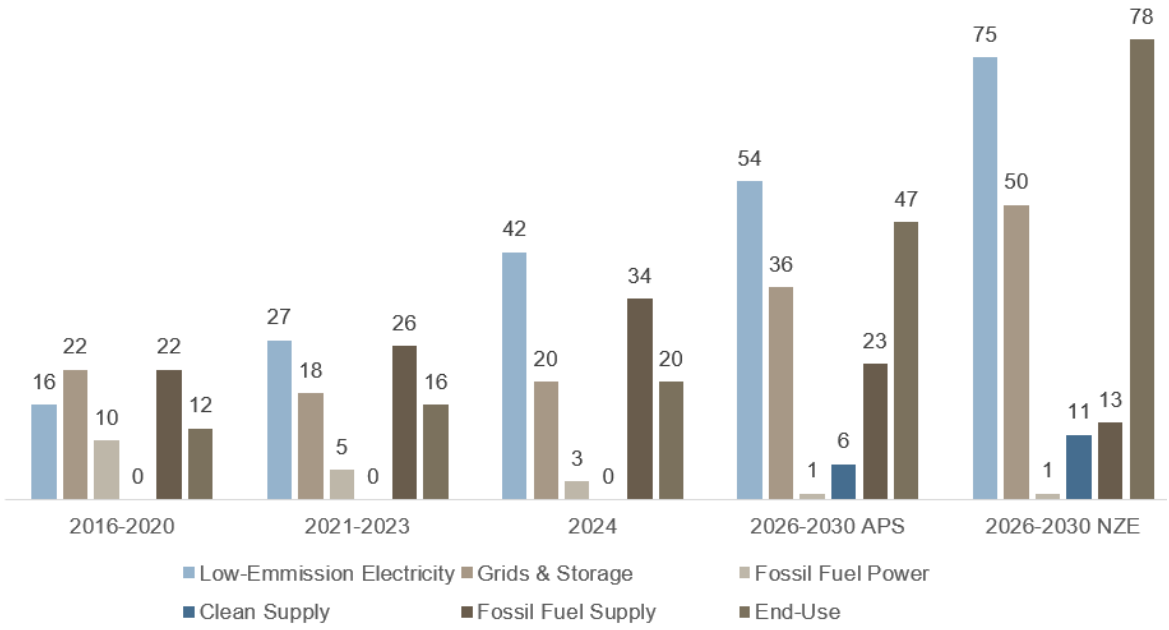
Reiterating India's situation with its GDP growth potential, urbanisation, growth in built spaces, and the increased demand for electricity as well as materials such as cement and steel, energy demand growth in India is on track to outpace all other regions of the world by 2050. This could put strains on its energy system, which for the moment relies heavily on imported fossil fuels, especially crude oil, and natural gas. In tandem with this sharp rise in energy demand, carbon emissions in India could increase significantly over this period due to a growth in fossil fuel use for transport, power generation and industry.

The Government of India has addressed these concerns and has articulated the same and put across the concerns of developing countries at the 26th session of the Conference of the Parties (COP26) to the United Nations Framework Convention on Climate Change (UNFCCC) held in Glasgow, United Kingdom. Further, India presented the following five nectar elements (Panchamrit) of India's climate action:

(i) Reach 500GW non-fossil energy capacity by 2030.
(ii) 50% of its energy requirements from renewable energy by 2030.
(iii) Reduction of total projected carbon emissions by one billion tonnes from now to 2030.
(iv) Reduction of the carbon intensity of the economy by 45% by 2030, over 2005 levels.
(v) Achieving the target of net zero emissions by 2070.

These goals are ambitious but have set the tone for how India invests into its future. The trend that has been seen at a global level is also being observed in the way investments are flowing into India and within the Indian markets itself.

Past and future energy investment in India in the Announced Pledges Scenario (APS) and the Net Zero Emissions (NZE) by 2050 Scenario, 2016-2030



Source: World Energy Investment 2024

India made its debut in the sovereign green bond market in January 2023. Two tranches of bonds valued at USD 1 billion (INR 80 billion) were marketed primarily to local investors. The issue of bonds – whose proceeds were destined to support renewables, metro rail lines, and low-carbon hydrogen production – was more than four times oversubscribed. Such initiatives have led to a surge in India's clean energy investment in recent years. Spending reached USD 68 billion in 2023, up by nearly 40% from the 2016-2020 average. Clean energy investment is on track to double by 2030 under today's policy settings but would need to rise by a further 20% to get fully on track for the country's energy and climate goals. Addressing risks that push up the cost of capital will be critical in this endeavour.

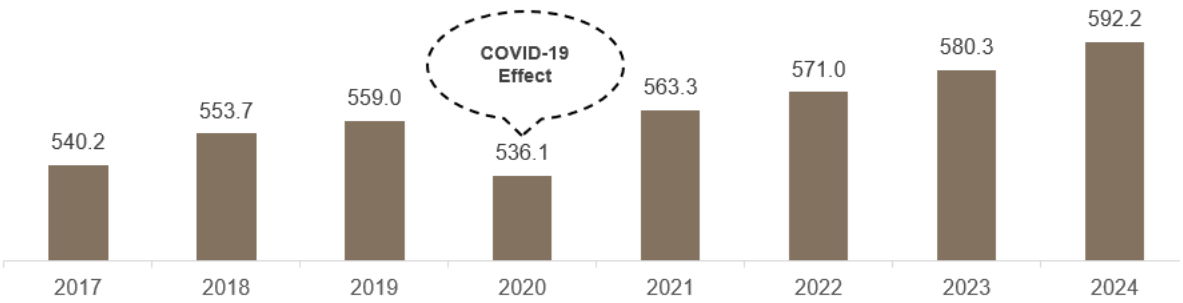
These numbers point clearly towards a growing market for clean energy investment around the globe, the same is true of the Indian investment landscape as far as energy sector is concerned. This augers well for clean energy sectors in India which have the support of the Government to bolster investor confidence in the market. Sector like biofuels (ethanol, biodiesel, CBG, SAF, etc.) are likely to benefit from this shift in addition to other sectors like solar power, wind power, etc. The market conditions are developing in line with sustainability initiatives which favour such sectors over conventional fossil fuel-based energies.

Global biofuel market overview

Global fuel industry overview

The global fuel industry is a critical component of the world economy, dominated by fossil fuels such as oil, coal, and natural gas. These resources continue to supply most of the world's energy needs, powering transportation, industries, and households. However, there has been a growing push for renewable and sustainable alternatives given climate change and environmental degradation.

Global primary energy supply trends (Exajoules)

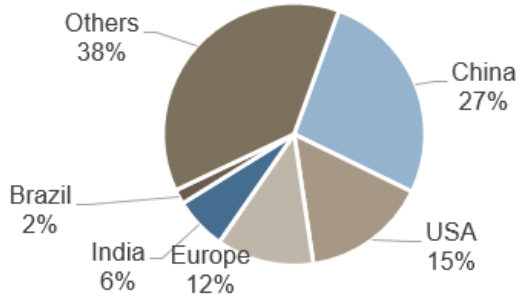


Source: Statistical Review of World Energy 2025

EIA expects global energy demand to increase 47% in the next 30 years (2050), driven by population and economic

growth, particularly in developing Asian countries. However, the structure of energy demand is expected to change, with the importance of fossil fuels declining, replaced by a growing share of renewable energy and by increasing electrification. The transition to a low-carbon world requires a range of other energy sources and technologies, including low-carbon hydrogen, modern bioenergy, and carbon capture, use and storage.

Global energy supply (2024)

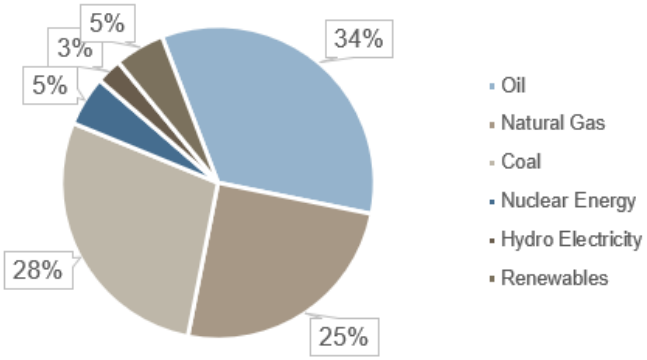


Source: Statistical Review of World Energy 2025

As per Statistical Review of World Energy 2025, total energy supply increased by 2.7% in China while it increased by just 0.7% in the USA. Strong economic growth pulled up energy supply in India by 4.6%, Singapore by 6.5%, Vietnam by 7.5%, and in United Arab Emirates by 6.4% during 2024. It also increased by around 2% in the Middle East and increased by about 1.4% in Africa. Primary energy supply increased in Europe as the region gets used to its new reality after Russia's invasion of Ukraine and surging energy prices.

India currently accounts for approximately 6.5% of primary energy supply, and this share is projected to report a CAGR 9.8% by 2050 according to current policy scenarios. To address this increasing demand for hydrocarbon fuels, India has implemented several key strategies. These strategies encompass attracting investments in Exploration and Production to boost domestic oil and gas production, transitioning towards a gas-based economy, adopting technological advancements to enhance refinery processes, improving energy efficiency and productivity, promoting the biofuel sector, expanding its international oil and gas portfolio, and diversifying sources of oil and gas supply. Additionally, the government is actively involved in the development of a national gas grid and city gas distribution ("**CGD**") networks to cover major demand centers across the nation, ensuring the provision of cleaner and more environmentally friendly fuels to the public.

Global energy supply by fuel, 2023 and 2024 respectively



Source: Statistical Review of World Energy 2025

The primary source satisfying a significant portion of global energy demand is crude oil or petroleum, followed closely by coal as the second major energy contributor. Renewables, in contrast, constitutes a relatively modest 5% share within the overall energy consumption mix at present although their contribution in the energy mix is on the rise.

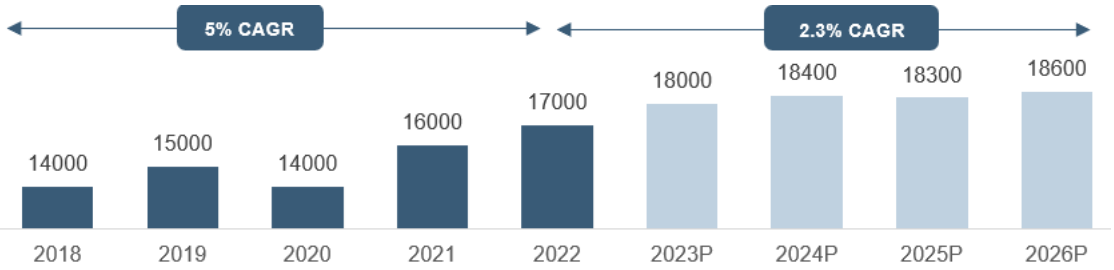
The global biofuel industry overview

The term biofuels refer to liquid fuels and blending components produced from biomass materials called feedstocks. These fuels are primarily used as transportation fuels but may also be used for heating and electricity generation. Furthermore, terminology for what constitutes as a "biofuel" differs from government to government and country to country, however, some of the major fuels accepted as biofuels around the world include – ethanol,

renewable diesel/biodiesel, and other biofuels (including SAF and CBG, etc.). According to IEA, Brazil, India and the United States have deployed policies which sustained annual growth rates above 20% over at least a 5-year period. This section will provide a brief overview the global market of biofuels.

The global biofuel demand overview and outlook

Biofuel demand historical trend and projections 2018-2026 (in crore litre)



Source: OECD-FAO agricultural outlook 2023-2032

P: Projected

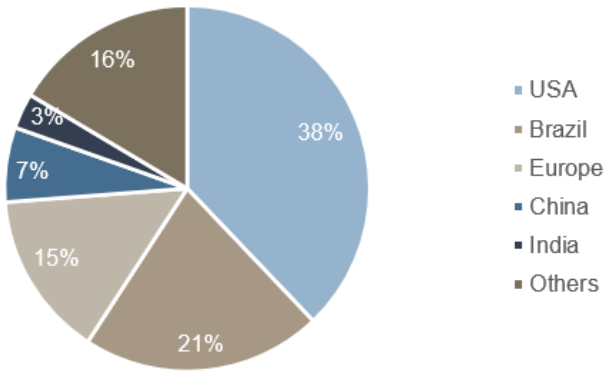
As per an IEA study, the annual global demand for biofuels is expected to grow by 2.3% during 2022-2026, reaching a total of 18,600 crore litre. USA leads the volume increase, however, much of the growth is a rebound after the pandemic drop. Asia accounts for almost 30% of new production over the forecast period, overtaking European biofuel production by 2026, due to the strong domestic policies, growing liquid fuel demand and export-driven production in the South Asian countries.

India is expected to contribute much to the growing biofuel production in Asia due to its recent ethanol policies and blending targets, potentially making it the third largest market for ethanol by 2026. Apart from India, production in Indonesia and Malaysia is also expected to boom and aid in the total demand.

The global biofuel market by country

According to the latest report (2024) on Statistical Review of World Energy by energy institute, Global biofuels production grew by over 8% in 2023 with the biggest increases seen in the US and Brazil. Indonesia was responsible for around 46% of Asia Pacific region's production. The production split in 2023 was 54% bio gasoline and 46% biodiesel. The US, Brazil and Europe was responsible for around three quarters of all biofuels consumed globally.

Global biofuel consumption by country in 2022

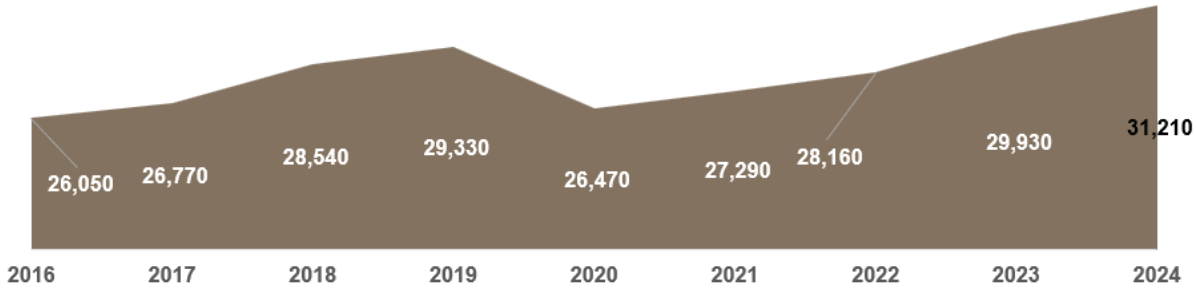


Source: OECD-FAO agricultural outlook 2023-2032

Global ethanol market

Ethanol is a renewable fuel that can be made from various plant materials, collectively known as biomass. It is an alcohol, used as a blending agent with gasoline to increase octane and cut down carbon monoxide and other smog-causing emissions. Various governments around the world are implementing programs to increase ethanol blending and decrease their reliance on fossil fuels.

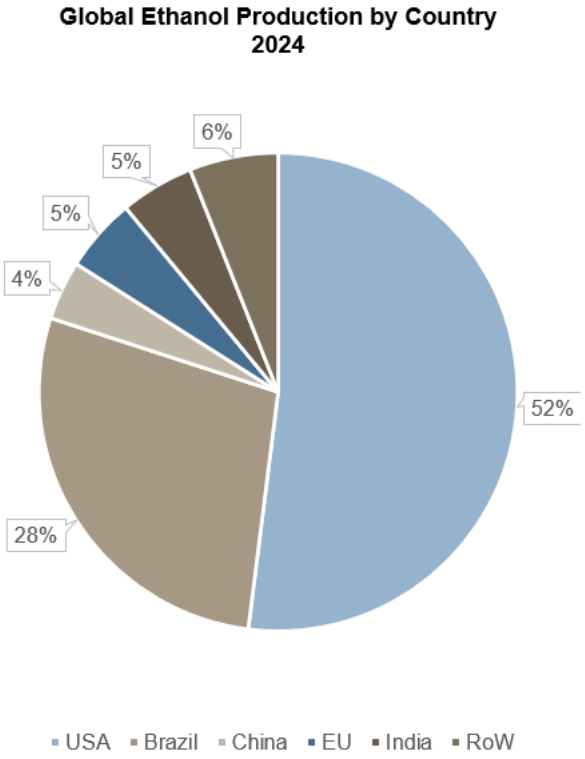
Global ethanol production trend 2016-2024 *(in million gallon)*

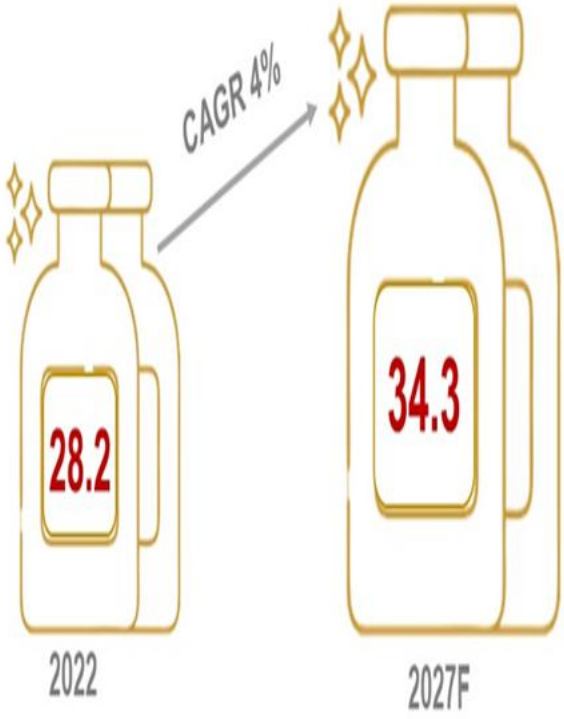


Source: Renewable fuels association

Global Ethanol market saw a decline during the COVID-19 pandemic due to decreased production of feedstock and decline in the consumption. However, since then, the annual production has been rising constantly, expected to beat the pre-pandemic levels soon.

Global ethanol production overview (%) and outlook (in billion gallons)





Source: Renewable fuels association
EU: European Union; RoW: Rest of world

Over the years, USA has established a control over the global Ethanol Production Market due to its easier access to feedstock. However, Indian ethanol market is growing at a tremendous pace and is expected to contribute significantly to new demand in the coming years.

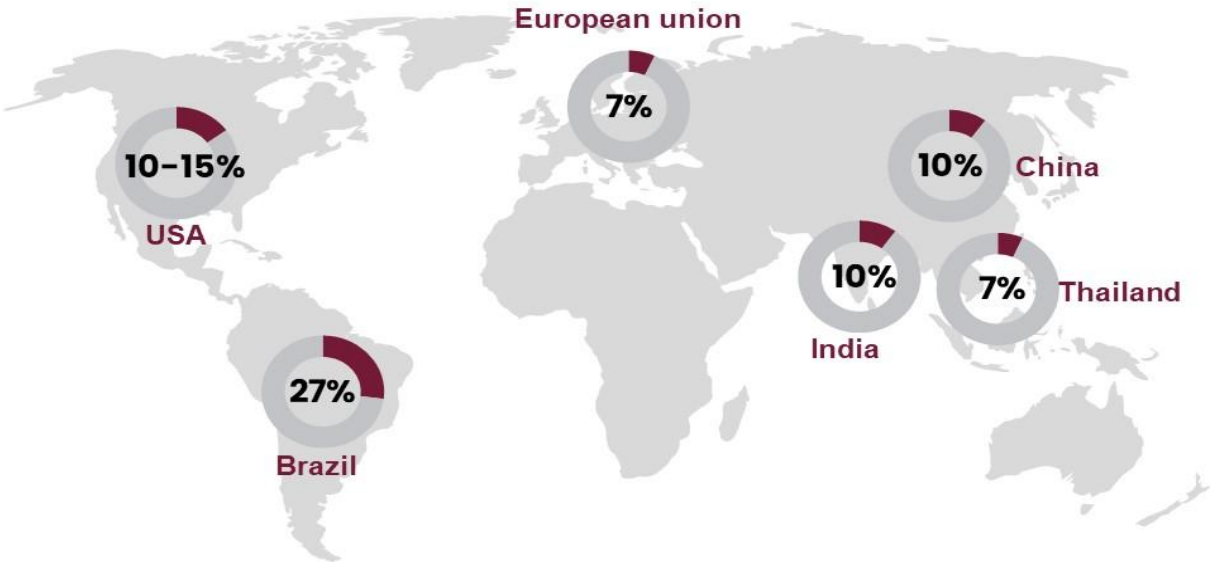
Ethanol production share ranking and major feedstock among top ethanol producing countries

Country	Ethanol production ranking	Major feedstock
USA	1	Maize
Brazil	2	Sugarcane / Maize / Sugar beet / Molasses
China	3	Maize / Cassava
EU	4	Sugar beet / Wheat / Maize
India	5	Molasses, Sugarcane and Grain

Source: OECD-FAO agricultural outlook

Ethanol blending success story

Mandates for ethanol blending in different countries/region-2022



Source: CRISIL MI&A Consulting

Countries	Mandatory blending rate %	Actual blending rate %
Brazil	27.00%	27.50%
India	10.00%	19.93%*

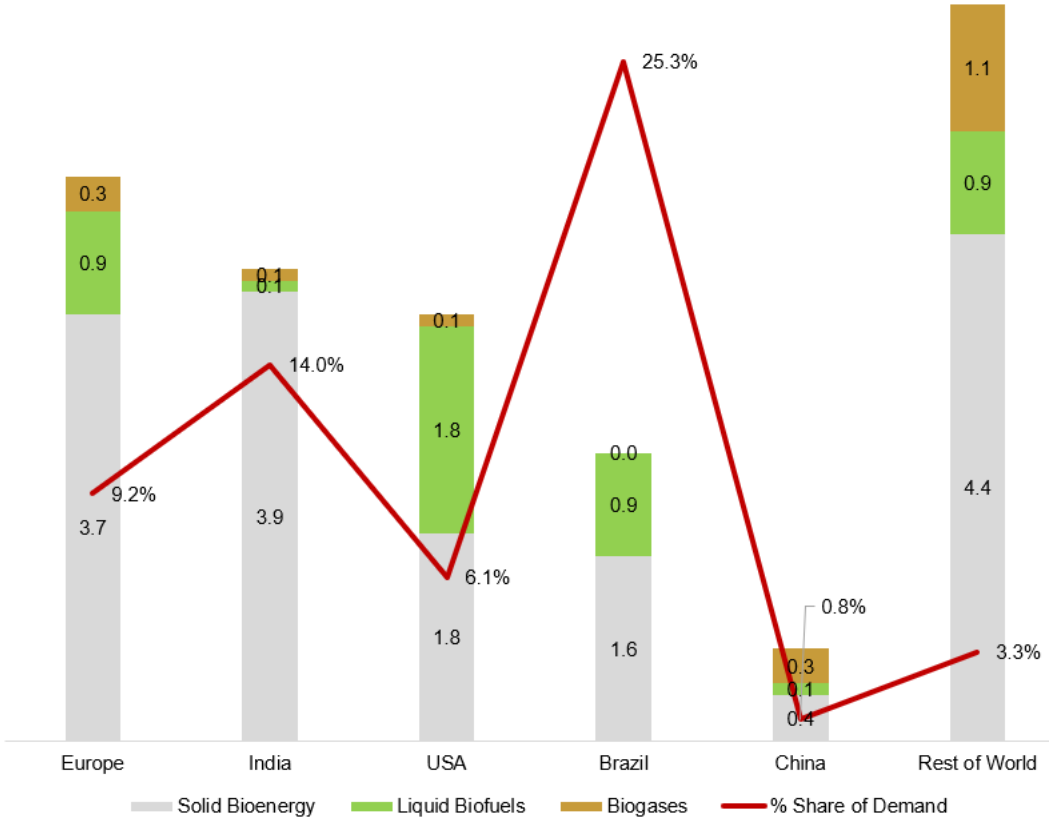
Source: Press Information Bureau (Government of India); S&P Global

**Blending rate achievement in July 2025. Till July 2025 a blending rate of 19.05% was achieved which required 740+ crore litres of ethanol*

Globally, the highest mandatory ethanol blending rate is observed in Brazil, whereas the United States stands as the largest global producer of ethanol. Brazil notably leads in terms of achieving its targeted ethanol blending rate. As of 2022, Brazil's ethanol blending rate is expected to reach an impressive 27.5% against the mandate in Brazil which aims for 27% blending, this is by far the largest globally. However, the government of Brazil wants to take this a step further. On June 25 it was announced that Brazil will increase the mandatory blend of ethanol in gasoline from 27% to 30% and the mandatory blend of biodiesel in diesel from 14% to 15% (effective August 01, 2025). The announcement was made by Brazil's National Energy Policy Council (CNPE), a division of the Ministry of Mines and Energy. The increased mandates aim to eliminate gasoline imports while reducing emissions and fuel prices. Expanded use of biofuels will also boost domestic biofuel producers. The new biofuels policy is expected to generate an exportable surplus of approximately 700 million litres (184.92 million gallons) of gasoline annually. The move to E30 is also expected to spur more than USD 1.8 billion in investments and create more than 50,000 jobs.

India blending ratio till 2022 was 10% whereas India, in the month of July 2025, it stands at an average ethanol blending of 19.93%, however, till July 2025 in ESY 2024-25, a blending rate of 19.05% was achieved which required the purchase of over 740 crore litres of ethanol. In the past ten years or so, this initiative has delivered significant benefits, including savings of INR 1,13,007 crore in foreign exchange, a reduction of CO_2 emissions by 544 lakh metric tons, and a substitution of 193 lakh metric tons of crude oil. Furthermore, the program has had a considerable economic impact, with OMCs disbursing ₹1,45,930 crore to distillers and ₹92,409 crore to farmers.

Renewable fuel demand by country (in EJ), 2023



Source: International Energy Agency (IEA)

Brazil

Brazil has been at the forefront of the paradigm shift in the field of bio energy, especially for biofuels with special focus on bioethanol. In fact, Brazil has been at it well before such a shift was necessitated through climate change action with biofuels being a part of its national energy policies for nearly 50 years. Brazil delved into biofuels as a response to the first oil shock it faced in 1975. At the time, the 'Proalcool' (Pro-alcohol) program was launched in order to nurture and develop the indigenous ethanol-based transport industry to mitigate Brazil's dependence on fossil fuels as it imported more than 70% of its fuel requirements.

Brazil, a country with challenges and a cultural profile similar to India, has shown impressive growth as a leading player in the global ethanol market being second only to the US, which makes it an impressive achievement. Brazil's journey of building an ethanol-based economy has the potential to help any other country that wishes to follow in its footsteps.

Since its beginnings in 1975, Brazil has managed to increase ethanol production by approximately 45 times owing to the impetus given to the sector by strong research conducted by the Brazilian Agricultural Research Corporation (EMBRAPA) to improve productivity of the sugarcane crop, which brought down its price by approximately 70% in the same period. Regulatory push towards incremental increase ethanol blending in petrol, which currently stands at 27%, has paved the way for sizeable rise in consumer uptake and demand for the fuel, it also has a blend rate of 12% for biodiesel which is set to expand to 15% by 2026. Brazil is also home to RenovaBio, the world's largest transport matrix decarbonisation programme, which came into force in 2019 and is expected to boost ethanol supply by another 45% by 2030, reaching an output of 50 billion litres.

Brazil's ethanol program

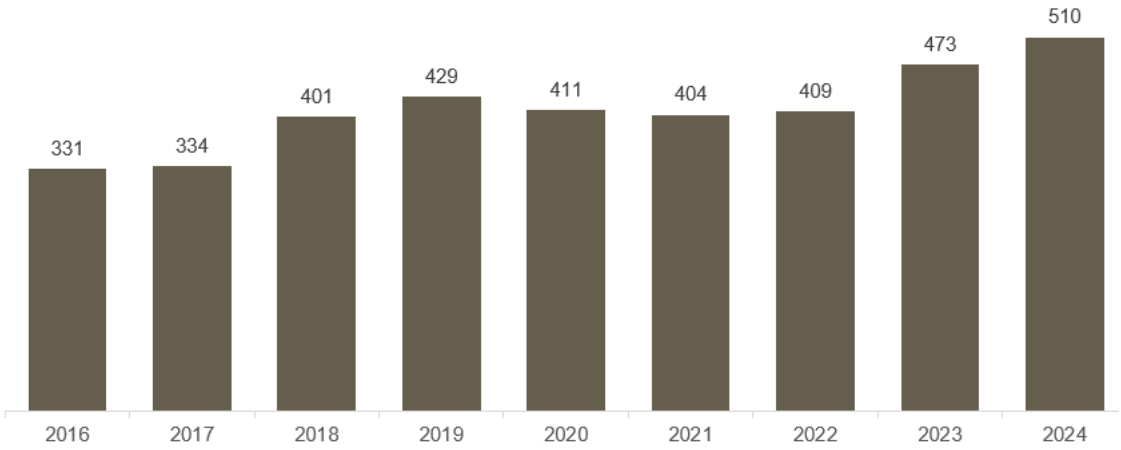
Phase 1: 1975-1978	• *Proálcool programme initiated* • *Ethanol and gasoline mixing begins with the so-called* • *E20 blend (1 part ethanol to 4 parts gasoline)* • *Expansion of distilleries* • *Production of E20-powered cars by the automobile industry*
Phase 2: 1979-1985	• *Hydrous ethanol production initiated under Proálcool* • *Cars powered exclusively by hydrated ethanol launched on the Brazilian market*

Phase 1: 1975-1978	• *Proálcool programme initiated* • *Ethanol and gasoline mixing begins with the so-called* • *E20 blend (1 part ethanol to 4 parts gasoline)* • *Expansion of distilleries* • *Production of E20-powered cars by the automobile industry*
Phase 3: 1985-1990	• *Hydrated ethanol consumption increases due to a significant increase in ethanol-driven vehicles.* • *Rises in international sugar prices and the end of ethanol subsidies*
Phase 4: 1988-2001	• *Deregulation of the sugar and ethanol sector marks the end of the government's direct intervention*
Phase 5: 2002-2009	• *Increasing oil prices* • *Global concern for GHG emissions* • *Development of flex fuel engines* • *Renewed expansion of ethanol production*
Phase 6: 2008-Present	• *Navigating geopolitical crises and reduction in investments* • *Focus on continually increasing ethanol and diesel blending mandates to reduce dependence on international fuel sources and increase energy security* • *Increase of mandatory blend rates to 27% and then to 30% from August 2025*

Source: Evidence and Lessons from Latin America and CRISIL MI&A Consulting

In terms of monetary savings and environmental impact, Brazil has achieved forex savings of approximately $260 billion, while having kept more than 135 crore tonne of CO2 equivalent emissions out of the environment, which has contributed to approximately 50% reduction in air pollution and improved public health in major cities. Ethanol received a major boost in Brazil in the early 2000s with the proliferation of the 'flex engine' in cars which enabled a vehicle to be run on 100% ethanol or petrol or any mix of these two. With nearly two decades of experience in the space, Brazil is a leader in 'flex engine' automobiles with more than 93% of Brazilian cars today being run on such engines. After years of research efforts, these engines have become more environment-friendly than even battery electric vehicles (BEV) and are seen to release 10-11% less CO2 per kilometre into the environment on a comparative basis (assuming approximately 85% renewable electricity is being used for charging).

Biofuels production in Brazil (Thousand barrels of oil equivalent per day)



Source: Statistical Review of World Energy 2025

United States of America

United States of America is one of the largest Ethanol consuming countries with approximately 55% of the global annual ethanol demand. Furthermore, in Fiscal 2023, the USA produced 15,365 million gallons of Ethanol, which is more than 50% of the total production of ethanol around the world.

In the 1970s, as U.S. domestic crude oil production began to decline, prices rose and imports sharply increased. Corn processors and farmers saw an opportunity to market ethanol as a fuel additive to expand the domestic fuel supply. The OPEC oil embargo of 1973–1974 galvanized this objective and provide a push for increased use of ethanol to reduce dependence on foreign oil.

Congress boosted the ethanol market in 1978 by exempting E10 fuel from the federal excise tax on motor fuels Energy Tax Act 1978). Twenty-five states followed the ruling and exempted E10 from their state gasoline-excise taxes. In 1979 the U.S. Environmental Protection Agency ruled that E10 was “substantially similar” to gasoline under the Clean Air Act (CAA) thereby legalizing it as a fuel. The ethanol market enhanced when Octane was removed from TEL, which lead to synergies between the traditional and E10 fuel in the country.

In the Energy Policy Act of 2005, Congress removed the oxygenate requirement for reformulated gasoline and replaced it with the Renewable Fuel Standard. The RFS requires motor fuels to contain an increasing portion of renewable fuels, which lowers dependence on foreign oil and reduces greenhouse gas (GHG) emissions. This led to an increase adoption of ethanol in the country.

2G Biofuel Adoption in Brazil/ USA/ Romania

Ethanol production in Brazil is majorly dominated by first generation technologies based on the use of sucrose content of the sugarcane. However, the demand for the alternative 2nd generation of ethanol has also been increasing over the years as the end result of both the processes is exactly the same.

Brazil also currently has two cellulosic ethanol plants with a combined 7.5 crore litres of capacity, compared to three facilities with 7.5 crore litres of capacity in 2021 and three facilities with 12.7 crore litres of capacity in 2020. Capacity use is at 73% for 2022, up from 53% in 2021 and 25% in 2020. This space is seeing robust development with several R&D efforts and new projects underway. Raizen, which is one of the largest private business groups in Brazil inaugurated its second cellulosic ethanol plant in May 2024. This is part of a larger plan to open four more production units by the 2025-26 harvest season. Raizen's new units are likely to bring its total fuel production capacity to 440 million litres per year, and the company is considering selling new contracts to expand its plan from 2025. Generally speaking, the demand for cellulosic plants has seen a significant uptick as countries aim to expedite their energy transition journeys

Several ambitious ventures in the United States, including those led by Poet & DSM, and DuPont, encountered difficulties in handling feedstock and achieving profitability. The closure of these plants underscores the complexities of scaling up cellulosic ethanol production. Additionally, Clariant's sunliquid® bioethanol production facility in Podari, Romania, ceased operations in December 2023 due to continued losses. However, amidst these setbacks, there remains optimism as companies persist in researching and developing technologies for cellulosic ethanol production, heralding potential advancements in the future.

Global SAF market

Rising global awareness about the imperative for decarbonization is increasingly

Aviation may not be the largest polluter when it comes to its share in global emissions but is one of the most challenging sectors to decarbonise. Despite reductions in flying during the COVID-19 lockdowns, demand is expected to grow rapidly through 2030 with the International Civil Aviation Organization has predicted a 100**%** increase in global air travel by the year 2030, creating a need for extensive efforts to bring the entire aviation ecosystem up to pace. New aircraft can be up to 20% more efficient than the models they replace, but growth in activity has outpaced efficiency improvement. Technology innovation is needed across the sector, including in production of low-emission fuels, improvements in aircraft and engines, and operational optimisation. Demand restraint solutions will also be needed to get on track with the Net Zero Emissions by 2050 Scenario – to curb growth in emissions and ultimately reduce them this decade, of these, SAF is a relatively straightforward method to curb a major chunk of the emissions contributed by the aviation sector.

SAF is a biofuel used to power aircraft that has similar properties to conventional jet fuel but with a much smaller carbon footprint. Depending on the feedstock and technologies used to produce it, SAF can reduce life cycle GHG emissions by up to 80% compared to conventional jet fuel. SAF is blended with the traditional aviation fuel to ensure similar characteristics and performance. This is because, there exist no type of engine that could run entirely on SAF, however, efforts to develop aircrafts that support 100% SAF are also underway. SAF can be made from different technological pathways and feedstock combinations, which means that there are several kinds of SAF. Each SAF variety works with different technologies, cost profiles, carbon abatement profiles, environmental impact, and of course, feedstock.

The potential of SAF has been recognized on an international scale, as per the International Air Transport Association (IATA), the net-zero by 2050 goal has been a major focus of the aviation industry in general in 2023. As per IATA estimates, 65% of the carbon mitigation needed for net zero by 2050 is likely to come from SAF. To put things in perspective, the aviation industry purchased and consumed as the SAF produced in 2023, but it still could only account for 0.2% of the total fuel used. This shows the massive appetite for SAF within the industry and the business opportunity that SAF production can represent.

In 2024, SAF production volumes reached 1 million tonnes (1.3 billion liters) which was double the 0.5 million tonnes (600 million liters) produced in 2023. SAF accounted for 0.3% of global jet fuel production and 11% of

global renewable fuel. In 2025, SAF production is expected to reach 2.1 million tonnes (2.7 billion liters) or 0.7% of total jet fuel production and 13% of global renewable fuel capacity.

IATA aims to establish the IATA SAF Registry which can help provide an impetus to the uptake of SAF and can also aid in the reliable and efficient reporting and mapping of emissions reduction via the SAF route. The Registry, which is being developed in consultation with airlines, manufacturers, fuel suppliers, etc. will have the following capabilities in mind:

- Wide geographic scope
- Broad application and neutrality
- Independent in terms of governance
- Cost efficient (Participation will be on a cost-recovery basis to avoid additional cost barriers to the SAF adoption)

Pathways/ Technology certified by American Society for Testing and Materials (ASTM)

S. No.	Technology / Pathway and Chemical Process	Common Name	D7566 Annex	Feedstock	Max % in the final product
1	Fischer -Tropsch hydro-processed synthesized paraffinic kerosene Woody biomass is converted to syngas using gasification, then a Fischer-Tropsch synthesis reaction converts the syngas to jet fuel. Feedstocks include various sources of renewable biomass, primarily woody biomass such as municipal solid waste, agricultural wastes, forest wastes, wood, and energy crops.	FT-SPK	A1	Waste CO2 and renewable power, Municipal Solid Waste and Agricultural Waste/ Waste Wood	50
2	Synthesized paraffinic kerosene from hydro-processed esters and fatty acids Triglyceride feedstocks such as plant oil; animal oil; yellow or brown greases; or waste fat, oil, and greases are hydro processed to break apart the long chain of fatty acids, followed by hydro isomerization and hydrocracking. This pathway produces a drop-in fuel.	HEFA SPK	A2	Vegetable oils and waste oils (e.g. Used cooking oil)	50
3	Synthesized iso-paraffins from hydro-processed fermented sugars Microbial conversion of sugars to hydrocarbons. Feedstocks include cellulosic biomass feedstocks (e.g., herbaceous biomass and corn stover). Pre-treated waste fat, oil, and greases also can be eligible feedstocks.	SIP	A3	Fermented sugars	10
4	Synthesized kerosene with aromatics derived by alkylation of light aromatics from non-petroleum sources Biomass is converted to syngas, which is then converted to synthetic paraffinic kerosene and aromatics by FT synthesis. This process is similar to FT-SPK ASTM D7566 Annex A1, but with the addition of aromatic components.	FT-SPK/A	A4	Waste CO2 and renewable power, Municipal Solid Waste and Agricultural Waste/ Waste Wood	50

S. No.	Technology / Pathway and Chemical Process	Common Name	D7566 Annex	Feedstock	Max % in the final product
5	Alcohol to jet synthetic paraffin kerosene Conversion of cellulosic or starchy alcohol (isobutanol and ethanol) into a drop-in fuel through a series of chemical reactions—dehydration, hydrogenation, oligomerization, and hydrotreatment. The alcohols are derived from cellulosic feedstock or starchy feedstock via fermentation or gasification reactions. Ethanol and isobutanol produced from lignocellulosic biomass (e.g., corn stover) are considered favorable feedstocks, but other potential feedstocks (not yet ASTM approved) include methanol, iso-propanol, and long-chain fatty alcohols.	ATJ-SPK	A5	Ethanol and Iso-butanol	30
6	Synthesized kerosene from hydrothermal conversion of fatty acid esters and fatty acids Also called hydrothermal liquefaction), clean free fatty acid oil from processing waste oils or energy oils is combined with preheated feed water and then passed to a catalytic hydrothermolysis reactor. Feedstocks for the CH-SPK process can be a variety of triglyceridebased feedstocks such as soybean oil, jatropha oil, camelina oil, carinata oil, and tung oil.	CHJ	A6	Vegetable oils and waste oils (e.g. Used cooking oil)	50
7	Synthesized paraffinic kerosene from hydrocarbons, esters and fatty acids Conversion of the triglyceride oil, derived from Botryococcus braunii, into jet fuel and other fractionations. Botryococcus braunii is a high-growth alga that produces triglyceride oil.	HC-HEFA-SPK	A7	Botryococcus braunii species of algae	10

Source: British petroleum and CRISIL MI&A consulting

Two of the technology pathways and associated feedstocks are approved to produce SAF through coprocessing. With co-processing, vegetable oils, waste oils and fats, or FT-wax is, processed along with conventional crude oil feedstocks in existing refining complexes. It is not per se a SAF-focused production pathway, but more a result of the approval of co-feeding a small percentage of vegetable oils, or FT-wax into a refining complex.

More on certified technologies

S. No.	Technology / Pathway and Chemical Process	Common Name	D1655 Annex	Feedstock	Max % in the final product
1	Co hydro-processing from	FOG Co-Processing Fats, oils, and Greases co-processing with	A1	Fat, oils and greases	5

S. No.	Technology / Pathway and Chemical Process	Common Name	D1655 Annex	Feedstock	Max % in the final product
	Fischer-Tropsch	petroleum intermediates as a potential SAF pathway. Used cooking oil and waste animal fats are two other popular sources for co-processing.			
2	Co hydro-processing from hydro processed esters and fatty acids	FT Co-Processing Syncrude co-processing with petroleum crude oil to produce SAF.	A1	FT biocrude	5

In an uncertain world, airlines are strengthening their profitability. The projected $30.5 billion net profit in 2024 is a significant achievement post-pandemic. In 2023, connectivity of international and domestic routes grew by 28% and 10%, respectively. A major factor behind this evolution is the resurgence of the Asia-Pacific markets whose international connectivity rose by 62% in 2023 as travel restrictions were removed. Along with the continuing strong and steady YoY growth in North American and European international connectivity of 18% and 17%, respectively, global air connectivity is set to reach record highs in 2024.

Over the next 20 years, the International Air Transport Association (IATA) expects world passengers to increase by 3.8% per year on average, resulting in over 4 billion additional passenger journeys in 2043 compared to 2023. European and North American markets will see a slower rise in demand, 2.3% and 2.7% per year respectively. Asia Pacific is anticipated to record the fastest rise in passenger numbers and to contribute to more than half of the net increase in global passenger numbers by 2043.

Strengthening profitability and financial resilience is crucial for continued investments in customer needs and sustainability solutions, essential for achieving net zero carbon emissions by 2050.

Advanced biofuels

Advanced biofuels (also referred to as second- and third-generation biofuels): biofuels that do not compete directly with food and feed crops. Second-generation biofuels may be derived from waste and agricultural residues (such as wheat straw and municipal waste) or non-food crops (such as miscanthus and short-rotation coppice). Third-generation biofuels generally refer to biofuel production routes which are further away from commercialisation (for instance biofuels from algae or hydrogen from biomass). Advanced biofuels have low CO2 emission or high GHG reduction and reaches zero or low ILUC impact.

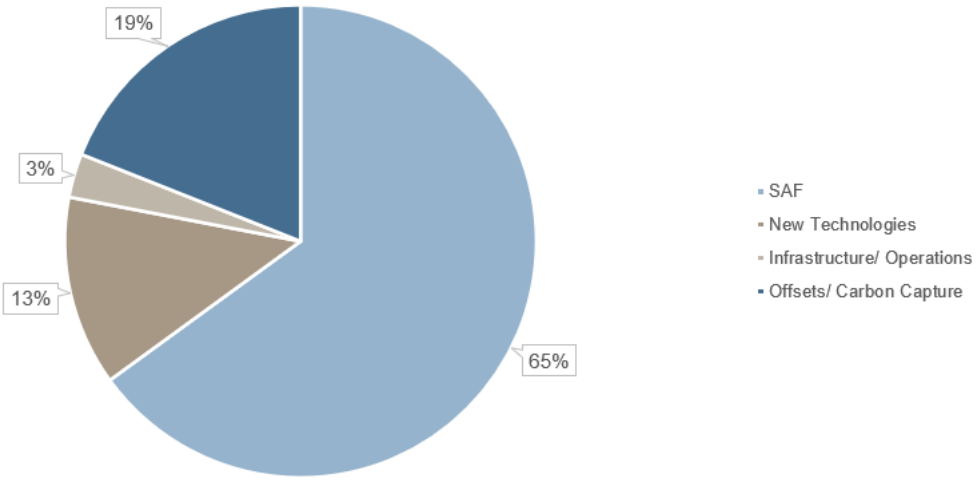
As the fight for sustainable growth rages on, advanced biofuels will become indispensable to make the aviation sector more sustainable. A dedicated, long-term target for advanced biofuels within the SAF proposal is indispensable to get investment decisions on new capacity made.

Several international standards and specifications are there for SAF to ensure quality, sustainability, and compatibility with existing aviation infrastructure. Some of the key standards are:

- **ASTM D7566:** This standard was developed by ASTM International; it outlines specifications for aviation turbine fuels containing synthesized hydrocarbons.
- **ISO 23274:** Published by the International Organization for Standardization (ISO), this standard also provides specifications for aviation turbine fuels containing synthesized hydrocarbons.
- **ASTM D1655:** This is the standard specification for aviation turbine fuels, which includes requirements for conventional jet fuel as well as certain alternative fuels.
- **SAE International ARP 5915:** This provides guidance on the use of aviation turbine fuels derived from renewable sources.

Other than that, agencies such as International Civil Aviation Organization (ICAO), Roundtable on Sustainable Biomaterials (RSB), International Sustainability and Carbon Certification (ISCC), Sustainable Aviation Fuel Users Group (SAFUG), European Union Renewable Energy Directive (EU RED), etc. play an important role in ensuring the quality and sustainability characteristics of SAF.

Different levers of Net Zero for the Aviation Industry



Source: IATA Sustainability and Economics

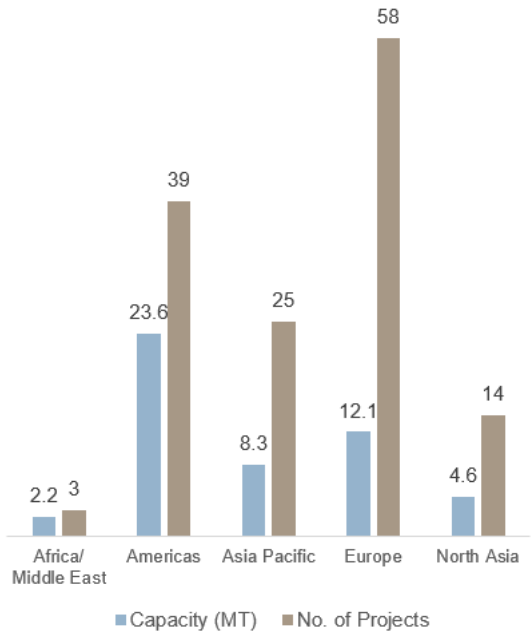
The global aviation industry, which presently contributes to approximately 3% of the total global greenhouse gas emissions with the potential to contribute 22% by 2050 if left unchecked, has set an ambitious net-zero carbon emission target by 2050, which is focused on delivering maximum reduction in emissions at source through the use of SAF, innovative new propulsion technologies and other efficiency improvements. While the use of multiple levers is expected to be employed in order to achieve the net-zero targets, SAF is expected to be the major lever by far. IATA estimates that a 1,000x increase in production is needed by 2050 (500Mt) to be able to produce the required quantities of SAF to achieve the net-zero targets. According to IATA, at least 50 airlines have committed to use SAF with goals ranging from 5% to 30% of their total fuel usage, with most of them committing to 10%. IATA estimates that 20 million tonnes of SAF uptake by 2030 could be possible under industry proposed and committed policies

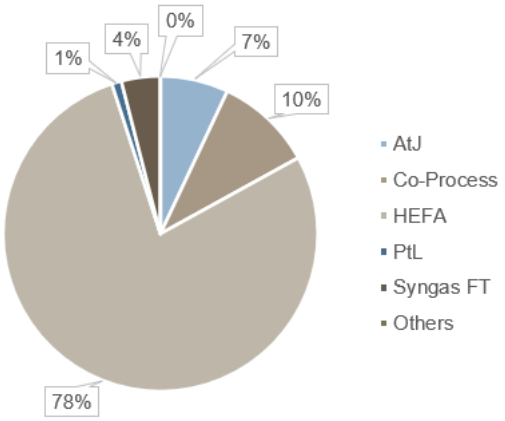
The International Air Transport Association (IATA) has projected that SAF could contribute to a reduction of around 65% of the emissions required to achieve global Net-Zero by 2050. Notably, several major economies are incentivizing SAF adoption. The USA has introduced legislation proposing up to $2 per gallon of tax credit for SAF producers, while the EU has outlined a mandate to gradually increase SAF blending from 2% by 2025 to 63% by 2050. SAF production in the U.S. has increased in recent years. While U.S. production reached 15.8 million gallons in 2022, SAF accounted for less than 0.1% of the total jet fuel used.

Multiple airlines, such as American, Delta, Southwest, and United, have taken on self-imposed mandates for SAF blending as a part of their commitment to achieving net-zero greenhouse emissions by 2050. To meet these targets, they are implementing a range of strategies such as investing in more fuel-efficient aircraft, transitioning to electric ground vehicles, and optimizing operational efficiency.

Rolls-Royce has achieved a milestone by confirming that all its current aircraft engines, including models like Trent 700, 800, 900, 1000, XWB-84, and others, are fully compatible with 100% SAF. The successful tests conducted in Canada mark a significant move towards reducing the environmental impact of air travel. Rolls-Royce's commitment to achieving net-zero emissions by 2050 aligns with the aviation industry's efforts to adopt more sustainable practices. While SAF presents a promising solution, the future balance with emerging technologies, such as electric aircraft engines, remains uncertain.

Projects and SAF pathways to 2030





Source: Source: IATA Sustainability and Economics

About 140 identified SAF projects are progressing in various parts of the world by 100+ producers in 31 countries. The focus of projects in certain geographies is aligned to policies to promote SAF. It is expected that HEFA will continue to dominate SAF production unless the deployment of alternate pathways is accelerated.

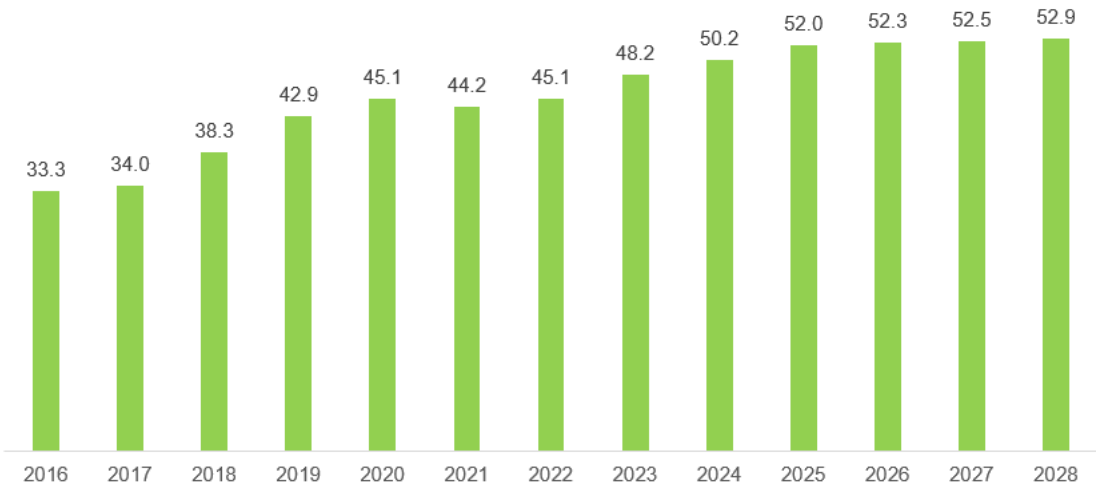
Market Potential for SAF

- USA aims to produce 3 billion gallons (approximately 9 million tons per year) of SAF by 2030, primarily utilizing Low Carbon Intensity (CI) 1st Generation Ethanol. However, the achievement of these ambitions will depend on the backing SAF receives from the Trump administration.
- The EU is mandating the increased use of SAF at airports (2% by 2025, 20% by 2035 and 70% by 2050). 2025 will also mark the beginning of the minimum SAF blending obligations under ReFuelEU Aviation Regulation (RFEUA)
- The EU envisions a demand of around 1.3 million tons per year of SAF, adhering to the proposed 2% blending mandate by 2025, sourced from waste and residues.
- The UK SAF mandate will also come into effect from 2025. As the scheme awards certificates based on emissions savings, the use of lower-CI SAF may result in lower quantities of SAF being required to meet targets.
- India has feedstock for potential production of 19 to 24 million tons of SAF per year, whereas the estimated maximum requirement of SAF in India, considering 5.0% blend, is around 8 to 10 million tons per year by 2030.
- Beyond India, opportunities for SAF projects also exist in regions such as Latin America, Asia Pacific, and Africa, where sugary feedstock or ethanol can be converted into SAF.

Global biodiesel market

Biodiesel is produced from vegetable oils, yellow grease, used cooking oils, or animal fats after conversion into a range of fatty acid methyl or ethyl esters (esterification), it is a sustainable replacement for petroleum/ fossil diesel that significantly reduces carbon emissions and makes environmental sustainability a commercial proposition. Biodiesel is, thus, a renewable fuel that can be used in diesel vehicles and has physical properties that are like those of petroleum/ fossil diesel, but it is a cleaner-burning alternative.

Global biofuel demand, 2016-2028 (in billion litres)



Source: International Energy Agency (Renewables 2023)

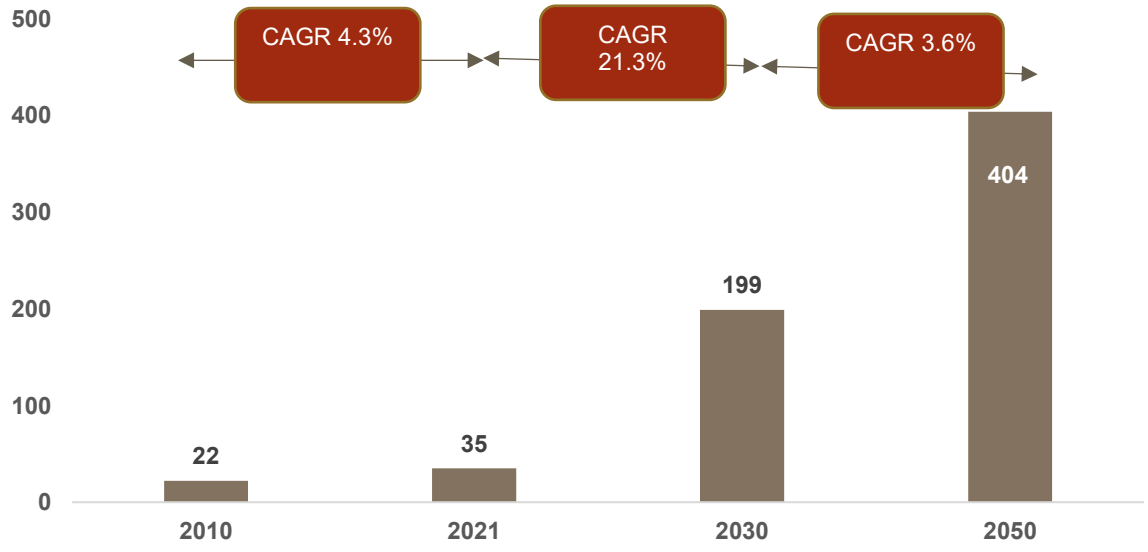
The global biodiesel market has experienced significant growth in the recent past and is expected to continue to on an upward trajectory driven by rising environmental concerns, government policies, and increasing demand for sustainable energy sources. As per IEA estimates, the global biodiesel market is expected to grow at approximately 2% CAGR between 2023-2028.

Various economies are employing different tactics to propel the biodiesel market forward, in Indonesia, palm oil export levies subsidise biodiesel costs, while the United States offers a biodiesel blending tax credit of USD 0.26/ litre. It plans to extend the tax credit through the IRA, with added incentives for lower GHG emissions.

Overall, the biodiesel market will be a critical component of the transition towards cleaner energy and will play a significant role in reducing the global carbon footprint and in fostering a culture of sustainable growth and development.

Global CBG market

Global biogas demand (In bcme)



Source: IEA world energy outlook
BCME: billion cubic meter equivalents

The upgraded form of biogas, known as CBG or bio- Compressed Natural Gas ("**CNG**") (biomethane in Europe and renewable natural gas in the United States), contains over 98% methane and is generated through anaerobic digestion from organic waste streams. These waste materials arise from diverse industrial, economic, agricultural and household activities. The CBG cycle serves as an ideal representation of circularity, as it is derived from various wastes generated by human activities and is subsequently utilized as a resource in the form of clean energy and biofertilizer.

The global CBG market is experiencing significant growth due to increasing demand for sustainable and renewable energy sources. CBG, derived from organic waste materials through anaerobic digestion, is a clean alternative to conventional fossil fuels, reducing greenhouse gas emissions and promoting waste management. Europe, in particular, Germany has been a pioneer in the CBG sector driven by stringent environmental regulations and substantial investments. The Asia-Pacific region, particularly India and China, is also seeing rapid growth due to an increasing need for clean energy given the rapid urbanization and industrialization that these countries are experiencing.

Achieving net-zero energy target by Fiscal 2050, the total biogas demand globally is expected to surge to 404 bcme, indicating a CAGR of 9% during 2021 to 2050. This is because of the increase renewable energy requirement globally and increased feasibility of biomethane as an energy source.

The major demand drivers for CBG from 2021 to 2030 include increasing environmental regulations, a focus on sustainability and renewable energy sources, government initiatives and incentives, expanding use in transportation and industry, and the need to reduce greenhouse gas emissions. These drivers are pushing the growth of CBG production and consumption, aiming to reach 199 billion cubic meters equivalent (BCME) by 2050.

Growth drivers and market trends

The biofuel market, globally, has seen a rise in the past years owing to the endeavours of various governments to reduce fuel import bill and shift towards the use of renewable energy sources. USA and Brazil have always been at the forefront of biofuel adoption with their early practices in adopting waste-to-fuel technology. With increased global concerns towards climate change and increased promises for Net Zero Emission Targets globally, more countries have realised the importance of Biofuels in the total fuel mix for consumption and have increased biofuel share in their total consumption. Following are some key growth drivers and market trends observed all around the world:

Global ethanol initiatives: Driving biofuel policies to meet energy demand and environmental goals

Countries, worldwide, have started to understand the importance of biofuels in the increasing energy demand mix, and have started initiating Biofuel supporting policies and mandates that require certain biofuel blends or targets, and initiatives, such as the Low Carbon Fuel Standard (LCFS), which requires a reduction in the carbon intensity (CI) of transportation fuels over time. Policies that create incentives for biofuels are expected to continue to spread and become more stringent in the coming time, like India's National Policy on Ethanol Blending, which aims to achieve a 20% blending target by 2025.

India in collaboration with Singapore, Bangladesh, Italy, USA, Brazil, Argentina, Mauritius, and UAE, unveiled the Global Biofuel Alliance ("**GBA**").

This initiative was spearheaded by India, serving as the G20 Chair, and was designed to accelerate the worldwide adoption of biofuels. The GBA's primary objectives include promoting technological advancements, increasing the use of sustainable biofuels, establishing robust standards and certification processes with the involvement of various stakeholders, and functioning as a centralized repository of knowledge and expertise. The GBA strives to be a catalytic platform that encourages global cooperation to advance and widely implement biofuels.

Growing SAF demand

Increased awareness of reducing CO2 emissions in the aviation industry has been gaining momentum over the past years. Several airlines have announced their GHG reduction targets and offtake agreements for SAF. There is an emerging trend of airlines investing in non-bio-oil technologies and feedstocks, such as biomass and ethanol-to-jet fuel. Airlines are also increasingly taking the lead in establishing policies and incentives favourable for adoption of SAF. IATA estimates that nearly 100 million tonnes of biomass would still be available in the Indian market for SAF after its use in other bio-energy sectors. They foresee a massive opportunity in India with a SAF production of approximately 40 million tonnes by 2050 which can position India as a global hub for SAF production.

Others biofuel

Biomethane: Utilizing organic waste through anaerobic digestion or gasification to produce biomethane reduces methane emissions and offers a cleaner energy source for vehicles. Certification systems ensure sustainable biomethane production, and biogas upgrading technologies enable injection into natural gas pipelines.

Other Renewable Fuels: Research into diverse feedstocks and advanced conversion methods is expanding the biofuel landscape, driven by energy security goals and the need to reduce fossil fuel reliance. Algal biofuels show promise, waste-to-fuel conversion technologies are gaining traction, and integration with existing infrastructure facilitates biofuel adoption.

The Need to secure steady supply of sustainable feedstock

Biodiesel, renewable diesel and SAF demand is expected to report a strong growth between 2023 and 2030. A feedstock gap is expected to emerge and become more pronounced over the next couple of years if the planned capacities come online. Several feedstock supply bottlenecks need to be handled to ensure feedstocks availability. These include:

- Increase in feedstock production, primarily vegetable oils.
- Redirect fat and grease supplies to biofuels from existing lower value uses, such as animal feed.
- Redirect oilseed, vegetable oil, fat, and grease exports to domestic markets.

Redirection of oilseed trade will have knock-on effects, such as incentivizing production of vegetable oil, including palm oil, and increasing production of oilseeds as well as spurring greater investment in oilseed productivity in main supply regions. Additionally, the production of biofuel dedicated oilseeds or biomass to liquid fuels are also expected to grow and support the supply of lower carbon intensity feedstocks; the impact can be significant in the future, but not in the near term.

India biofuel market and growth outlook

As India has grown, the usage of fuels such as motor spirit (MS) or petrol, diesel, ATF, and natural gas has grown with it. MS consumption stood at 17,128 thousand Metric Tonne (TMT) in 2013-14 which has grown to approximately 40,000 TMT in fiscal 2025, representing a growth of approximately 8% CAGR. The consumption of diesel (HSD) grew at approximately 3% CAGR in the same period and reached approximately 91,400 TMT in 2024-25 while that for ATF grew at approximately 4% CAGR and stood at approximately 9,000 TMT in 2024-25. Natural gas, being a part of India's energy transition agenda has been receiving attention from the Indian government as it is being seen as a bridging fuel between more polluting conventional fuels and greener renewable fuels. CBG finds its niche there as the government aims to use it to reduce LNG imports and increase the sustainability factor.

This is the universe that is available to biofuels like ethanol, biodiesel, SAF, and CBG for conversion, it represents a massive opportunity which appears to be ripe for investment as the green investment and sustainability agenda become mainstream. With the Indian Government's increased support for alternative energy sources, India's biofuel industry is growing at a tremendous pace and is exploring forms of renewable bio-energy sources such as SAF, CBG, 2G ethanol, and green hydrogen along with promoting the manufacturing and consumption of fermented organic manure (FOM). The current biofuel market in India is mainly divided into ethanol, CBG, and biodiesel currently, of which ethanol forms a major chunk. Sizeable investments, especially by the government, aimed at converting excess sugar availability into ethanol to strengthen its pursuit of creating an ethanol economy are noteworthy. India may even surpass China as the third-largest ethanol consumer as early as 2026. Indian SAF market is in a very nascent stage and is expected to catch up by 2025-26.

Indian Biofuel market is dominated by Ethanol, followed CBG and biodiesel. SAF and other renewables do not form a major chunk of the total biofuel demand in India currently, but the scenario is expected to change with governments current Net Emissions Targets. This section will provide a brief overview of each of these biofuels and their place in the Indian energy spectrum; it will also shed some light on TruAlt Bioenergy Limited's positioning in the biofuel sector within India. Sections subsequent to this one will dive deeper into each biofuel.

The Ministry of New and Renewable Energy has issued Revised Scheme Guidelines (Aug 2025) under the National Green Hydrogen Mission with a budget of ₹200 crore till Fiscal 2026 to run pilot projects on innovative and decentralized hydrogen production (floating/rooftop solar, micro-hydel, biomass, wastewater) and end-use applications (cooking, heating, off-grid power, off-road vehicles, city gas blending, residential and community uses). These pilots aim to test feasibility, safety, and performance, cut reliance on LPG/diesel, and cover new sectors beyond earlier schemes. Outcomes will guide scaling, policy, and infrastructure planning, strengthening India's goal to be a global hub for green hydrogen.

National Biofuels Policy 2018 and its 2022 amendment

National Biofuel Policy was implemented in 2018 by the Government of India. The Policy aims to increase biofuel usage in different sectors of the economy and make a transition towards a cleaner fuel during the coming decade.

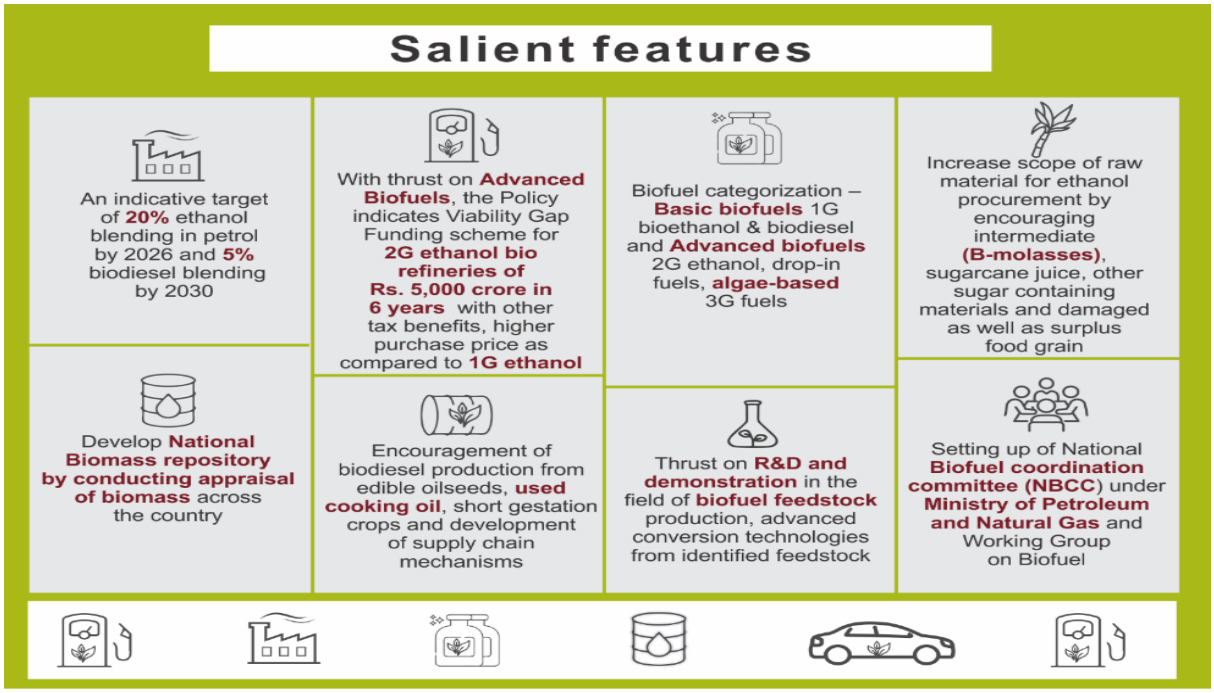
Further, the Government of India aims to utilize, develop and promote domestic feedstock for the production of biofuels to increasingly substitute fossil fuels while contributing to national energy security, climate change mitigation, strengthening of foreign exchange reserves, and creating new employment opportunities in a sustainable way, particularly through building a circular economy in the most rural parts of India.

The Goal of the Policy is to increase availability of biofuels in the market and increasing their blending percentage. An indicative target of 20% blending of ethanol in petrol and 5% blending of biodiesel in diesel is proposed by 2030, which was amended and preponed to 2025 under the 2022 amendments.

The National Policy on Biofuels 2018 was notified by the Ministry of Petroleum and Natural Gas on June 4, 2018, superseding the National Policy on Biofuels, promulgated via the Ministry of New and Renewable Energy in 2009.

The amended policy allows for more feedstock to be considered for biofuel production and promotes the production of biofuels in the country under the Make in India initiative by units located in special economic zones and export-oriented units and also reduced Goods and Service Tax (GST) on ethanol meant for EBP Programme from 18% to 5%.

National Policy on Biofuels 2018 – Overview



Source: CRISIL, Ministry of Petroleum and Natural Gas (MoPNG)

The policy categorized biofuels as:

(i) Basic biofuels, i.e., first generation bioethanol and biodiesel;

(ii) Advanced biofuels, i.e., second generation (2G) ethanol, municipal solid waste, drop-in fuels, third generation biofuels, bio-CNG, etc., to enable extension of appropriate financial and fiscal incentives under each category.

The following are the main amendments approved to the National Policy on Biofuels:

(i) to allow more feedstocks for production of biofuels,

(ii) to advance the ethanol blending target of 20% blending of ethanol in petrol to ESY 2025-26 from 2030,

(iii) to promote the production of biofuels in the country, under the Make in India program, by units located in Special Economic Zones (SEZ)/ Export Oriented Units (EoUs),

(iv) to add new members to the NBCC.

(v) to grant permission for export of biofuels in specific cases, and

(vi) to delete/amend certain phrases in the Policy in line with decisions taken during the meetings of National Biofuel Coordination Committee.

This government hopes that with this amendment the industry will pave the way for Make in India drive thereby leading to reduction in import of petroleum products by generation of more and more biofuels. Since many more

feedstocks are being allowed for production of biofuels, this will promote the Atmanirbhar Bharat and give an impetus to the government's vision of India becoming 'energy independent' by 2047.

The amended policy expands the scope of raw material for ethanol production by allowing use of sugarcane juice, sugar containing materials like sugar beet, sweet sorghum, starch containing materials like corn, cassava, damaged food grains like wheat, broken rice, rotten potatoes, unfit for human consumption for ethanol production.

The Policy allows use of surplus food grains for production of ethanol for blending with petrol with the approval of National Biofuel Coordination Committee. With a thrust on Advanced Biofuels, the Policy indicates a viability gap funding scheme for 2G ethanol Bio refineries of Rs. 5000 crores in 6 years in addition to additional tax incentives, higher purchase price as compared to 1G biofuels. The pricing mechanism for ethanol from different feedstocks has also been reworked. IREDA is also joining in the effort and will provide support through financing initiatives. The main objective of their Scheme is to provide financial assistance for setting up of new Distillery or expansion of existing Distillery for manufacturing of Ethanol, which in turn promote blending of biofuel in petroleum for reduction in pollution levels and addressing the issues of sugar demand. All the commercially viable First-generation Ethanol manufacturing plants either newly set up Distilleries (or) expansion (enhancement of capacity) of existing Distilleries using 'Molasses / Sugar Syrup / Cane Juice / Damaged Food Grains / Surplus Rice with FCI' and other feedstock such as Sugar Beet / Sorghum, etc. as Raw Material are viable for IREDA assistance while Interest rate may vary time to time as per IREDA policy. However, an additional rate of interest of 0.10% to be charged on the entire loan amount in case the loan amount exceeds 75% of the project cost. In addition to this, several states like Karnataka, Maharashtra, Uttar Pradesh, etc. have their own policies for helping out the biofuels sector projects.

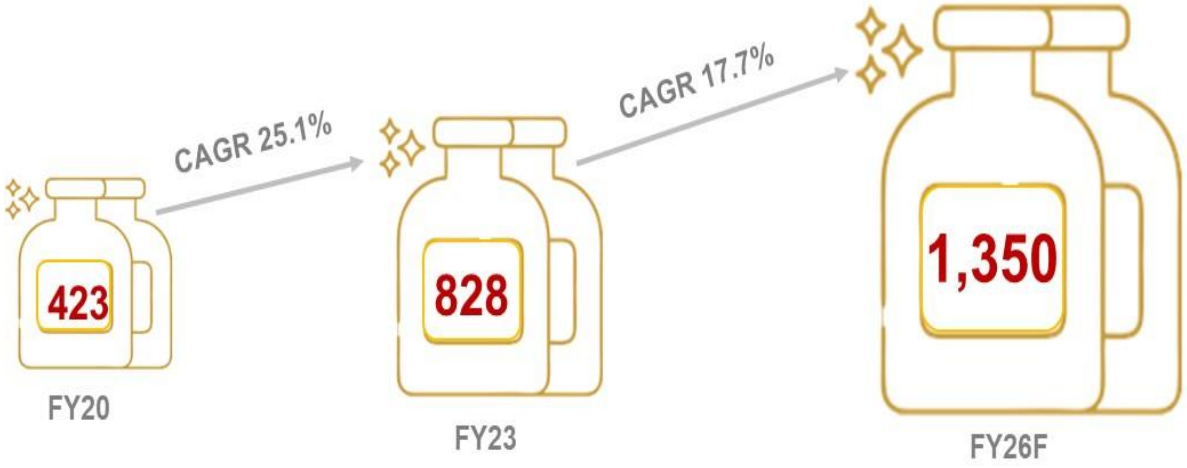
Indian ethanol market

Ethanol, commonly known as ethyl alcohol, is a versatile and flammable chemical that is both renewable and colourless. Its primary production method involves the fermentation of various sugar-based materials, starches, and cellulose-based feedstocks such as corn, barley, wood, and wheat. One of the key characteristics of ethyl alcohol is its high solubility, making it an effective organic solvent. This property is particularly valuable in the production of alcoholic beverages, where ethanol is the main active ingredient. Additionally, its preservative qualities make it indispensable in the pharmaceutical industry, where it helps maintain the stability and effectiveness of various medications.

Beyond its use in beverages and pharmaceuticals, ethanol plays a significant role in a wide range of applications. In the energy sector, it is used as a fuel and fuel additive, contributing to cleaner-burning fuels and helping to reduce greenhouse gas emissions. Its disinfectant properties make it a critical component in hand sanitizers and other cleaning products, especially important in maintaining hygiene and preventing the spread of infections.
In the realm of personal care, ethanol is found in numerous products such as perfumes, lotions, and hair sprays, where it serves as a solvent and helps to preserve the formulations. Industrially, it is used as a solvent in the production of various chemicals and materials, showcasing its versatility. Overall, ethanol's applications are diverse and impactful, spanning across multiple industries and contributing to both everyday products and essential industrial processes.

Ethanol has been the primary biofuel used in India for over a decade. The demand began after the introduction of Ethanol Blending Program in January 2003; however, it has become a main focus in only the past decade. Ethanol market is expected to expand even more due to the ambitious Ethanol Blending Program (EBP) that has targets of achieving 20% blending in petrol by ESY 2025-26, as well as other growing sectors such as the alcohol, cosmetics, pharmaceuticals, SAF, bioplastics and biochemicals industries where ethanol is applied/ ingredient, which will drive demand in the blending sector. Given the importance of this sector, the Government of India and certain State Governments have also included Ethanol projects under their priority sector lending criteria, which has encouraged banks to sanctions loans for Ethanol projects to achieve priority sector lending thresholds. Furthermore, the Government has begun to establish a roadmap for sustainable energy solutions beyond the 20% blending target, indicating a forward-thinking strategy that anticipates future energy needs.

India Ethanol demand overview and outlook *(in crore litre)*



F: Forecasted
Source: NITI Aayog and Ministry of Petroleum and Natural Gas

Different generations of ethanol

Difference between Different Generations of Biofuels

Feature	1G Ethanol	2G Ethanol	3G Ethanol
Feedstock	Sugarcane, corn, wheat, barley, etc.	Lignocellulosic biomass (e.g., wood, agricultural waste)	Algae
Process	Fermentation of sugars.	Pretreatment of biomass, enzymatic hydrolysis, fermentation	Photosynthesis, fermentation
Yield	Low; 1-2 gallons of ethanol per bushel of feedstock	High; 1-2 gallons of ethanol per ton of feedstock	High; 100-200 gallons of ethanol per ton of biomass
Cost	Low	High	Very high
Environmental impact	Relatively low	Relatively high	Very high
India Positioning	Demand is fulfilled though 1G Ethanol	2G ethanol at nascent stage, the industry is expanding	3G ethanol process is not yet adopted in the country

Source: CRISIL MI&A Consulting

1st Generation Biofuels/Bioethanol

First-generation (1G) Bioethanol is produced from biomass such as sugar-containing materials (like sugar cane juice, molasses, sugar beet etc.) and starch-containing materials (such as corn, cassava, rotten vegetables such as potatoes, damaged food grain etc.). The process of converting biomass into bioethanol severely harms the food as well as water industry, which is often considered to be the biggest drawback of 1G ethanol, creating a food insecurity in the country because of its competing nature with food land.

The process of manufacturing 1G Ethanol is a simple and cost-efficient process with no intensive pre-treatments and a well-established infrastructure in the country, however, it leads to a conflict of food vs fuel and require high land and water usage.

2nd Generation Biofuels/Bioethanol

Second-generation biofuels are defined as fuels produced from several feedstocks, especially but not limited to non-edible lignocellulosic biomass. Cultivating these second-generation biofuels requires vast land, water, and fertilizer to grow the biofuels producing plants. The feedstock for Ethanol does not compete with the food security of India, but is however, requires significant costs as compared to 1G Ethanol. Majority of the India's need for the ethanol feedstock is fulfilled through the 1G feedstock, however, the government is also encouraging the production of 2G ethanol from non-food feedstock and a number of Oil PSUs have started establishing 2G Ethanol bio-refineries in various parts of the country. 2G ethanol presents distinct value for both existing ethanol producers and new entrants. Existing ethanol producers can improve margins and meet growing demand by integrating 2G ethanol plants through 'bolt-on technology,' which offers a strategic advantage by leveraging the synergies of existing ethanol capacities. Existing producers also benefit from first-mover advantage. Meanwhile, new entrants have a strategic advantage as well, given that there is currently one operational 2G plant in India, located in Panipat, operating at 30% capacity as of December 31, 2023.

Second-generation (2G) ethanol offers advantages over traditional ethanol:

- Utilizes non-food sources like agricultural and forestry residues, reducing competition with food crops.
- Addresses waste management by using agricultural and forestry residues, contributing to a circular economy.
- Reduces concerns about land use and food security compared to first-generation ethanol.
- Can achieve greater greenhouse gas emission reductions due to the use of advanced feedstocks and conversion technologies.
- Incorporates advanced technologies for more energy-efficient production processes.
- Ongoing research is leading to cost-effective and scalable production methods.
- Helps minimize the indirect land-use change impact associated with biofuel production.
- 2G ethanol has a much lower carbon footprint as it repurposes waste materials, reducing greenhouse gas (GHG) emissions significantly. Global regulatory frameworks and sustainability mandates favour low-carbon fuels, allowing 2G ethanol producers to command higher prices in premium markets
- Global regulatory frameworks and sustainability mandates favour low-carbon fuels, allowing 2G ethanol producers to command higher prices in premium markets

The production of 2nd generation Ethanol leads to the circular economy and bypasses the food vs fuel conflict; however, it requires extensive pre-treatment.

TruAlt aims to expand and leverage its existing platforms to expand its product portfolio to include 2G ethanol, by 2025 by upgrading and enhancing its existing facilities. It has further developed a long-term growth strategy to lower its dependency on a single variety of feedstock and diversify its raw material base, increase efficiency, become a carbon neutral bio-fuel company.

3rd Generation Biofuels/Bioethanol

This uses algae as a feedstock to produce ethanol. This generation is highly sustainable in the long run due to no competition with food or water in the value chain, however, it induces high cost of production as it requires extensive technology not yet developed for the masses and induces high downstream costs for production. Production of 3rd generation ethanol allows to directly capture the CO2 emissions, leading to carbon negativity, and bypasses the food vs fuel conflict with no additional land and water requirements. It is largely still in the research phase of development.

Applications of 1G and 2G ethanol (Present and Prospective)

S. No.	Present Applications	Prospective Applications
First Generation (1G) Ethanol		
1	Ethanol blended petrol for fuel grade Ethanol.	To produce SAF
2	Ethanol serves as an essential industrial solvent, used in the manufacturing of paints, coatings, varnishes and inks, providing efficient dissolution of various compounds, and for	Ethanol is used as cooking fuel in households and commercial kitchens as an alternative to traditional fossil fuels like LPG and kerosene.

	degreasing applications.	
3	Ethanol is a critical ingredient in medical and pharmaceutical industries, used in the production of antiseptics, disinfectants, and tinctures.	Biofuels, including Ethanol and biogas, can be used in power plants for electricity generation.
4	Ethanol is the primary ingredient in the production of alcoholic beverages to create beverages such as beer, wine, and spirits.	Ethanol and other bio-derived chemicals are used in the production of bioplastics and biochemicals for alternatives to petroleum-based plastics and chemicals.
5	Ethanol is also used as a chemical feedstock in personal care and cosmetics, as well as in agriculture and animal husbandry as a carrier for active ingredients. It serves as a solvent for dyes and textile finishing chemicals and is utilized in the processing of both natural and synthetic rubber.	MVL can be used to produce various valuable products, for the synthesis of elastomers, specialty fuels, and SAF molecules.
Second Generation (2G) Ethanol		
1	-	As a fuel additive, 2G ethanol improves combustion efficiency, boosts octane ratings, and lowers emissions, making it a valuable component in cleaner gasoline formulations.
2	-	For electricity generation, 2G ethanol offers a renewable power source that can be utilized in power plants and cogeneration systems, providing both electricity and heat efficiently.
3	-	In the realm of bioplastics and biochemicals, 2G ethanol acts as a sustainable feedstock, reducing reliance on petroleum-based products. It facilitates the production of biodegradable polymers for packaging, agriculture, and medical applications, and supports green chemistry initiatives by contributing to the synthesis of environmentally friendly products.
4	-	2G ethanol can be converted into high-value by-products such as furfural, xylitol, L-arabinose, and high fructose syrup, each finding significant applications in bio-based chemicals, food, and pharmaceutical industries. Further can be applied to produce Elastomers, Specialty Fuels and SAF Molecules. The production of mevalonolactone (MVL) from 2G ethanol opens avenues in biotechnology and pharmaceuticals, serving as a precursor for isoprenoids and cholesterol synthesis. This versatility extends to advanced materials and specialty chemicals. Beyond these applications, 2G ethanol can be transformed into bio-based elastomers for tires and industrial uses, specialty fuels meeting specific performance criteria, and SAF, contributing to the aviation industry's efforts to reduce its carbon footprint. Overall, the diverse applications of 2G ethanol underscore its importance in fostering a more sustainable and eco-friendly future.

Source: CRISIL MI&A Consulting

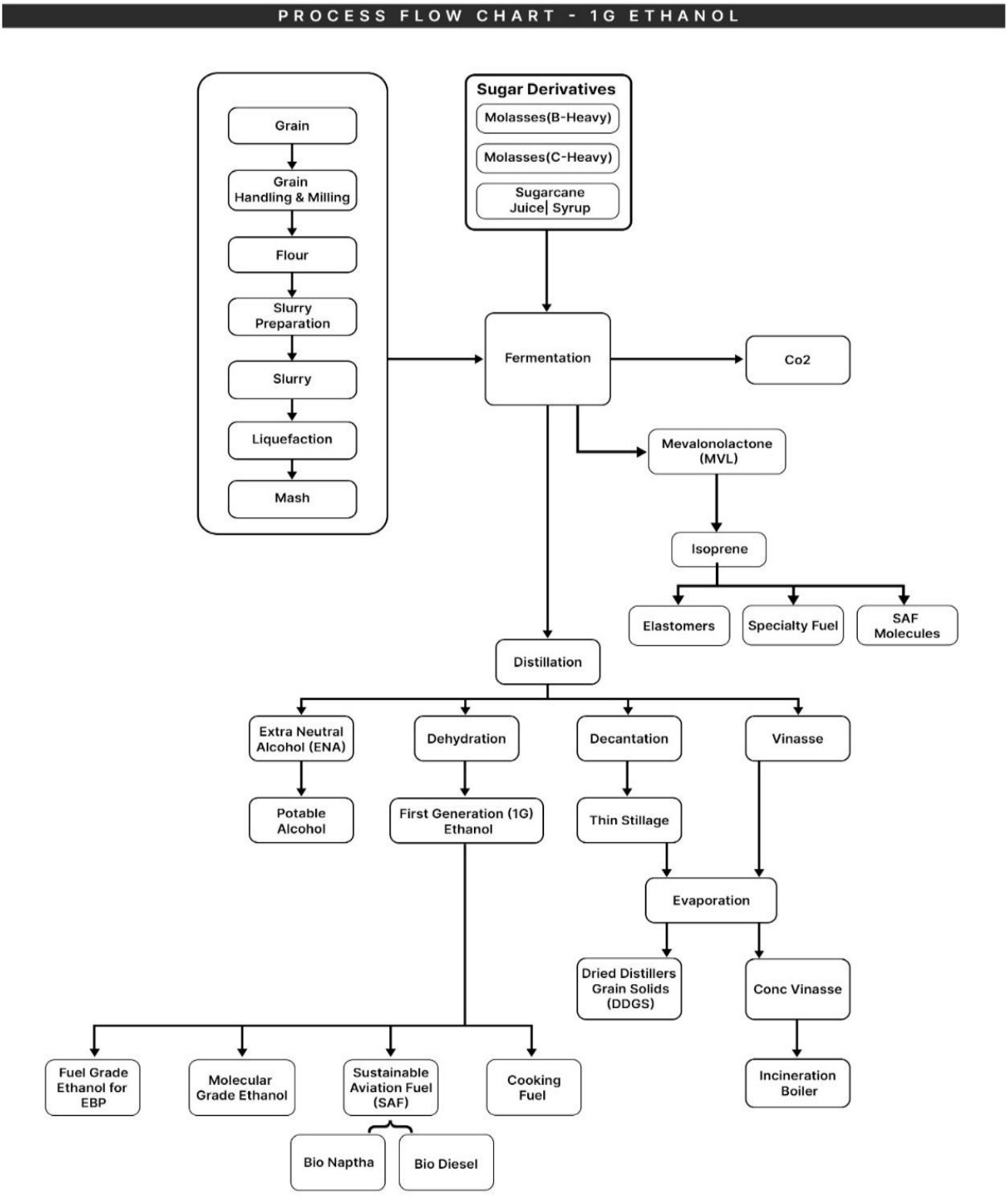
NOTE: 3G ethanol/ biofuels are being researched upon at present, hence, their scope of applications is yet to be defined

Process flow: Ethanol

In India, distilleries generally produce ethanol from molasses which is a byproduct of the sugar-making process, and it is derived after sugarcane is crushed. However, government has realized that this route is not sufficient for the 20% blending target, therefore, ethanol from foodgrains such as maize, damaged food grains (DFG) and surplus rice available with FCI has also been promoted to further achieve the targets set by the government. Around the world, maize is a primary feedstock for production of ethanol as it consumes less water and is economical, however, in India, the use of maize as a feedstock for ethanol production is gaining momentum with various government initiatives to promote maize as a feedstock for ethanol. Use of multiple feedstocks for ethanol production will ensure feedstock security thereby not putting any stress on the availability of any single feedstock.

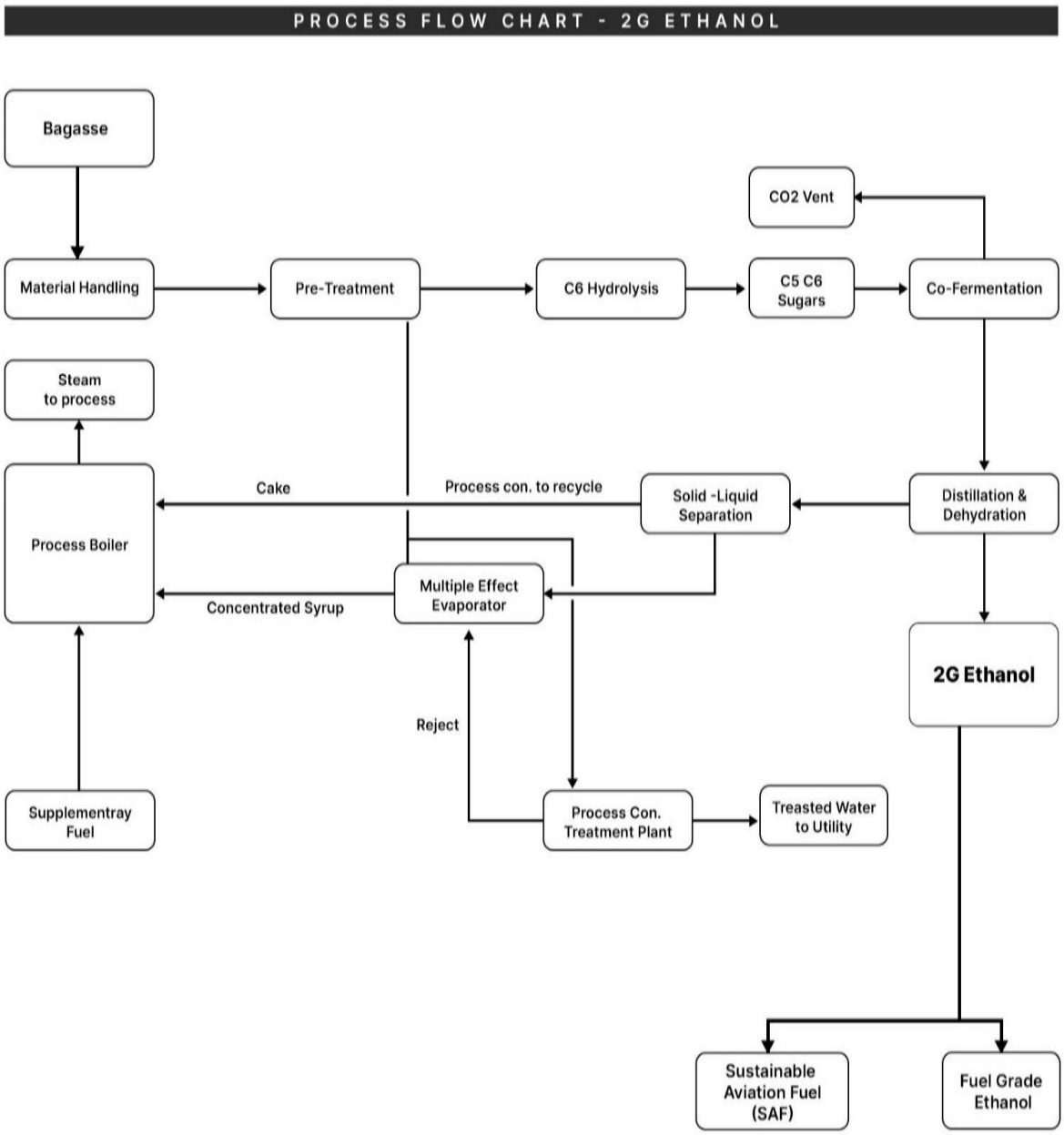
Ethanol Production supply chain from various feedstocks

1G ethanol process flow.



Source: CRISIL MI&A Consulting

2G ethanol flow chart



Source: CRISIL MI&A Consulting

Indian SAF market

India's civil aviation MRO industry is one of the fastest-growing sectors in the country and is expected to reach USD 4 billion by 2031. This represents a growth of 8.9% CAGR which significantly outpaces the global average of 5.6%. It is expected to drive substantial advancements in MRO capabilities throughout the Asia-Pacific region. While this is impressive, it also poses a legitimate challenge to India's net-zero emission efforts. Efforts towards efficiency improvements will help, however, one needs to tackle a more fundamental problem, i.e., the fuel itself, this is where SAF steps in. SAF is a liquid fuel that can be used in commercial aviation and has the potential to reduce CO2 emissions by up to 80% compared to traditional jet fuel. The global aviation industry has set an ambitious net-zero carbon emission target by 2050, which is focused on delivering maximum reduction in emissions at source using SAF, innovative new propulsion technologies and other efficiency improvements. SAF demand is expected to begin from 2025 and would play an important role in ensuring the Net Zero emission targets globally.

SAF market in India is in nascent stages. In May 2023, Air Asia tested its flight between Pune and Delhi completely on SAF, produced using indigenous feedstock. Indian government has set a target of 1% blending of SAF by 2027 and 2% blending by 2028 both for international flight initially. IATA believes that SAF can transform the economy of rural India. India is one of the global feedstock hotspots with approximately 10% of global bio-feedstock being available for SAF. India has the potential to produce around 40 million tonnes of SAF by 2050. This is a massive

economic opportunity for rural Indian transformation and to fuel sustainable aviation growth provided it is supported by policy initiatives and industry participation. With feedstock prioritization, India could position itself as a leading regional SAF hub in future.

Applications of SAF (Present and Prospective)

S. No.	Present Applications	Prospective Applications
1	SAF is a lower-carbon alternative to normal jet fuel that can be used to fuel existing aircraft without making significant modifications to the aircraft and its engines.	Bio-naphtha is currently used for two major downstream applications - fuel blending and bioplastics production - in major markets such as Europe
2	Several airlines around the globe have started using SAF blends in their commercial flights as part of their sustainability initiatives.	Biodiesel is used in conjunction with the petroleum-based diesel, i.e., biodiesel is blended with the petro-diesel in different proportions depending on the availability of biodiesel as well as its costing, the engines or equipment in which the blend is to be used as fuel, and the desired performance.

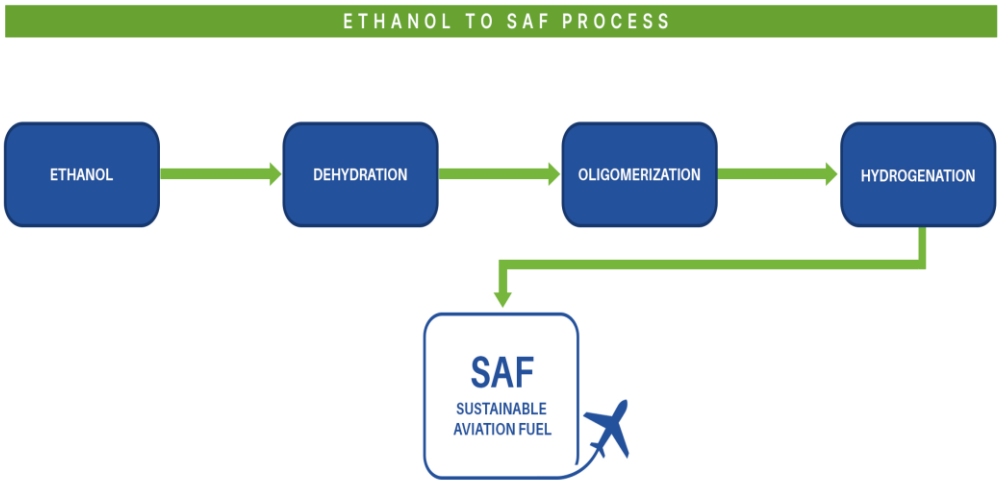
Source: CRISIL MI&A Consulting

Process flow: SAF

SAF can be produced from non-petroleum-based feedstocks including municipal solid waste, wood biomass, fats/grease/oils etc. The demand for SAF is expected to begin by 2025 globally, owing to extensive research and Net Zero targets. While several ways to produce SAF in India are being explored, given the ease of availability of feedstock, the alcohol-to-jet technology (AtJ) to manufacture SAF looks the most promising for India. AtJ converts alcohols into SAF by removing the oxygen and linking the molecules together to get the desired carbon chain length (i.e. oligomerization). Currently, there are two feedstocks approved for use in the AtJ technology: ethanol and iso-butanol.

SAF represents a crucial innovation in the aviation industry's pursuit of environmental sustainability. Unlike conventional jet fuels derived from fossil sources, SAF is produced from renewable feedstocks such as agricultural residues, waste oils, or non-food crops. The primary advantage of SAF lies in its potential to significantly reduce the aviation sector's carbon footprint, as it emits fewer greenhouse gases during combustion compared to traditional jet fuels.

SAF process flow



Source: CRISIL MI&A Consulting

The figure above focuses on the AtJ technology as it is the most well-suited solution for SAF production in India, owing to the country's abundant ethanol capacity. This innovative technology converts ethanol into a low-carbon jet fuel, offering a cleaner and more environmentally friendly alternative to traditional fossil fuels. The AtJ technology can be leveraged to produce SAF, reducing the country's dependence on imported fossil fuels and minimizing greenhouse gas emissions. This technology has the potential to not only support India's climate goals but also provide a cost-effective and sustainable solution for the aviation sector, making it an attractive option for

the country's fast-growing aviation industry.

Indian biodiesel market

High speed diesel (HSD) is one of the more polluting petroleum products and it is still an integral part of the Indian economy, especially its transport sector. It is the major petroleum product consumed in India and has typically accounted for approximately 40% of India's petroleum product consumption in the recent past. This alone necessitates the urgent need to help reduce the emissions profile of this fuel. Through various efforts of the government and the market, biodiesel has emerged as one key solution to this conundrum.

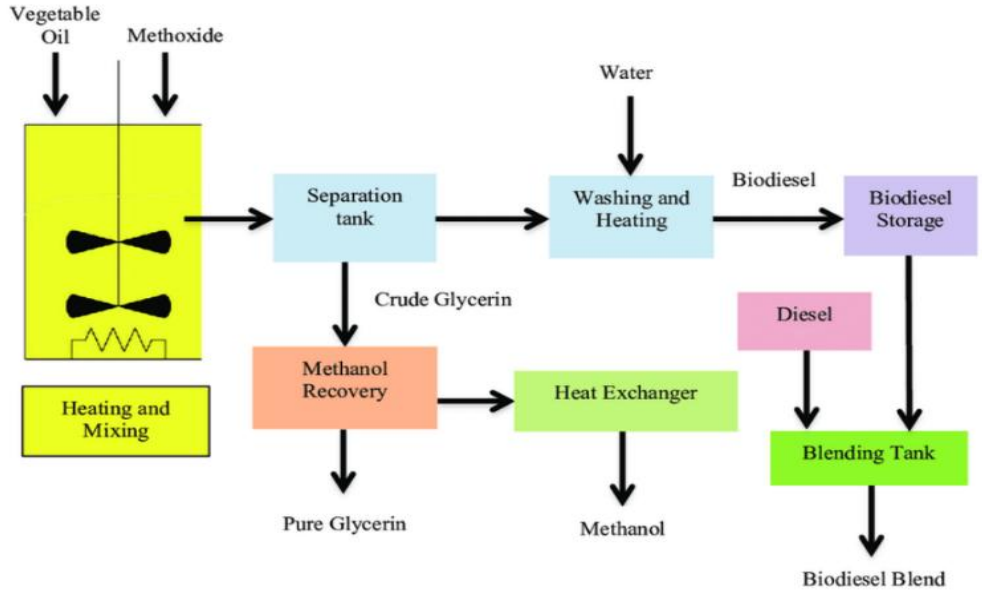
India's biodiesel market has been gaining traction as a sustainable alternative to petroleum/ fossil diesel. The sector is driven by the need to reduce dependence on imported fossil fuels, mitigate environmental impact, and promote rural development through agriculture.

Key factors shaping the market include government policies and incentives encouraging biodiesel production such as the National Biodiesel Mission of 2002-03 which kicked off the biodiesel sector in India, it is presently governed by the National Biofuels Policy, 2018 which sets a blending target of 5% for biodiesel by 2030 which would require almost 4.5 billion litres of biodiesel per year.

About 90% of biodiesel produced presently in India is from imported palm stearin, while the rest is from animal tallow, acid oil and Used Cooking Oil. Challenges remain including feedstock availability, technological advancements, and infrastructure development. However, the biodiesel market in India shows promise with increasing interest from the government, research institutions, and the broader market.

Process flow: Biodiesel

Biodiesel process flow



Source: Environmental and Climate Technologies 2022

The process starts with the preparation of vegetable oil (palm oil, soybean oil, or canola oil are typically used) to remove any impurities and water. Then the transesterification process happens wherein the vegetable oil reacts with an alcohol (methanol or ethanol) in the presence of a catalyst (such as sodium hydroxide or potassium hydroxide). This converts the oil to fatty acid methyl esters which are biodiesel and glycerol. The biodiesel now has to be separated from glycerol and other by-products through centrifugation (it may even be allowed to settle on its own). The crude biodiesel is then washed, purified, and dried before it goes for storage and distribution. It can now also be blended with petroleum/ fossil diesel in various proportions for use in the markets.

While biodiesel remains one of the best options for reducing the emissions profile of conventional diesel, other research is still ongoing to find other avenues, one such avenue is e-diesel. Blends of up to 15% of ethanol in diesel fuel, known as e-diesel, can be used in compression ignition engines. E-Diesel can produce certain reductions in regulated diesel emissions, especially those of diesel particulate matter, however, more research is still needed to make e-diesel commercially viable and to bring about surety in terms of safety as well.

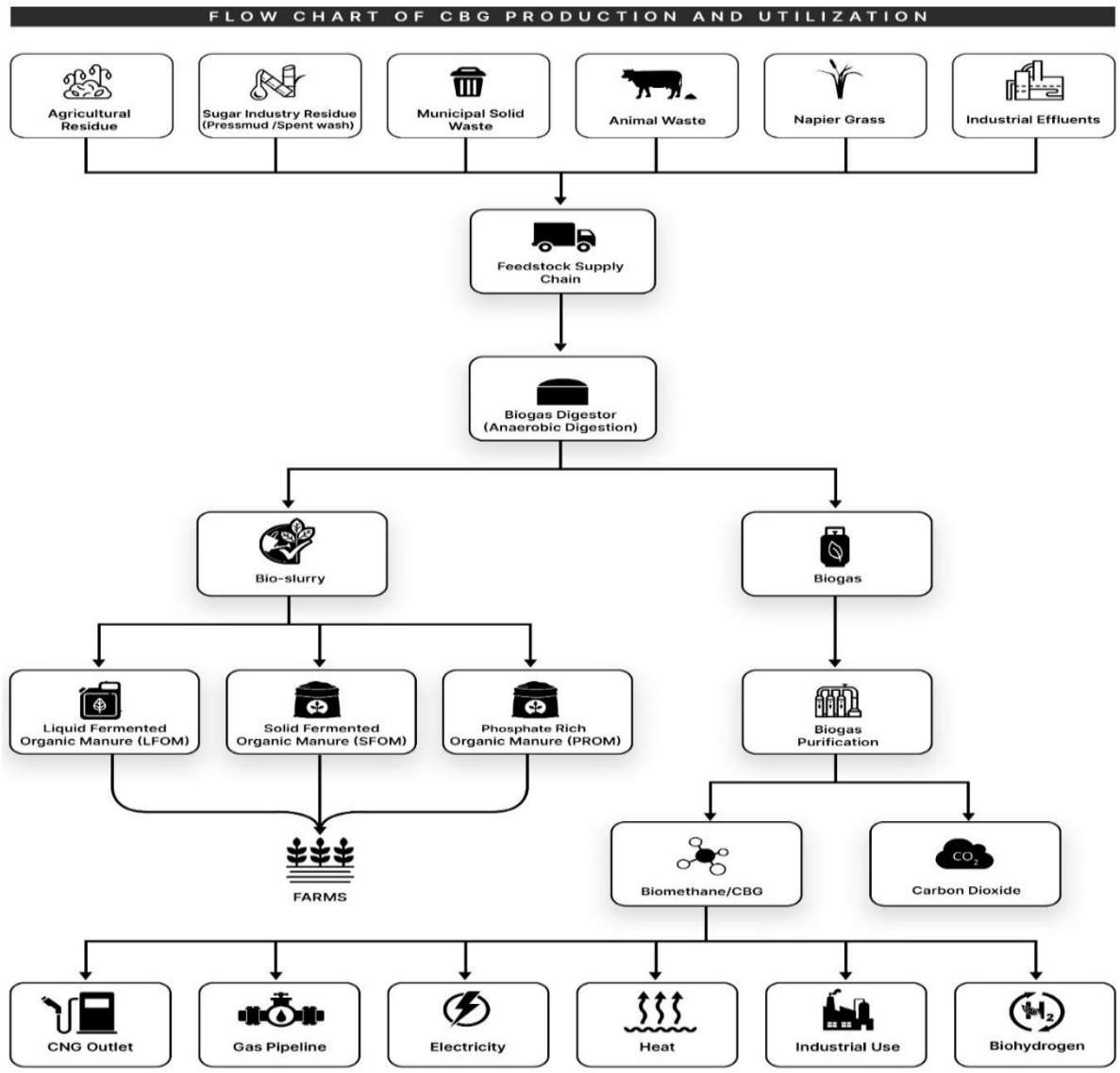
India CBG market

India aims to become a gas-based economy by taking the share of natural gas in India's present 6.6% to 15% by 2030. While India is less reliant on imports of natural gas as compared to crude oil, the dependence still hovers in the range 45%-50% and is expected to rise significantly as the demand for natural gas grows, this is something that can be mitigated through CBG, a biofuel capable of replacing natural gas. The government is, thus, looking forward to exploring CBG as an addition to the biofuel mix of the country. India biogas market is expected to grow up to $2.25 billion in 2029, logging a CAGR of 6.3% between 2022 and 2029. Despite Covid-19 denting the sector's growth, it has shown a good recovery and is expected to continue the upward trajectory with large investments coming in from big conglomerates, both Indian and international, Public-Sector Units and entrepreneurs. Additionally, CBG projects are categorised as agricultural infrastructure as per RBI guidelines. Loans pertaining to agricultural infrastructure are being classified as priority sector lending, which has encouraged banks to sanction loans for CBG projects.

Process flow: CBG

CBG value chain initiates from processing the feedstock in the anaerobic digester, where the gas is captured and sent through the purification process, where is passes through several stages and then sent to the compressor to formulate the end product of CBG. This is then sent to retail outlets to customers. The waste produced after the anaerobic stage is further processed and formed into a bio-manure or bio-slurry. In this way, production of biogas leaves no residue and aids the environment, however the process takes a lot of time for completion.

CBG Value Chain



Source: CRISIL MI&A Consulting

CBG can be produced by utilizing diversified feedstock, as outlined in the table below. Additionally, bagasse can

be utilized to produce it. To produce biogas from the organic waste, the required feedstock is preliminary collected, crushed and mixed with other waste materials and is allowed to ferment anaerobically in a digester for 30-40 days at a temperature of 34-38 degree Celsius. The biogas produced is further processed and hydrogen sulphide and carbon dioxide are removed so that the end product will have more than 90% - 95% methane which will be used as fuel.

Different Feedstocks for CBG

Feedstock	Avg. biogas yield (nm3/mt)
OFMSW (organic fraction of municipal solid waste)	80-100
Napier Grass	110-130
Poultry Litter	80-100
Press Mud	90-110
Spent Wash	40-50
Bagasse	150-170
Segregated Food Waste	110-130
Paddy Straw	300-350
Cow Dung	40-50

Source: CRISIL MI&A Consulting

As per CRISIL MI&A consulting, the average yield per feedstock varies between 40-400 (nm3/mt) depending upon the type of feedstock subject to anaerobic conditions and temperature maintained. CBG mainly consists of Methane (more than 90%) and other gasses like Carbon Dioxide (4%). The composition of methane depends upon the feedstock and the anaerobic digestion; thus, the yield varies from situation to situation.

Utilizing spent wash and press mud as feedstock for CBG production is a sustainable and environmentally friendly solution. Spent wash, a by-product of distilleries, contains a wealth of organic material, while press mud, generated during sugarcane juice extraction, is rich in organic matter. Both waste materials can be processed through anaerobic digestion, a biological process that converts their organic content into biogas. This biogas, primarily composed of methane (CH4) and carbon dioxide (CO2), can then be purified and upgraded to produce high-quality CBG. CBG, once compressed, becomes a versatile and clean fuel suitable for a range of applications, including transportation, power generation, and industrial processes.

The use of spent wash and press mud as CBG feedstock offers dual benefits: It addresses the challenge of waste disposal in distilleries and sugar mills, reducing environmental pollution, and simultaneously provides a renewable energy source that contributes to a greener and more sustainable future. Moreover, governments often incentivize CBG production from organic waste materials, making it economically viable and environmentally responsible. This approach aligns with global efforts to reduce greenhouse gas emissions and transition toward cleaner and more efficient energy alternatives.

Applications of CBG (Present and Prospective)

S. No.	Present Applications	Prospective Applications
1	CBG is compressed and used as a fuel for vehicles, particularly in city transport fleets.	Bio-CNG, which is primarily CBG compressed for use in CNG vehicles, is likely to see significant expansion.
2	CBG is blended with natural gas or used directly for cooking and heating purposes in households and industries connected to city gas networks.	CBG can play a crucial role in this shift by fuelling buses, taxis, and other public transport vehicles.

S. No.	Present Applications	Prospective Applications
3	CBG is used in gas turbines or engines to generate electricity, either for direct use or for feeding into the grid.	CBG can be used in microgrid systems to provide reliable electricity, supporting rural electrification efforts and enhancing energy security.
4	Cities and municipalities are setting up Bio-CNG stations where vehicles equipped to use compressed natural gas.	CBG can contribute to grid stability by providing a dispatchable and reliable source of power. Its use can help balance fluctuations in renewable energy generation.
5	Organic Manure • Liquid Fermented Organic Manure • Fermented Organic Manure • Phosphorate Rich Organic Manure	CBG can be utilized in combined heat and power systems, where it not only generates electricity but also provides heat for industrial processes or district heating. This enhances overall energy efficiency and reduces emissions.

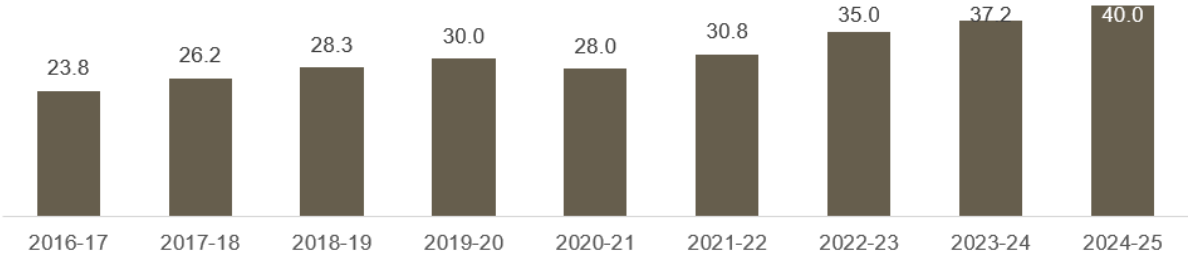
Source: CRISIL MI&A Consulting

Ethanol market

India MS/Petrol consumption trend and potential blending market

In Fiscal 2025, India's petrol consumption surged to approximately 40.0 MMT. The Indian oil market is predominantly influenced by imports, which account for about 86-88% of the nation's total oil demand for the past 10 years.

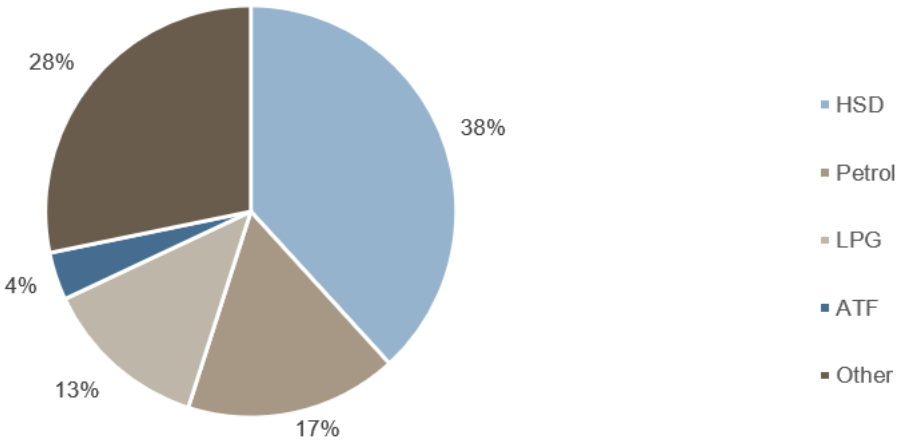
MS/ Petrol consumption trend 2017-2025 (in MMT)



Source: Ministry of Petroleum and Natural Gas

Beyond petrol consumption, the majority of the oil consumption is encumbered in high-speed diesel oil (HSD) and LPG. Petrol accounts for 17% of the total petroleum product consumption while HSD and LPG account for 38% and 13% respectively. Furthermore, India's petroleum product consumption grew by approximately 3% in Fiscal 2025 compared to previous year, reaching a total volume of 239.2 million tonne. This growth was led through a 7.5% increase in petrol consumption and 2% increase in high-speed diesel usage. Robust economic growth, increased industrialization, urbanization, and infrastructure development, along with rising vehicle sales, contributed to the overall higher demand for transportation, energy, and fuel, thereby driving up the consumption of petroleum products.

Petroleum products consumption for Fiscal 2025



Source: PPAC

From the above data, it becomes clear that there is significant potential for ethanol use in blending in petrol. The same can be inferred from NITI Aayog's Report on Roadmap for Ethanol Blending in India 2020-25. The government and the industry are working towards this goal consistently and rapidly. The efforts expended in this direction have already begun to bear fruits in real and measurable terms in the last 10 years, India's ethanol blending program achieved remarkable milestones both in terms of economic savings and environmental impact. It has led to forex savings of INR 1,13,007 crore (As of 31.12.2024), significantly reducing India's reliance of energy imports. Additionally, the program effectively substituted 193 lakh metric tons of crude oil and curtailed CO2 emissions by 544 lakh metric tons thereby demonstrating its substantial environmental impact. It has also helped the agriculture and allied sectors; distilleries have earned revenue of INR 1,45,930 crores from sale of ethanol which has added to their bottom line. As of 30.09.2024 this has benefitted farmers as well who have collectively received INR 92,409 crore from OMCs.

Projected ethanol requirement, NITI Aayog

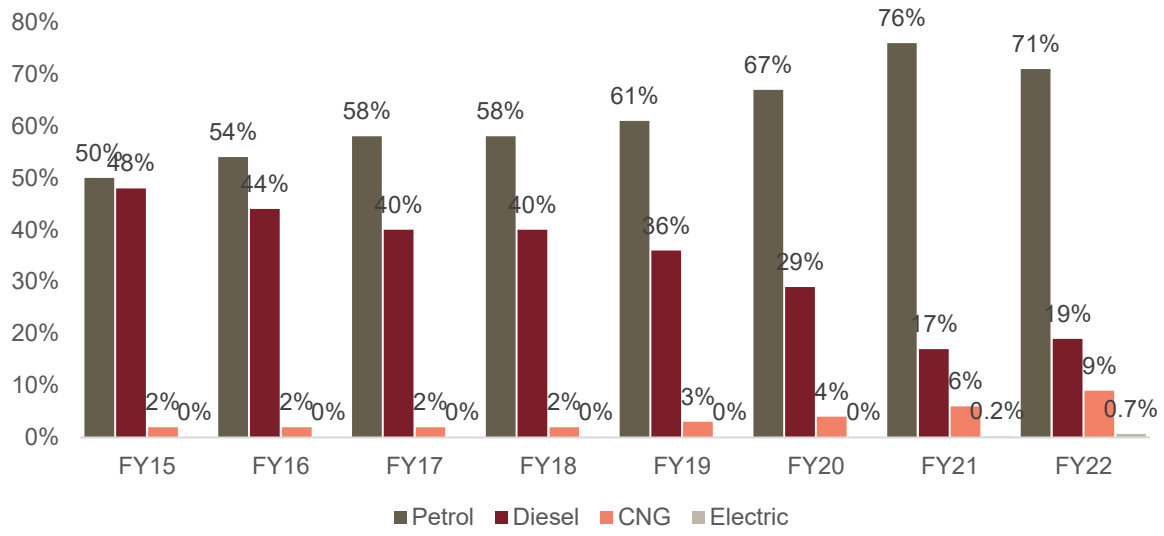
ESY	Projected Petrol Sale (MMT)	Projected Petrol Sale (Cr. Litre)	Blending (in %)	Ethanol Required for Blending in Petrol (Cr. Litre)
A	B	B1 = B x 141.1	C	D = B1 x C%
2019-20	24.1	3413	8	173
2020-21	27.7	3908	8.5	332
2021-22	31	4374	10	437
2022-23	32	4515	12	548
2023-24	33	4656	15	698
2024-25	35	4939	20	988
2025-26	36	5080	20	1016

Source: Roadmap for Ethanol Blending in India 2020-25 (NITI Aayog)

Petrol is the preferred fuel option among automotive segments in India

Petrol vehicles have gained preference over the diesel vehicles due to narrowing price gap between petrol and diesel.

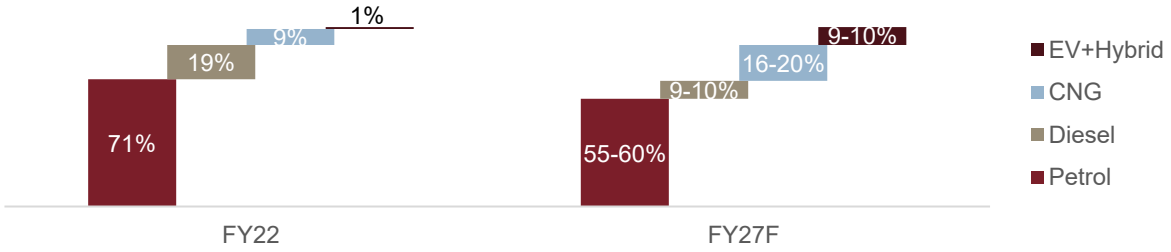
Trend in fuel mix for domestic passenger vehicles segment



Source: SIAM and CRISIL MI&A consulting

Petrol-based vehicles are likely to remain a significant portion of new Passenger vehicle sales over the medium term.

India fuel mix outlook in passenger vehicle



Source: SIAM and CRISIL MI&A consulting

The proportion of CNG, EVs and hybrid is likely to increase to 20-30% as proportion of new vehicles sales in the next 5 years.

- However, petrol-based vehicles are likely to remain a significant portion of new PV sales over the medium term.
- This makes it critical to reduce emissions from petrol-based vehicles to meet corporate average fuel economy (CAFE) norms and start the trajectory towards achieving carbon neutrality over the medium-to-long-term besides promotion through adoption of alternate powertrains including EVs and hybrids.

From the popularity of petrol vehicles, one can infer that there is a substantial market for ethanol even as competition from CNG and EV vehicles mounts up.

Government initiative in promoting ethanol Industry in addition to National Biofuels Policy

PLI incentive

To increase the production of ethanol in the country and achieve the much-stated target of 20% blending by 2025, the government has announced several schemes for the aligning industry, ultimately benefiting the ethanol production in the country. One of the incentives under the scheme is providing soft loans to sugar mills and a single-window mechanism for expedited regulatory clearance for building grain-based distilleries across the country. This is introduced with the aim of encouraging and enhancing diversion of sugarcane for ethanol production, as majority of the ethanol in the country is currently produced from sugarcane. Since ethanol production is currently concentrated in Uttar Pradesh, Maharashtra and Karnataka, incentives to expand distilleries across India will result in geographically widespread production of ethanol and save huge transport costs from moving ethanol to other states. Additionally, government has also introduced PLI scheme for millet-based products, promoting production of these special grains. Ethanol production from grains is more convenient and economical, however, this route has not been exploited by the country. In order to begin production of ethanol

from grains, government has incentivized grains production to secure surplus which could be routed to ethanol refineries.

Under the New Industrial Policy 2025, Government of Karnataka has introduced a scheme where certain industries receive an incentive of 1.75% of their gross revenue for actively participating in and supporting the state's economy and job creation initiatives. Under the Government of Karnataka's scheme, if a company has topline of ₹ 1,000 crore in a financial year, it will receive incentives benefitting it to the tune of ₹ 17.5 crore. TruAlt Bioenergy has been benefiting from the same, which is paid at the conclusion of each fiscal year, for a period of 10 years starting from Fiscal 2023.

The nationwide implementation of the Ethanol Blended with Petrol (EBP) Programme by the Government aims to boost ethanol production. Several Ethanol Interest Subvention Schemes have been introduced between 2018 and 2022, incentivizing entrepreneurs to establish new distilleries or expand existing ones. These schemes provide an interest subvention, which is borne by the Government of India of 6% or 50% of the interest charged by banks/financial institutions for five years, whichever is lower, accompanied by a one-year moratorium. In a significant development in 2021, the schemes were expanded to encompass ethanol production from grain, further promoting the growth of ethanol production in the country.

Under the New Industrial Policy 2020 – 2025, the government has also introduced the Production Linked Incentive (PLI) scheme for automotive and auto component industry, specifically for flex fuel engine (capable of running ethanol 85 (E85) fuel) manufacturers, providing them with tax incentives. This move is expected to accelerate introduction of Flex Fuel vehicles in India, thus, growing the demand for ethanol in the country.

To further enhance the biofuel roadmap of India, Madhya Pradesh and Rajasthan government have come up with specific ethanol policies, providing incentive packages and subsidies of around Rs 1.5 per litre of ethanol produced for a period of 7-10 years.

The Government of Karnataka has been working hard towards increasing their ethanol adoption. While the central government has set up a target of 20% ethanol blending by 2025, Karnataka government is already undertaking trials for 85% ethanol blend for public busses in collaboration with private companies. The government is in talks with companies to use 100% ethanol and gradually phase out dependence on fossil fuels and has set a target of next 10 years, marking a significant stride toward cleaner and more sustainable energy sources.

As for the incentive amount, the Government of Karnataka has introduced a scheme where certain industries, including distilleries, receive an incentive of 1.75% of their gross revenue for actively participating in and supporting the state's economy and job creation initiatives. Under the Government of Karnataka's scheme, if a company has topline of ₹ 1,000 crore in a financial year, it would receive incentives benefitting it to the tune of ₹ 17.5 crore. TruAlt Bioenergy has been benefiting from subsidy, which is paid at the conclusion of each fiscal year, for a period of 10 years starting from Fiscal Year 2023.

In addition to the incentive for ethanol production, Karnataka holds a significant position as part of India's sugar belt. The state is a major player in sugar production, which provides a readily available feedstock for ethanol manufacturing. This advantageous position in the sugar industry further strengthens Karnataka's capacity to meet its ethanol production goals. The availability of ample sugarcane resources, combined with the incentive scheme, places Karnataka in a favourable position to not only support the state's ethanol initiatives but also boost its economy and contribute to the national ethanol production targets.

Stamp duty exemption

Central Board of Indirect Taxes and Customs (CBIC), in July 2022, has exempted the excise duty on 12% ethanol blended petrol and 15% ethanol blended petrol in order to support the ethanol production in the country.

Special incentives package approval for TruAlt Bioenergy's Ethanol Production

The Government of Karnataka has granted a special incentives package for TruAlt Bioenergy effective from May 2023, concerning their ethanol production plants, which have collectively been recognized as a Super Mega Enterprise under the Industrial Policy 2020-2025. The incentives include a five-year exemption or reimbursement of all kinds of applicable stamp duty and registration charges, in addition to other incentives in line with the New Industrial Policy 2020-2025.

Price setting and subsidy for Potash Derived from Molasses (PDM)

PDM, a potassium rich fertilizer derived from ash in molasses-based distilleries is a by-product of sugar-based ethanol industry. Distilleries produce a waste chemical called spent wash during the production of ethanol which

is burnt in an Incineration Boiler (IB) generating Ash to achieve Zero Liquid Discharge (ZLD). The potash-rich ash can be processed to produce PDM having 14.5% potash content and can be used by farmers in field as an alternative to MOP (Muriate of Potash with 60% potash content). Currently, potash as a fertilizer is totally imported in the form of MOP and the production of PDM domestically will reduce import dependency and will help in the government's efforts to make India self-reliant.

The Central Government has facilitated mutually agreed price of PDM at INR 4263/ MT for sale by sugar mills to fertilizer companies for the current year. In addition, PDM Manufacturers can also claim subsidy at INR 345/ Ton at present rates under Nutrients Based Subsidy Scheme (NBS) of Department of Fertilizers. The idea behind these efforts of the government is to facilitate long-term sale/ purchase agreement on PDM between sugar mills and fertilizer companies.

Interest cost subsidy for setting up ethanol plants

Interest Cost Subsidy for Setting-up Ethanol Plants. Under the 'scheme for extending financial assistance to sugar mills for augmentation of Ethanol production capacity', the Government of India extends soft loan to mills for setting up new distilleries/ expansion and installation of incineration boilers or installation of any method as approved by the Central Pollution Control Board for zero liquid discharge and interest cost subsidy on the loans to be extended by banks for five years including a one-year moratorium.

State wise ethanol project overview (As of June 2025)

State/UT	Molasses-Based		Dual Capacity		Grain-Based Capacity		Total Capacity	
	No. of Distilleries	Annual Capacity (In Cr. Ltrs)	No. of Distilleries	Annual Capacity (In Cr. Ltrs)	No. of Distilleries	Annual Capacity (In Cr. Ltrs)	No. of Distilleries	Annual Capacity (In Cr. Ltrs)
Andhra Pradesh	7	7	1	3	9	38	17	48
Assam	0	0	0	0	5	26	5	26
Bihar	8	18	0	0	14	70	22	88
Chhattisgarh	1	2	0	0	8	32	9	34
Gujarat	13	16	0	0	3	23	16	40
Haryana	3	6	1	2	18	73	22	82
Himachal Pradesh	0	0	0	0	3	16	3	16
Jharkhand	0	0	0	0	5	32	5	32
Karnataka	36	212	5	29	5	29	46	270
Madhya Pradesh	3	6	1	3	19	94	23	102
Maharashtra	134	310	2	15	32	71	168	396
Odisha	0	0	0	0	6	23	6	23
Punjab	3	5	1	10	23	115	27	130
Rajasthan	0	0	0	0	10	25	10	25

State/UT	Molasses-Based		Dual Capacity		Grain-Based Capacity		Total Capacity	
	No. of Distilleries	Annual Capacity (In Cr. Ltrs)	No. of Distilleries	Annual Capacity (In Cr. Ltrs)	No. of Distilleries	Annual Capacity (In Cr. Ltrs)	No. of Distilleries	Annual Capacity (In Cr. Ltrs)
Sikkim	0	0	0	0	1	2	1	2
Tamil Nadu	13	20	0	0	1	7	14	27
Telangana	2	2	2	6	8	42	12	50
Uttar Pradesh	55	207	8	60	15	64	78	331
Uttarakhand	2	5	1	7	3	30	6	42
West Bengal	0	0	0	0	7	50	7	50
Total	**280**	**816**	**22**	**135**	**195**	**862**	**497**	**1,814**

Source: National Government Sources

Use of multiple feedstocks for ethanol production

Earlier, the government only allowed sugarcane as a feedstock for ethanol production. Subsequently, in its Ethanol Blended Petrol Program (EBP) in 2020, it has allowed the use of surplus rice available with the Food Corporation of India (FCI) and maize respectively for blending with petrol. This was further extended to ethanol production from grains in 2021. Typically, dual-feed integration facilities operate for approximately 330 to 340 days per cycle compared to mono-feed facilities, which operate for around 250 to 300 days. In a further attempt to boost the sector, the government has fixed the price of surplus rice from the Food Corporation of India at INR 2,250 per quintal (INR 22.50 per kilogram) and has simplified the associated terms and conditions. This price has come down from INR 2,800 per quintal which was prevalent in the year past. The government is only extending this facility for sale of rice to ethanol distilleries for the purpose of producing ethanol with the FCI allocating the rice as per the quantity of ethanol allocated to distilleries in their contract with OMCs.

In case of shortage in supply of ethanol produced from maize/ other category of feedstock, as allotted during ESY 2024-25, the shortfall may be allotted to ethanol produced using FCI rice. Therefore, under the aforementioned, there are no restrictions on the quantity of FCI rice allocated for ethanol production. This flexibility allows grain-based distilleries to optimize their feedstock management throughout the year, which will significantly reduce inventory costs.

Pradhan Mantri JI-VAN Yojana

The government also approved the Pradhan Mantri JI-VAN Yojana in March 2019, which will support via viability gap funding 2G integrated bioethanol projects using lignocellulosic biomass and other renewable feedstock.

The objective of the scheme is to create an ecosystem for setting up commercial projects and boosting research and development of the 2G ethanol sector.

India is at the cusp of transforming to the 2nd Generation of Biofuel, due to recent government mandates and introduction of the policy “Pradhan Mantri JI-VAN (Jaiv Indhan- Vatavaran Anukool fasal awashesh Nivaran) Yojana” for funds providing an initial push to the 2G ethanol capacity in India and attract further investments in the sector. Under the scheme, financial support to twelve Integrated 2G Bio-ethanol Projects with a total financial outlay of Rs 1,969.5 crore for the period 2018-19 to 2023-24 has been provided.

Under the PM JI-VAN Yojana initiative, the program establishes a maximum financial aid of Rs. 150 crores for commercial projects and Rs. 15 crores for demonstration projects. This financial support aims to enhance the economic viability of projects and foster research and development in the realm of 2G ethanol production

technologies. Presently, the Indian government allows the export of ethanol for non-fuel purposes only for which one needs to have the appropriate licenses while produced 2G Ethanol cannot be exported, it will be necessarily supplied to OMCs and for that, proper connectivity is to be ensured before commissioning the project.

Within the framework of this scheme, a total of Rs. 880 crores have been sanctioned to both Public and Private Sector Oil Marketing Companies (OMCs) for six commercial Second Generation (2G) bio-ethanol projects in states like Punjab, Haryana, Odisha, Assam, and Karnataka. Additionally, two demonstration 2G ethanol projects, one in Haryana and another in Andhra Pradesh, have received approval. The Panipat (Haryana) commercial project has already been inaugurated, while projects in Bhatinda (Punjab), Bargarh (Odisha), and Numaligarh (Assam) are progressing well in their construction phases.

Apart from the financial assistance granted through the PM JI-VAN Yojana, various measures have been implemented to encourage the growth of 2G Ethanol Plants. These include introducing extra excise duty on non-blended fuels, ensuring a guaranteed offtake for 15 years to private stakeholders through Ethanol Purchase Agreements (EPA) signed by OMCs, diversifying the feedstock for 2G ethanol production, establishing a distinct price for 2G ethanol, reducing the GST rate to 5% on ethanol for the EBP Programme, and more.

In August 2024, to keep pace with the latest developments in the field of biofuels and to attract more investment, Government of India modified Pradhan Mantri JI-VAN Yojana. The modified scheme extends timeline for implementation of scheme by Five (05) year i.e. till 2028-29 and includes advanced biofuels produced from lignocellulosic feedstocks i.e. agricultural and forestry residues, industrial waste, synthesis (syn) gas, algae etc. in its scope. "Bolt on" plants and "Brownfield projects" would also now be eligible to leverage their experience and improve their viability.

To promote multiple technologies and multiple feedstocks, preference would now be given to project proposals with new technologies and innovations in the sector. The current scheme envisages setting up of about 12 commercial scale Advanced Biofuel Projects and about 10 demonstration scale Advanced Biofuel Projects based on non-food biomass feedstocks and other renewable feedstocks, this target will be achieved with a financial contribution of INR 1,969.50 crore from the Government. The broader idea is to promote new technologies and innovations in the sector.

The scheme aims to provide remunerative income to farmers for their agriculture residue, address environmental pollution, create local employment opportunities, and contribute to India's energy security and self-reliance. It also supports the development of advanced biofuel technologies and promotes the Make in India Mission. It also helps in achieving India's ambitious target for net-zero GHG emissions by 2070.

The Government of India's commitment to promoting advanced biofuels through the Pradhan Mantri JI-VAN Yojana reflects its dedication to a sustainable and self-reliant energy sector.

Classification of biofuels (generation-wise)

Generation	Biofuel characteristics
First	Produced from food crops such as maize, corn, sugar cane, and soybean into ethanol and biodiesel, using a similar process to that used in beer and winemaking
Second	Produced from non-food crops and organic agricultural waste, which contain cellulose
Third	Derived from algae; also known as green hydrocarbons
Fourth	Produce sustainable energy as well as capture and store CO_2 by converting biomass materials, which have absorbed CO_2 while growing, into fuel

Long-term ethanol procurement policy

Ethanol Blended Petrol (EBP) Programme is aimed at achieving multiple outcomes such as addressing environmental concerns, reducing import dependency and providing boost to agriculture sector. To increase indigenous production of ethanol, Government since 2014 took multiple interventions including, administered price mechanism, opening alternate route for ethanol production, amendment to Industries (Development and Regulation) Act, 1951 which legislates exclusive control of denatured ethanol by the Central Government, reduction in Goods and Service Tax (GST) from 18% to 5%, Notification of National Policy on Biofuels – 2018, increasing scope of raw material for ethanol procurement, interest subvention scheme for enhancement and augmentation of the ethanol production capacity and extension of EBP Programme to whole of India except islands of Andaman Nicobar and Lakshadweep w.e.f. 01st April, 2019.

It has been decided that the price of ethanol derived from damaged and surplus food grains has to be fixed by OMCs. Based on the estimated petrol demand for an OMC location and ethanol prices as fixed for an ESY, OMCs estimate the ethanol demand and float tender/Expression of Interest (EOI). The salient features of this annual

tender / EOI are as under:

- The tender is floated every year in the month of August-September for the upcoming ESY. This is followed by three cycles of three rounds each leading to quarter-wise allocation of ethanol quantities.
- Bidders quote the quantity of ethanol they wish to supply feedstock-wise, quarter-wise and location-wise.
- Allocation to successful bidders for a particular location of the OMC is done on the basis of economic linkages calculated as per the distance of the distillery / sugar mill to the OMC location.
- After mapping the ethanol quantity offers, from suppliers, with procurement demand of the OMC location, ethanol quantity gets allocated to the eligible suppliers.
- Legally binding contract is signed between the ethanol supplier and OMCs after collecting five percent of the purchase order amount as the Bank Guarantee (BG) amount.
- For ethanol manufactured from any new category of the product, DFPD issues the guidelines which form the basis for the competent authority in a State to certify the ethanol manufactured from that particular category.
- The main tender is followed by two to three EOI floated every two /three months to garner additional ethanol volumes and give chance to new entrants or capacity additions.
- There is a provision for raising the penalty under the Price Reduction Clause (PRC) of the tender document, if the supplies are less than 80% in a month or 95% in a quarter whichever is higher.

To summarize, annual ethanol procurement quantity (i.e. offtake assurance) is worked out by the OMCs along with ethanol procurement price derived from damaged and surplus food grains (if applicable), whereas, ethanol procurement price derived from sugarcane based raw materials is fixed by the Government taking into account sugar sector scenario. Government directs OMCs to accord prioritization of raw material for ethanol procurement, guidance on transportation rate (which is fixed by OMCs), payment of GST and other administrative requirements to take forward the EBP Programme.

Additionally, in order to simplify the procedure and facilitate the Ethanol production for blending into Petrol, the supply of surplus rice from the stocks of FCI for the production of ethanol was adopted. Permission to allow production of ethanol from surplus rice of FCI and maize was also given.

Ethanol blended petrol (EBP) programme

The Ethanol Blended Petrol (EBP) programme was launched in 2003, aiming to promote the use of environmentally friendly alternative fuels and reduce import dependency for energy requirements. Pilot programs were launched in 2001 at 3 locations i.e., at Miraj, Manmad (Maharashtra) and Bareilly (Uttar Pradesh), wherein 5% blended petrol was supplied to retail outlets. The success of the field trials paved way for the sale of 5% ethanol blended petrol in nine states and four UTs under EBP program 2003.

Under the EBP program, the government undertook several measures like re-introducing administered price mechanism, exploring alternate routes to ethanol production and differential pricing mechanism for ethanol products. The government also introduced several schemes to reduce the price of ethanol blended petrol like reduction in GST on ethanol for EBP and interest subvention scheme. Furthermore, the government has released long term procurement targets for ethanol.

In 2019, the targets were revised to selling 10% ethanol blended petrol by 2022 and 20% by 2030. However, the government achieved its 2022 stated targets and has taken several measures to prepone the existing target of 20% blending in 2030 to 2025.

Ethanol blending targets under EBP program *(in crore litre)*

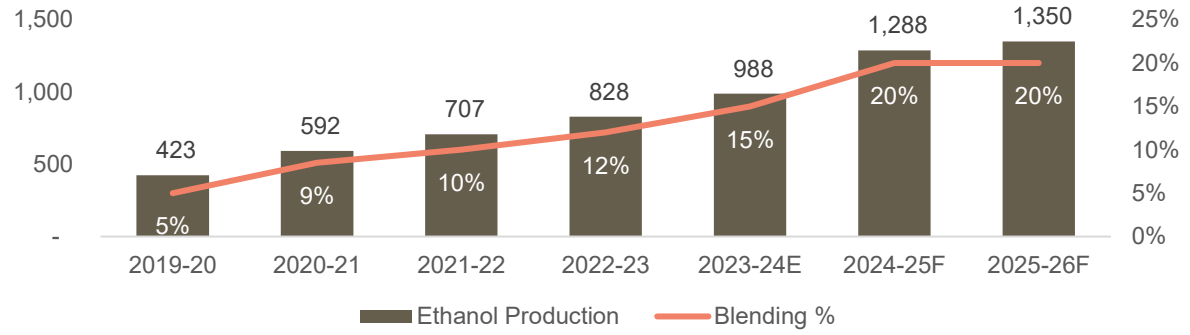
ESY	Ethanol in blending	Ethanol in other usage	Blending %	Total Ethanol
2019-20	173	250	5%	423
2020-21	332	260	9%	592
2021-22	437	270	10%	707
2022-23	548	280	12%	828
2023-24	698	290	15%	988
2024-25	988	300	20%	1288

ESY	Ethanol in blending	Ethanol in other usage	Blending %	Total Ethanol
2025-26F	1,016	334	20%	1,350

Source: Ministry of petroleum and natural gas

In addition to these efforts the Government is also using taxes and duties to encourage ethanol usage and boost the market for ethanol. For instance, an additional basic excise duty of INR 2/ litre is being levied on unblended petrol (not blended with ethanol or methanol) intended for retail sale with effect from 01 November 2022 showcasing the Government's commitment towards bringing ethanol to the forefront.

Ethanol production and blending targets trend (Fiscal 2020-Fiscal 2026)

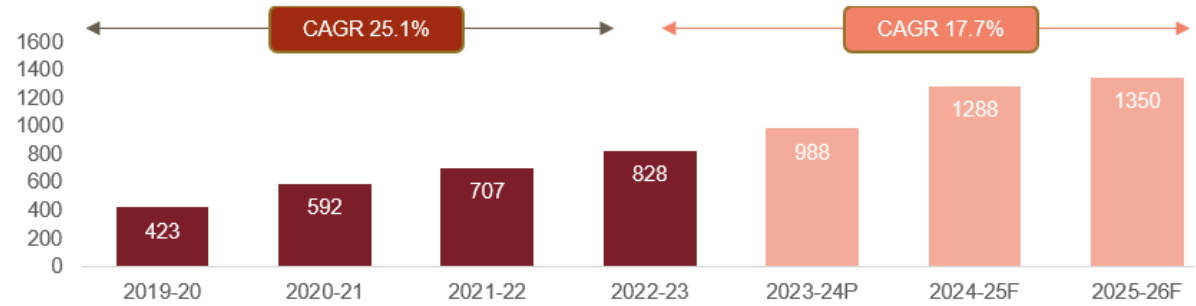


Source: Ministry of petroleum and natural gas
E: Estimated and F: Forecasted

India ethanol market

The government has been implementing ethanol-blended petrol (EBP) programme throughout the country except Union Territories of the Andaman Nicobar and Lakshadweep islands. As part of EBP, oil marketing companies (OMCs) sell petrol blended with an average 19.05% ethanol as of July 2025, which will be increased to 20.00% by ESY 2025-26. By ESY 2025-26, at 20% blending level, ethanol demand will increase to 1,016 crore litres. Therefore, the worth of the ethanol industry will jump by over 500% from around INR 9,000 crore to over INR 50,000 crore

India ethanol market demand and outlook (crore litre)

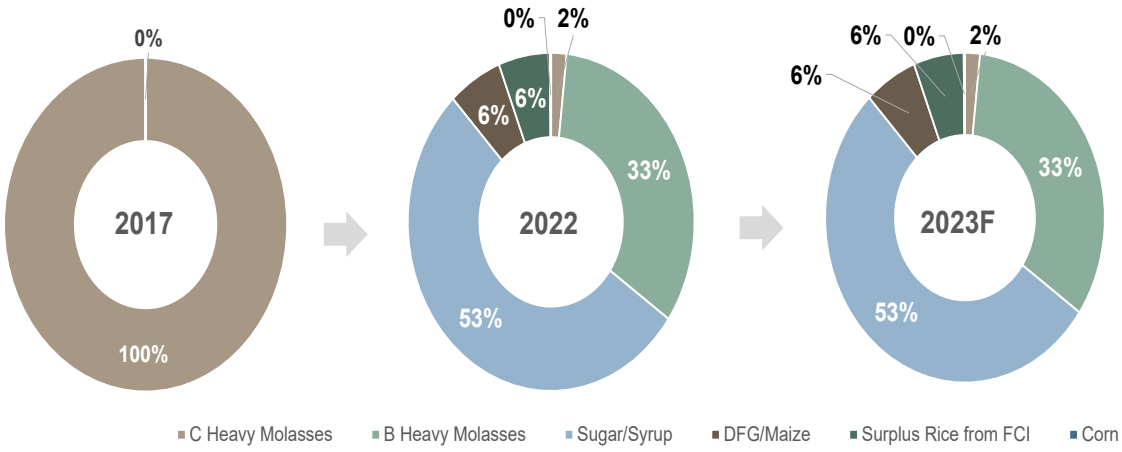


Source: NITI Aayog and ministry of petroleum and natural gas
P: Projected F: forecasted

Ethanol demand in India is expected to grow at a CAGR of 17.7% till Fiscal 2026. The Government has already begun planning for the future by exploring goals beyond the 20% blending target. Apart from the advancing of the 20% blending target to 2025 from 2030, the Government has also shifted focus towards second-generation ethanol which will further help the sector. The Government of India and certain State Governments have also included Ethanol projects under their priority sector lending criteria, which has encouraged banks to sanctions loans for Ethanol projects to achieve priority sector lending thresholds.

India ethanol market by source / feedstock

Ethanol percentage contribution from different Feedstock (2018-23P)



Source: Ministry of Petroleum and Natural Gas

F: Forecasted

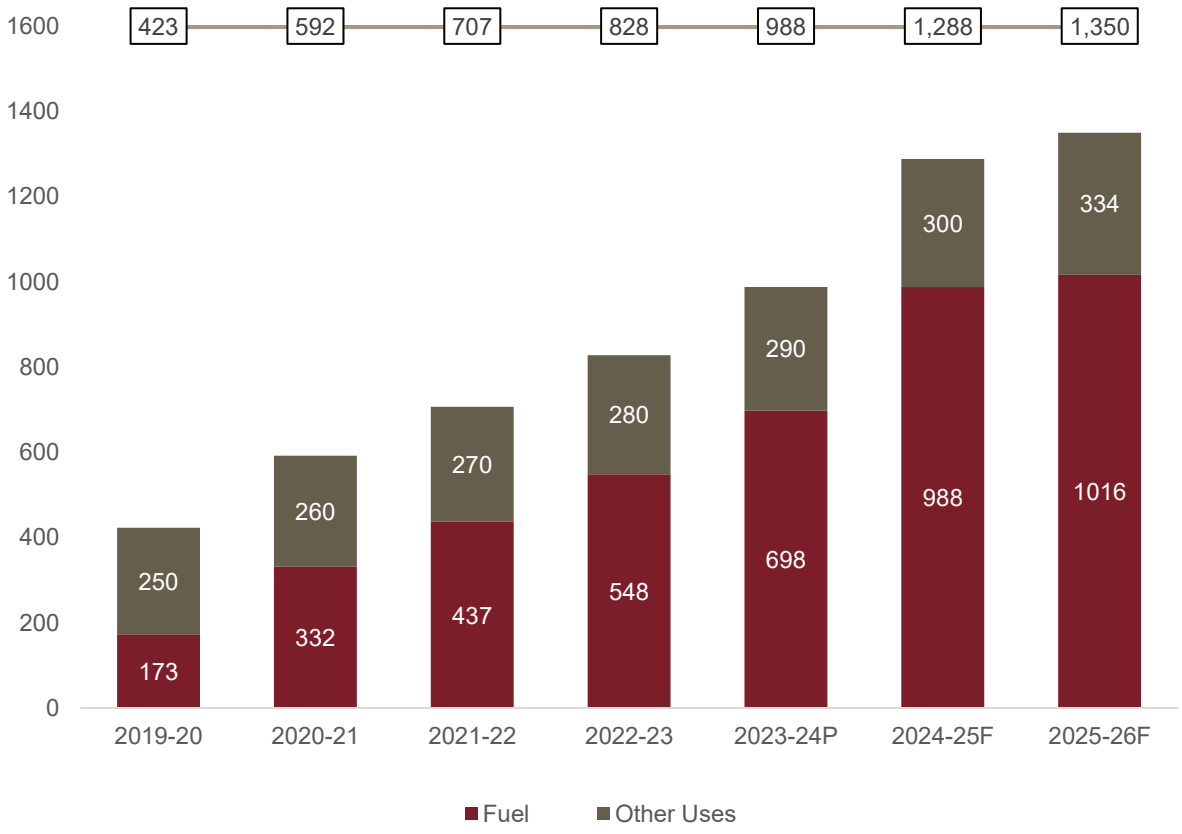
DFG; Damaged Food Grains; FCI: Food Corporation of India

During 2017, nearly all the ethanol was produced from C-Heavy Molasses. However, post implementation of the National Biofuel policy in 2018, industries started adopting B Heavy Molasses as the primary feedstock. Several alternatives to the feedstocks were identified, currently four feedstocks (sugar, molasses, damaged food grains, and maize) contribute to the production of ethanol in India. Over the years, sugarcane has become the most important source of biofuels.

India ethanol market by application

In Fiscal 2023, the overall Ethanol market, including Ethanol for diverse uses, is estimated to be at 828 crore litres and is anticipated to expand significantly, reaching 1,350 crore litres by the year 2026. This upward trajectory underscores the nation's robust commitment to increasing Ethanol utilization, higher blending targets under the EBP Program, potential utilisation of Ethanol as bio-diesel, for flex fuel vehicles, cooking fuel and SAF, reinforcing sustainable energy practices, and fostering a greener future. Keeping in line with the green theme, carbon dioxide may be captured while producing Ethanol is also being proposed to be used for producing methanol and calcium carbonate, which have multiple applications of their own.

Indian ethanol market share by application trend (in crore litre)



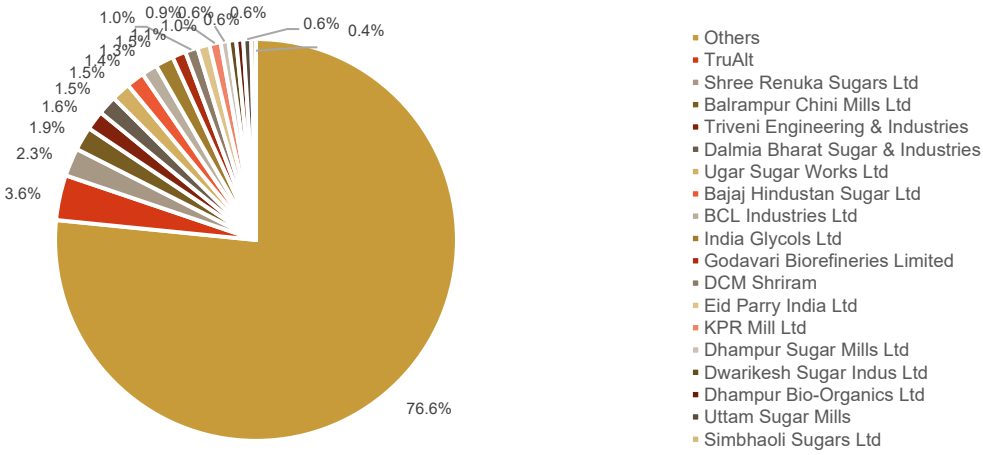
Source: NITI Aayog and ministry of petroleum and natural gas

Other usage of ethanol includes industrial solvents, pharmaceuticals and medical products, cosmetic and personal care, etc.

P: Projected F: forecasted

India ethanol market share by production capacity

Indian ethanol market share by installed production capacity (Fiscal 2025)

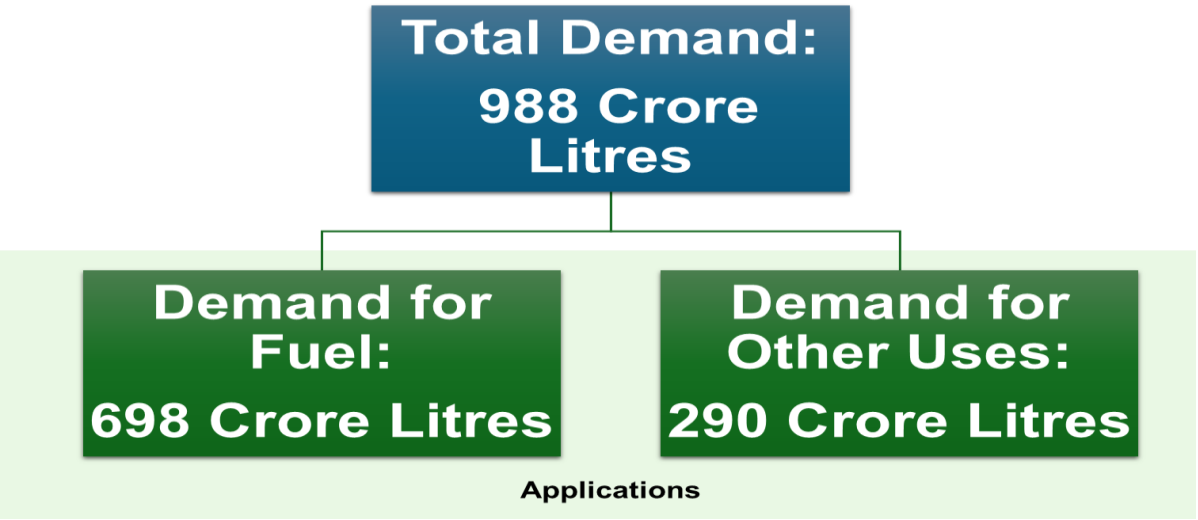


Source: Company annual reports

The India Ethanol market is characterized by a high degree of fragmentation, with numerous players contributing to its dynamic landscape. Among the leading players in this sector, TruAlt Bioenergy stands out with a highest market share of 3.6% by capacity during Fiscal 2025, driven by its robust capacity expansion. Shree Renuka Sugars Ltd follows closely, underlining the competitive nature of the market, while Balrampur Chini Mills Ltd also plays a significant role. This diversity not only ensures a broad range of options for consumers but also stimulates

innovation and the development of advanced technologies in ethanol production.

Indian ethanol market share by application overview



Source: Ministry of Petroleum and Natural Gas

Earlier, ethanol was majorly consumed in the development of industrial chemicals like ethylene, acetic acid, and ethyl acetate, however, after the initiation of blending programs by the government, ethanol is majorly used for fuel consumption. This trend is expected to continue and increase with the government setting 20% blending targets for 2025. Furthermore, the government is exploring alternative feedstock and 2G ethanol production standards to prevent the food vs fuel conflict. At the same time, demand for industrial ethanol is also likely to rise in coming years in tandem with the expansion of its domestic chemical and healthcare sectors.

India ethanol price by feedstock

The production of ethanol requires voluminous amounts of sugarcane juice, sugarcane syrup, and molasses as raw material. Raw material procurement and pricing is critical in the ethanol industry, where the price of ethanol is regulated by the Government of India through the purchase prices state OMCs pay for sourcing ethanol. End users of OMCs include retail fuel consumers.

In addition, owing to the seasonal variation in sugarcane supply, there is heavy fluctuation in the price at which ethanol producers are able to obtain sugarcane juice and molasses, although the Government of India sets floor prices for ethanol sourced from various feedstocks, as indicated below:

Feedstock procurement prices for ethanol in INR/ Litre

ESY (Dec-Nov)	Feedstock for ethanol production					
	Sugarcane juice/ syrup/ sugar	B-Heavy molasses	C-heavy molasses	Damaged foodgrains	Maize	Surplus rice
2018-19	59.19	52.43	43.46	47.13	Introduced from ESY 2020-21	
2019-20	59.48	54.27	43.75	50.36		
2020-21	62.65	57.61	45.69	51.55	51.55	56.87
2021-22	63.45	59.08	46.66	52.92	52.92	56.87
2021-22 (including relief w.e.f. 01 June 2022)	65.05	60.57	47.84	55.26	55.26	58.31

ESY (Dec-Nov)	Feedstock for ethanol production					
	Sugarcane juice/ syrup/ sugar	B-Heavy molasses	C-heavy molasses	Damaged foodgrains	Maize	Surplus rice
2022-23 (Dec to Oct)	65.61	60.73	49.41	64.00*	66.07*	58.50
2023-24 (Nov to Oct)	65.61	60.73	56.58**	64.00*	71.86**	58.50
2024-25 (Nov to Oct)	65.61	60.73	57.97	64.00	71.86	58.50

**OMCs have increased the incentive on Maize-based ethanol by 9.72 to Rs. 66.07 per litre and DFG-based ethanol by Rs. 8.46 to Rs. 64.00 per litre with effect from 07.08.2023*

***OMCs have increased the incentive on Maize-based ethanol from Rs. 66.07 to Rs. 71.86 per litre from 05.01.2024 and C-heavy molasses-based ethanol prices from Rs. 49.41 to Rs. 56.58 per litre for ESY 2023-24 (it has further increased to Rs. 57.97 per litre for ESY 2024-25*

Source: Department of Food and Public Distribution

After the production of feedstock, certain cost drivers are associated with the production and final price of the E100 fuel which include processing cost for OMCs which differs from distillery to distillery across the country. In October 2023, GST on molasses has been revised from 28% to 5%, which is beneficial to the industry as tax on raw material has been reduced significantly. There is no excise duty on the price to dealers on any type of ethanol for blending. Dealer commission is also fixed which is decided by the governments mandate. A VAT of 30% is levied on this price in Delhi which ultimately gets to the final price of E100 in the country.

Government has advanced the target of 20% ethanol blending in petrol from earlier 2030 to ESY 2025-26 and a "Roadmap for ethanol blending in India 2020-25" has been put in public domain. As a step in this direction, OMCs plan to achieve 18% blending during the ongoing ESY 2024-25. Other recent enablers include enhancement of ethanol distillation capacity to 1,814 crore litre per annum; Long Term Off-take Agreements (LTOAs) to set up Dedicated Ethanol Plants (DEPs) in ethanol deficit States; encourage conversion of single feed distilleries to multi feed; availability of E-100 and E-20 fuel; launch of flexi fuel vehicles etc. All these steps also add to ease of doing business and achieving the objectives of Atmanirbhar Bharat.

The Government has been promoting blending of ethanol in petrol under the Ethanol Blended Petrol (EBP) Programme wherein Public Sector Oil Marketing Companies (OMCs) sell ethanol blended with petrol. During the ongoing ESY 2024–25, OMCs have achieved an average ethanol blending of 19.05% as on 31.07.2025. In the month of July 2025, Ethanol blending of 19.93% has been achieved.

In order to ensure availability of feedstock for ethanol production to achieve 20% Ethanol blending target by the Ethanol Supply Year (ESY) 2025-26, the Government have taken several steps which inter-alia includes:

(i) Expansion of feedstock for Ethanol production as per the National Policy on Biofuels, as amended in 2022.
(ii) Development of Maize Cluster around ethanol plants by Department of Agriculture and Farmers Welfare (DAFW) and a Project by ICAR-Indian Institute of Maize Research (IIMR) titled "Enhancement of maize production in catchment areas of ethanol industries" to increase the production of maize in catchment area of grain-based distilleries.
(iii) Approval by Government for allocation of 52 Lakh Metric Tonne (LMT) of surplus Food Corporation of India (FCI) rice for ethanol production, each for the ESY 2024-25 (from 1st November 2024 to 31st October 2025) and ESY 2025-26 up to 30.06.2026.
(iv) Diversion of 40 LMT of sugar for ethanol production allowed for the ESY 2024-25.

Yield comparison of ethanol based on the type of feedstock

Ethanol yield based on feedstock

Feedstock	Quantity of ethanol per MT of feedstock	Realisation / MT of feedstock (Rs.)	Realisation per litres of Ethanol (RS/Litre)	ESY 24-25 (Rs/Litre)
Sugarcane	70 litres	3,446	49.2	65.61
Sugarcane Syrup (55 Brix)	290 litres	14,335	49.4	65.61
B-Heavy Molasses	298 litres	13,750	46.1	60.73
C-Heavy Molasses	255 litres	11,700	45.9	57.97
Damaged Foodgrains#	400 litres	28,000	70.0	64.00
Surplus Rice (FCI)	450 litres	22500	50	58.50
Corn (Maize)#	380 litres	23,500	61.8	71.86

Source: CRISIL MI&A consulting

Note: Price of sugarcane calculated at 10.5% sugar recovery. Price of surplus rice for total quantity not exceeding 1.2MT
#The rates vary from region to region and in accordance with demand/supply or quality.

While sugarcane, sugarcane syrup, and maize are high-yielding feedstocks for ethanol production; however, their broader acceptability may be challenged by the conflict of food vs fuel. This calls for the adoption of 2G ethanol feedstock to preserve food security of India. The Government has recently launched the "Innovation Roadmap of the Mission Integrated Biorefineries", standards for setting up 2G Ethanol refineries in the country. The mission aims at greater international collaboration and the need for increased financing for energy research, development, and demonstration during the next five years through public-private investment.

Sugarcane and Maize have been used for ethanol production in India and around the globe. However, with recent mandates of government allowing alternatives feedstock for ethanol production, allowing of rice from Fertilizer Corporation of India and damaged grains to be used for production. Rice, Sugarcane and Maize has the highest yield making them an optimum feedstock for ethanol production.

The 'off-season' for sugarcane crushing, between April to September, witnesses a steep increase in the price of molasses in the open market, in addition to reduced availability. During the off-season of sugar cane production, grain-based feedstock, such as corn or wheat, is harvested and processed at ethanol production facilities. The grains are milled to extract starch, which is then converted into fermentable sugars through enzymatic processes and fermented to produce ethanol. Distillation and dehydration steps separate and purify the ethanol, making it suitable for various applications. This strategic use of grain-based feedstock allows ethanol production to continue year-round, ensuring a consistent supply of bioethanol for fuel and industrial purposes while complementing the production cycle of sugar cane.

Note on 2nd generation ethanol

Studies indicate that Lignocellulosic surplus biomass availability in India is around 12-16 crore tons per annum. If exploited, this has potential to yield 2500 to 3000 crore litres of Ethanol per annum and has potential to reduce India's dependence on imported crude oil considerably. 2G Ethanol Biorefineries, apart from producing Cellulosic Ethanol, also produces Pellets (from surplus lignin); Biogas (which can be upgraded to bio-CNG); liquid CO2/ Dry Ice (for supplies to Poly Houses and Cold Storages, which would support Horticulture activity) and assured quality Compost (which will increase farm yields and reduce chemical fertilizer consumption). Thus 2nd Generation Bio-refineries would be integrated Bioenergy projects. A 100 KL per day plant can utilize 2 lakh tonne per annum of agricultural residue to generate around 3 crore litres of ethanol per annum, to put things into perspective, we have 8,00,000 MT available to utilise.

Burning of crop residues is also a health hazard in Northern India which is adversely affecting the environment by adding to GHG emissions. Similarly, Landfills and Municipal Solid waste also add to the Environment problems by causing Soil and water pollution. Setting up of these 2G Ethanol Biorefineries will also help in addressing the above issues and will aid in improving health of citizens. 2G Ethanol Biorefineries will also contribute to socio-economic development of rural India by providing remunerative income to farmers for their otherwise waste agriculture residues. It will also create a large number of direct and indirect jobs, in the Biomass Supply Chain and Bio Refinery. 2G Ethanol Biorefineries also present significant potential to manufacture high value by-products such as Furfural, Xylitol, L-Arabinose, high fructose syrup etc. which may increase profitability in the processes involved.

Growing awareness and adoption of biofuels in the domestic market present significant opportunities for 2G ethanol producers to cater to local fuel requirements. The aviation sector is increasingly looking towards SAF to reduce its carbon footprint. 2G ethanol can be a key component in the production of SAF, opening up new avenues for market growth and collaboration with the aviation industry. This can be seen in reality as well, as on January 2025, 17,400 PSU outlets are dispensing E20 Ethanol Blended MS. The government has also said that by 2025 the entire country will have special fuel stations retailing E20 petrol, drawing confidence from the faster rollout of such fuel stations.

Additionally, 2G ethanol can be used as an additive to enhance the performance of conventional fuels. It helps in reducing emissions and improving fuel efficiency in internal combustion engines, making it an attractive option for the automotive industry. Utilizing 2G ethanol for electricity generation provides a renewable and sustainable alternative to fossil fuels. This application contributes to energy security and grid stability, supporting the transition to greener energy sources.

Furthermore, 2G ethanol serves as a valuable feedstock for the production of bioplastics and biochemicals. This supports the shift towards environmentally friendly and sustainable manufacturing practices, reducing the reliance on petroleum-based products. The production process of 2G ethanol generates high-value by-products such as furfural, xylitol, L-arabinose, and high fructose syrup. These by-products offer additional revenue streams and enhance the economic viability of 2G ethanol plants, contributing to a more sustainable and profitable bioeconomy. The government has taken note of the same and has been working towards boosting the viability of 2G ethanol in India through schemes such as the PM JI-VAN Yojana.

Prospective Product Applications

- As a fuel additive, 2G Ethanol improves combustion efficiency, boosts octane ratings, and lowers emissions, making it a valuable component in cleaner gasoline formulations.
- For electricity generation, 2G Ethanol offers a renewable power source that can be utilized in power plants and cogeneration systems, providing both electricity and heat efficiently.
- In the realm of bioplastics and biochemicals, 2G Ethanol acts as a sustainable feedstock, reducing reliance on petroleum-based products. It facilitates the production of biodegradable polymers for packaging, agriculture, and medical applications, and supports green chemistry initiatives by contributing to the synthesis of environmentally friendly products.
- 2G Ethanol can be converted into high-value by-products such as furfural, xylitol, L-arabinose, and high fructose syrup, each finding significant applications in bio-based chemicals, food, and pharmaceutical industries.
- 2G Ethanol further can be applied to produce elastomers, specialty fuels and SAF molecules. The production of MVL from 2G Ethanol opens avenues in biotechnology and pharmaceuticals, serving as a precursor for isoprenoids and cholesterol synthesis. This versatility extends to advanced materials and specialty chemicals. Beyond these applications, 2G Ethanol can be transformed into bio-based elastomers for tires and industrial uses, specialty fuels meeting specific performance criteria, and SAF, contributing to the aviation industry's efforts to reduce its carbon footprint. Overall, the diverse applications of 2G Ethanol underscore its importance in fostering a more sustainable and eco-friendly future.

Molecular grade ethanol

Molecular grade ethanol refers to a highly purified form of ethanol which is specifically refined to meet stringent standards for use in laboratory and scientific applications. It typically possesses a purity level exceeding 99%, with minimal impurities such as water, denaturants, or other contaminants. This exceptional purity ensures that molecular grade ethanol provides consistent and reliable results in various scientific processes, including molecular biology, biochemistry, pharmaceutical research, and analytical chemistry.

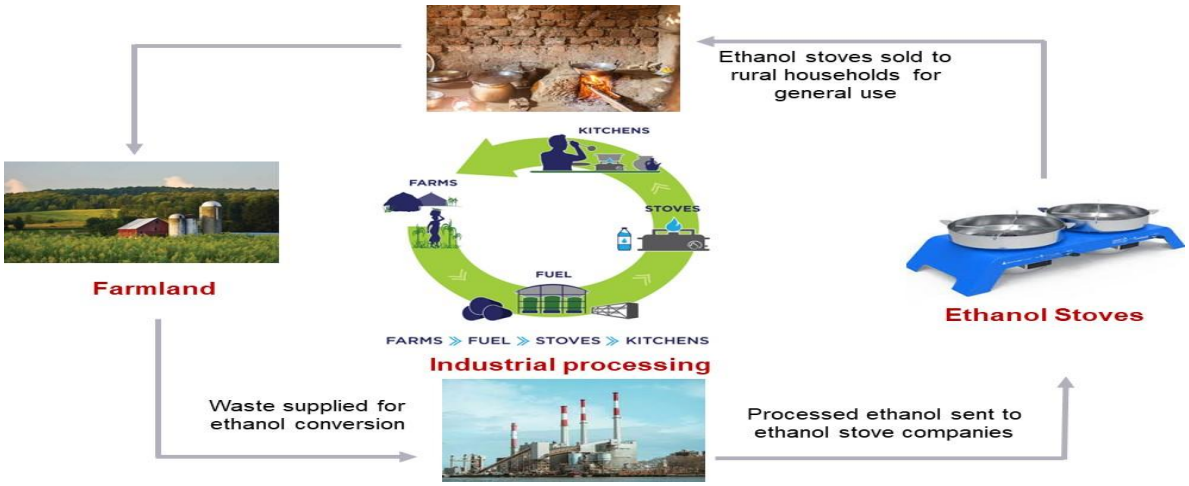
The market for molecular grade ethanol exhibits significant potential, driven by increasing demand across multiple sectors. Research and development activities, particularly in biotechnology, molecular biology, and pharmaceuticals, are major contributors to the market's growth. Additionally, the healthcare industry relies on molecular grade ethanol for its antiseptic and disinfectant properties, further augmenting market demand. Moreover, the cosmetics and personal care sector increasingly values high-purity ingredients, creating additional avenues for market expansion.

Use of Ethanol as a cooking fuel

Ethanol burns with a slow, steady, and slightly visible flame. It is required to be stored in closed containers due to its combustible nature and increased evaporation speed. Special care needs to be taken in households to fully extinguish the flame while filling ethanol stoves.

Recently, HPCL, one of the biggest oil companies of India, has partnered with IIT Guwahati, to develop ethanol cooking stove which is expected to see a pilot soon. HPCL also plans to launch ethanol ATMs for users to procure ethanol canisters for the ethanol stove. Several African nations like Ethiopia, Nigeria, Kenya, Mozambique, Madagascar, etc. are either using or exploring the use of ethanol as a cooking fuel to diversify their options and prevent issues in times of supply disruptions or price increases.

Ethanol used as a cooking fuel



Source: Project Gaia and CRISIL MI&A consulting

Distiller's Dried Grains with Solubles (DDGS)

Distillers' dried grains with solubles (DDGS) are a significant by-product of the ethanol production process, particularly from starch-rich grains like corn, wheat, or barley. Following fermentation, which converts grains into ethanol, the resulting residues are transformed into distiller's dried grains (DDG). Through subsequent drying procedures and the reintegration of liquid solubles, DDGS is formed, offering enhanced protein and energy content compared to DDG alone. The market for DDGS has seen heightened supply as a result of increased grain-based ethanol distilleries from Maize DDGS and Rice DDGS, both standing at a current price of Rs.16,000 per MT as of first week of June 2025.

Functioning as a pivotal protein source within animal feed formulations, DDGS serves as an economically viable alternative to conventional protein supplements like soybean meal. However, there is an opportunity to improve its digestibility, thus, increasing its value. Further processing can enhance DDGS digestibility from approximately 50% to over 70%, yielding a high-value product suitable for fisheries and poultry industries. Additionally, refinement can yield High Protein DDGS, elevating its protein content from around 45% to over 60%.

While DDGS is primarily utilized in cattle feed, rice protein can be used for human consumption. Rice protein is a premium grade product and its high value in the market makes it an attractive commodity. Establishing rice protein production alongside grain-based distillery operations, where rice serves as a feedstock, presents a promising opportunity.

Mevalonolactone (MVL)

Mevalonolactone, a chemical compound derived from mevalonic acid, finds various applications particularly in the pharmaceutical and biochemical industries. It serves as a precursor in synthesis of essential compounds like cholesterol, which is crucial for cellular function and hormone production. In pharmaceuticals, mevalonolactone is integral to the manufacturing of statins, a class of drugs used to lower cholesterol levels. Additionally, its role extends to research and development in biochemical studies, contributing to advancements in understanding metabolic pathways and drug discovery. Its versatile applications underscore its significance in both industrial and scientific areas.

It is possible to synthesize mevalonolactone from ethanol, though not directly. The process involves several biochemical steps using engineered microorganisms or chemical synthesis routes. These methods leverage ethanol as a starting material taking advantage of its availability and relatively low cost to produce more complex and valuable bio-compounds like mevalonolactone. Advances in metabolic engineering and synthetic biology continue to improve the efficiency of these conversion processes.

Extra-Neutral Alcohol (ENA)

ENA is the primary raw material in the production of alcoholic beverages. The production process of ENA is similar to ethanol and requires the same raw materials, but the cost of production of ENA is typically slightly lower than ethanol although the selling price may be higher.

ENA is subject to price volatility and unavailability caused by external conditions such as government interventions like allocation for fuel blending, commodity price fluctuations within India and globally, weather conditions, supply and demand dynamics, logistics and processing costs, inflation and governmental regulations and policies. Further, companies are required to pay import duty when they procure ENA from states other than those where their facilities are located. This could lead to reduced demand for ENA from companies based in states outside Karnataka.

Further, the unavailability of raw materials such as sugarcane for ENA production can also be caused by other conditions, such as pandemics, seasonality, inflation and general economic and political conditions, civil disruptions in the region, or changes in the policies of the state or local government of the region or the Government of India, including restrictions by the relevant state government on selling of ENA outside that particular state. Other seasonal factors such as irrigation, area of sugarcane production, and amount of rainfall also play a role in determining the quantity and quality of sugarcane produce.

India ethanol capacity overview and outlook

Existing ethanol capacity in India

The Annual Production capacity in India of Ethanol has been constantly rising due to a number of factors, including not limited to, amendments in EBP program, rising adoption of Ethanol Blending in India, changes in pricing mechanism, and experimentation of new feedstock. India's ethanol capacity has jumped more than four times in the last 11 years reach 1,814 crore litres annually (this has surged from 410 crore litres in 2013) with the help of favourable policy initiatives. Of the 1,814 crore litres of installed capacity, 816 crore litres is molasses based, 136 crore litres is dual feed capacity while the remaining 858 crore litres is grain-based capacity. With an enhanced installed production capacity, the blending of ethanol with petrol has surged to 19.93% in July 2025 from 1.53% in 2013, leading to huge savings in foreign exchange of more than INR 1.10 lakh crore as well as benefits to sugarcane and food grain farmers.

During the last 11 years, the total revenue generated by sugar distilleries/ mills has been around INR 2 lakh crore (this figure includes grain-based distilleries). Of this figure, INR 1.22 lakh crore has been generated by sugarcane-based distilleries alone.

Ethanol capacity required to achieve blending targets and beyond

Government has notified Pradhan Mantri JI-VAN (Jaiv Indhan - Vatavaran Anukool fasal awashesh Nivaran) Yojana for promoting Second Generation (2G) ethanol production from cellulosic and lignocellulosic biomass including petrochemical route in the country by providing financial support for setting up 2G ethanol bio-refineries. Oil CPSEs are setting up 2G ethanol bio-refineries in the country at Panipat (Haryana), Bathinda (Punjab), Numaligarh (Assam), Bargarh (Odisha) and one demonstration project at Panipat. This upward trajectory underscores the India's robust commitment to increasing ethanol utilization, reinforcing sustainable energy practices, and fostering a greener future. India aims to take ethanol blending percentage beyond 20% to augment the benefits being received at present. This will require further increases in the ethanol capacity of India which presents a massive opportunity for players operating in the ethanol industry.

India biofuel dispensing stations

As of February 2025, India has made substantial progress in achieving its ethanol blending target, reaching a blending rate of approximately 18%. This accomplishment is a significant stride toward the national objective of achieving a 20% ethanol blending target by 2025. Furthermore, as of January 2025 the total number of Ethanol fuel dispensing stations across the country dispensing E20 fuel has surged to about 17,400 outlets and E100 is dispensed at over 400 retail outlets. India is closer to achieving the target of 20% Ethanol blending by 2025-26 and this highlights the growing infrastructure to support Ethanol-blended fuels while marking a significant milestone in the country's transition towards more environmentally conscious fuelling options.

In addition to E85 ethanol, another notable ethanol blend gaining traction in India is E93. This advanced fuel technology offers a blend containing approximately 93% ethanol and 7% gasoline. Upcoming vehicles equipped with E93 ethanol flex fuel technology, such as the Toyota Innova, signify a growing trend towards sustainable fuel options in the automotive industry. Additionally, TVS has already made strides in this direction by launching the Apache RTE 200Fi E100 in 2019, which utilizes E93 ethanol as a primary fuel source.

Tata Motors has said that it will be adding the flex fuel variant of the Punch. The Punch flex fuel was showcased at the recently concluded Auto Expo 2025. Additionally, Suzuki Motor Corporation (SMC), parent company of

Maruti Suzuki, recently released its new mid-term management plan where the Japanese auto giant curbed its EV ambitions. Instead, Suzuki will be working on introducing more hybrids and flex-fuel models in the future. Hyundai has also increased its interest towards this segment by showcasing the Flex Fuel variant of its popular model Creta which will be 100% compatible ethanol. Honda Motors has also been active in this segment with all Honda cars manufactured in India since 1 Jan 2009 being E20 Material Compatible, i.e., customers can use the E20 fuel in their existing Honda cars without the need of changing any part in their cars.

Historically, the blending of ethanol and petrol was completed by the OMC. However, current dynamics for E93 fuel may lead to ethanol and motor spirits (MS) blending at the distilleries. During the last 10 years these ethanol blending initiatives have enhanced farmer incomes, increased rural employment, reduced CO2 emissions equivalent to planting 1.75 crore trees and resulted in savings of Rs 85,000 crore worth of foreign exchange.

In other major developments in this space, the Indian government approved the Review of Guidelines for Granting Authorization to market Transportation Fuels. This marks a major reform of the guidelines for marketing of petrol and diesel. The policy for granting authorization to market transportation fuels had not undergone any changes for the last 22 years since 2002. It has now been revised to bring it in line with the changing market dynamics and with a view to encourage investment from private players, including foreign players, in this sector. The new Policy will give a fillip to 'Ease of Doing Business', with transparent policy guidelines. It will boost direct and indirect employment in the sector. Setting up of more retail outlets (ROs) will result in better competition and better services for consumers.

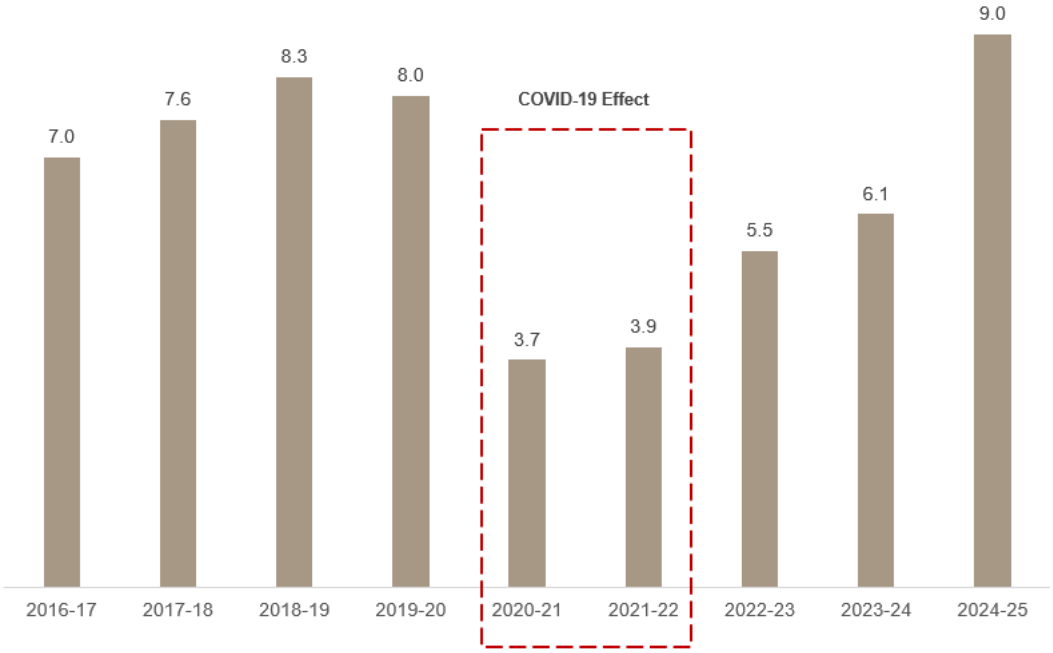
Salient features and major impact of the revision

- Much lower entry barrier for private players, the entities seeking authorisation would need to have a minimum net worth of Rs.250 crore vis-à-vis the current requirement of Rs. 2000 crore prior investment.
- Non – Oil Companies can also invest in the retail sector. Requirement of prior investment in Oil and Gas Sector, mainly in exploration and production, refining, pipelines/terminals etc., has been done away with.
- The entities seeking market authorisation for petrol and diesel are allowed to apply for retail and bulk authorisation separately or both.
- The companies have been given flexibility in setting up a Joint Venture or Subsidiary for market authorisation.
- In addition to conventional fuels, the authorized entities are required to install facilities for marketing at least one new generation alternate fuel, like CNG, LNG, biofuels, electric charging, etc. at their proposed retail outlets within 3 years of operationalization of the said outlet.
- More private players, including foreign players, are expected to invest in retail fuel marketing leading to better competition and better services for consumers.
- The new entities will bring in latest technology for marketing of fuels and also encourage digital payments at the ROs.
- Entities will also encourage employment of women and ex-servicemen at the retail outlets.
- The authorised entities are required to set up minimum 5% of the total retail outlets in the notified remote areas within 5 years of grant of authorisation. A robust monitoring mechanism has been set up to monitor this obligation.
- An individual may be allowed to obtain dealership of more than one marketing company in case of open dealerships of PSU OMCs but at different sites.

Sustainable Aviation Fuel (SAF)

Scope for SAF in India and government mandate's towards SAF

Consumption trend of ATF in India, 2017-2025 (MMT)



Source: PPAC

India's consumption of ATF has seen a robust increase in consumption as the Indian middle class takes to the skies with an increasing disposable income. ATF consumption saw a sharp decline in 2020-21 as air travel became severely restricted due to restrictions imposed on account of the COVID-19 pandemic, however, the demand has since recovered and has reached and even exceeded pre-pandemic levels. As per IBEF estimates, with India's population nearing 1.4 billion, it will be home to the fastest-growing air passenger market in the world, driven by infrastructure developments and expected passenger numbers rising annually from 158 million in 2017 to an estimated 572 million by 2037, largely due to the expanding middle-class demographic. India was among the top 5 developing countries in aviation emissions as per a study conducted by the Norwegian University of Science and Technology, this necessitates the need to decarbonize the sector. Environmental imperatives are driving the aviation industry towards sustainable alternatives. Stringent global regulations and sustainability goals are pressuring airlines to reduce their carbon emissions. As a result, there is an increasing demand for SAF, which can be blended with traditional fuels to help airlines meet these targets.

Currently, the SAF market in India is in nascent stages. A lot of companies are researching and developing aircraft for SAF. On May 2023, Air Asia tested its flight between Pune and Delhi completely on SAF, produced using indigenous feedstock. As per government targets, India is looking to achieve a 1% blending rate for SAF by 2027 and 2% by 2028 both for international flights initially which will translate to around 14 crore litres. Airbus CEO has also confirmed the firm's effort to stimulate changes needed to transform India into a SAF marketplace.

There are several reasons for SAF to become a mainstay of India's aviation sector, the foremost being India's abundance of feedstock potential. India takes pride in its wealth of biomass resources, which are crucial for the production of SAF. These resources include a variety of agricultural residues and waste products that are abundant and sustainable. Key biomass feedstocks include agricultural residues, bagasse, non-edible oils, forest residues, and municipal solid waste.

This abundance provides a strong foundation for developing a sustainable SAF industry. By investing in infrastructure, technology, and sustainable practices, India can build a robust supply chain that supports scalable SAF production. This not only enhances India's role in the global biofuels market but also contributes to economic growth, energy security, and environmental sustainability. This will help India's rapidly growing aviation industry adhere to sustainability goals and help India achieve its net-zero targets.

As per the International Air Transport Association (IATA), globally, the cost to the industry of achieving its 2050 Net Zero CO2 ambition is estimated to be in the order of USD 4.7 trillion or USD 174 billion per year on average. Additionally, further capital investment needed for energy transition is estimated between USD 3.8 and USD 8.1 trillion. A key lever for this transition is the production and use of SAF where some 3,000-6,600 new production facilities likely to be required globally. With approximately 10% of the global bio-feedstock available for SAF production, India has substantial opportunity for developing its SAF production ecosystem, with potential to produce approximately 40 million tonnes of SAF annually by 2050. India can become a global hub for SAF which can in turn revolutionize its rural economy. Public investment and fiscal incentives along with broader initiatives to help create a supportive operating environment will play an important role in catalysing development of the SAF ecosystem.

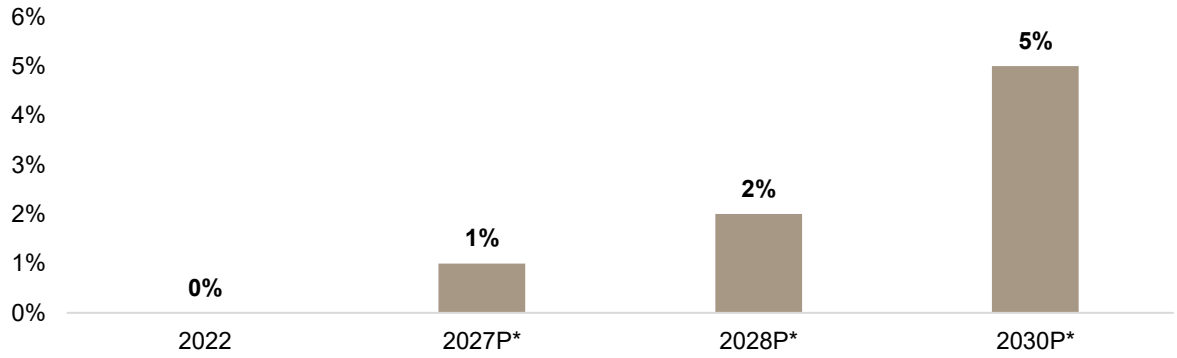
The Indian government is also committed to playing a leading role in the biofuels sector, as evidenced by its initiative to launch the Global Biofuels Alliance. This commitment is part of India's broader mission to reduce carbon emissions and promote sustainable energy. With a strong dedication to environmental sustainability, India is taking significant steps to integrate biofuels into its energy mix.

To support this transition, the Indian government has introduced several supportive policies aimed at encouraging the production and adoption of biofuels, and for Sustainable Aviation Fuel (SAF), it will be no different. The industry is optimistic that the policy framework will be designed to create a conducive environment for SAF adoption, positioning India as a key player. SAF also gives India export opportunities if it utilises its geographical advantages. Countries like the United Arab Emirates and Singapore face significant geographical limitations that hinder their ability to produce SAF on a large scale. Their limited agricultural land and natural resources constrain their capacity to cultivate the necessary feedstocks for biofuel production. This presents a unique opportunity for India to step in and lead the way in the SAF sector. By capitalizing on this opportunity, India can drive economic growth, promote environmental sustainability, and set international standards for the future of aviation fuel, this will also enable India to strengthen its political influence on the international stage.

Lastly, the development of a SAF industry presents significant economic growth and investment potential for India. The SAF industry can generate substantial employment opportunities across various sectors, including agriculture, research and development, manufacturing, and logistics. This can lead to the creation of thousands of new jobs. Promoting biofuel crops can spur rural development by providing farmers with additional revenue streams.

The promising SAF sector can attract significant investments from domestic and international players, including agricultural businesses, energy companies, and manufacturing firms. These investments can drive technological advancements and increase production capacity.

India SAF blending percentage over the years



Source: Press Information Bureau

**For international flights initially*

P: Projected

During 2022, several domestic airlines in India, including Indigo, Air India, Air Asia India, and Vistara, entered into agreements with the Council of Scientific and Industrial Research–Indian Institute of Petroleum. The aim of these collaborations was to jointly work on the development of SAF blends.

Furthermore, Indian Oil Corporation Limited (IOCL) is actively engaged in the establishment of a SAF plant at the Panipat refinery in Haryana. This endeavour involves an investment of $122 million (INR 1000 crore). IOCL's ambition is to produce an annual output of 88,000 MT of SAF, which would constitute 2% of the total ethanol production by the year 2030. IOCL has also announced plans to accelerate the adoption of SAF. The company aims to achieve at least 1% SAF blending in jet fuel by July-September 2025, surpassing the government’s target of 2027.

In a groundbreaking move for India's clean energy ambitions, BPCL announced its plans to establish the country's first major SAF production facility by 2027, BPCL is expected to invest USD 1.6 billion towards its SAF efforts in the aforementioned plant and beyond.

HPCL has recently partnered up with Boeing help advance India’s SAF ecosystem and support the Indian Government’s environmental goals. They will explore opportunities to scale SAF production in India, support the certification of domestically produced SAF, and advocate for policies to develop a robust SAF ecosystem in the country. They will also collaborate to implement sustainability standards and practices across the entire SAF supply chain, explore opportunities for training programs, and share leading practices with SAF

In 2018, SpiceJet, an Indian airline, achieved a significant milestone by operating a fully biofuel-powered flight.

The historic flight utilized a blend of Jatropha and sugarcane-based biofuels, demonstrating the airline's commitment to reducing its carbon footprint and promoting sustainable aviation practices in India.

Product Applications (Present and Prospective)

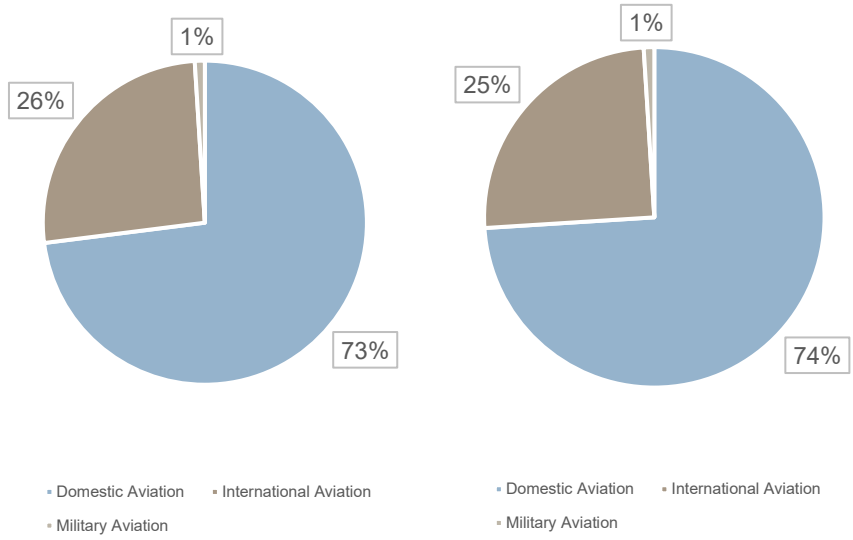
Present Applications	Prospective Applications
SAF is a lower-carbon alternative to normal jet fuel that can be used to fuel existing aircraft without making significant modifications to the aircraft and its engines.	Bio-naphtha is currently used for two major downstream applications - fuel blending and bioplastics production - in major markets such as Europe
Several airlines around the globe have started using SAF blends in their commercial flights as part of their sustainability initiatives.	Biodiesel is used in conjunction with the petroleum-based diesel, i.e., biodiesel is blended with the petro-diesel in different proportions depending on the availability of biodiesel as well as its costing, the engines or equipment in which the blend is to be used as fuel, and the desired performance.

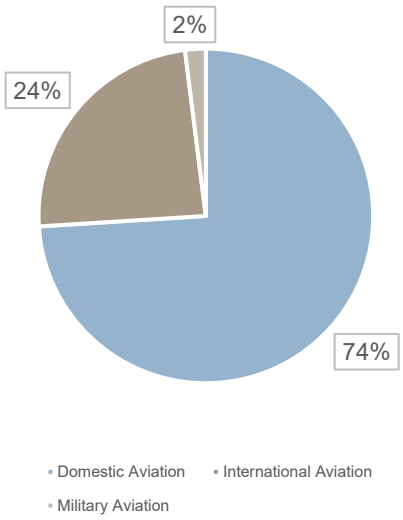
Regulations governing SAF

Blending mandate for SAF

The Centre has set an indicative target of 1% for blending sustainable aviation fuel (SAF) with conventional jet fuel for all international flights by 2027, marking a major step towards reducing carbon emission. This is expected to double to 2% by 2028 and become 5% by 2030, according to an order issued by the ministry of petroleum and natural gas.

Sector-wise ATF consumption for Fiscal 2025 (9.0 MMT), Fiscal 2024 (8.2 MMT), and Fiscal 2023 (7.4 MMT) respectively





Source: PPAC

The Ministry estimates that with the target being set at 5% SAF blend, India would potentially require around 700 million litres (70 crore litres) of SAF per annum which creates a robust market demand for SAF in the country and provides ample offtake avenues for the players that will operate in the sector.

Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)

CORSIA is the first global market-based measure for any sector and represents a cooperative approach that moves away from a "patchwork" of national or regional regulatory initiatives. It offers a harmonized way to reduce emissions from international aviation, minimizing market distortion, while respecting the special circumstances and respective capabilities of ICAO (International Civil Aviation Organization) Member States.

CORSIA complements the other elements of the basket of measures by offsetting the amount of CO2 emissions that cannot be reduced through the use of technological improvements, operational improvements, and sustainable aviation fuels with emissions units from the carbon market.

CORSIA is implemented in three phases: a pilot phase (2021-2023), a first phase (2024-2026), and a second phase (2027-2035). For the first two phases (2021-2026), participation is voluntary. From 2027 onwards, participation will be determined based on 2018 RTK data. As of 1 January 2023, 115 States had announced their intention to participate in CORSIA. 11 more States announced their intention to participate in CORSIA from 1 January 2024, bringing the total number of participating States to 126.

Under CORSIA, airlines are entitled to claim emissions reductions from fuels that meet defined sustainability criteria and are certified by an approved certification scheme. These "CORSIA eligible fuels" (CEF) include SAF, which are renewable or waste-derived fuels, as well as LCAF, which are fossil-based fuels.

Additionally, to meet CORSIA's sustainability criteria, a specific CEF needs to achieve net greenhouse gas emission reductions of at least 10% compared to conventional jet fuel on a life cycle basis. Furthermore, a CORSIA eligible fuel must not be made from biomass obtained from land with high carbon stock. Additional sustainability criteria applicable for CORSIA eligible SAF from certified fuel producers on or after 1 January 2024 were recently adopted by the ICAO Council, considering broader social and environmental impacts in addition to carbon reduction.

It is expected that from 2027; all international flights will be subject to offsetting requirements under the mandatory stage of the Carbon Offsetting and Reduction Scheme for International Aviation. The Indian Government has also announced a 1% SAF indicative blending target for 2027.

CORSIA Explained

Pre-Inception Phase (2019-2020)	Pilot Phase (2021-2023)	First Phase ((2024-2026)	Second Phase (2027-2035)
Monitoring, reporting, and verification to set the baseline	**Voluntary** – States are volunteering to be part of the Scheme from	**Voluntary** – States are volunteering to be part of the Scheme from	**Mandatory** – With exemptions for: Small islands, Least Developed Countries, Land-locked

	2021 (More States are encouraged to volunteer) *Operators flying routes between volunteering States will offset emissions based on the average CO2 growth of the aviation sector*	2021 (More States are encouraged to volunteer) *Operators flying routes between volunteering States will offset emissions based on the average CO2 growth of the aviation sector*	Developing Countries, and States which have less than 0.5% of air traffic (Although they can still volunteer) 1. ***2027-2029:*** *Operators will offset based on average CO2 growth of the sector.* 2. ***2030-2032:*** *Offset obligations shift to include over 20% of individual operator growth* 3. ***2033-2035:*** *Offset obligations shift to be over 70% based on individual operator growth*
OVER 80% OF THE GROWTH IN AIR TRAFFIC CO2 AFTER 2020 WILL BE OFFSET			

Source: Aviation – Benefits Beyond Borders

European Union's Emissions Trading System (EU ETS)

CO2 emissions from aviation have been included in the European Union's Emissions Trading System (EU ETS) since 2012. Under the EU ETS, all airlines operating in Europe, European and non-European alike, are required to monitor, report, and verify (MRV) their emissions, and to surrender allowances against those emissions. They receive tradeable allowances covering a certain level of emissions from their flights per year.

SAF under EU ETS are considered to have zero emissions and are exempt from the obligation to surrender CO2 allowances, if they are certified as compliant with the European Union's Renewable Energy Directive (EU RED). To provide a further incentive to airlines, between 2024 and 2030, 20 million ETS allowances will be made available to airlines for the use of SAF to bridge the price difference between the use of fossil fuels and SAF.

Iso-Butanol

Production process of iso-butanol

Iso-butanol production process

Step	Description
Fermentation	Fermentation of sugar to produce gas-phase isobutene
Purification	Extraction of Isobutene from gas produced
Processing	Processing (oligomerization) of isobutene produced
Fractionation	Distillation process to remove impurities
Hydrogenation	Conversion of distilled product into final product (SAF)

Source: INEA Global Bioenergy

Raw feedstock, i.e., sugar, is derived from 1st generation material like sugarcane, sugar beet etc. or 2nd generation feedstock of wood and agri residue. The feedstock undergoes several phases of processing to finally get converted into end material which is primarily SAF in the energy space.

End Uses of iso-butanol

Iso-Butanol is used to manufacture plasticizers, which are used in the production of PVC Resins. Iso Butanol is similar to n- Butanol and can be used as a solvent in coating application and can be used as an emulsifier in the

paint industry. Additionally, it is also used to produce iso butyraldehyde which is further used in the manufacturing of neopentyl glycol. Moreover, the demand for Iso Butanol is rising from pharmaceuticals, dyes, inks and paint industries, thereby further fuelling growth in the market. Iso-butanol is a second-generation biofuel with several properties, making it an attractive biofuel. It produces relatively high energy density (98% of that of gasoline), does not readily absorb water from air, and can be mixed at any proportion with gasoline.

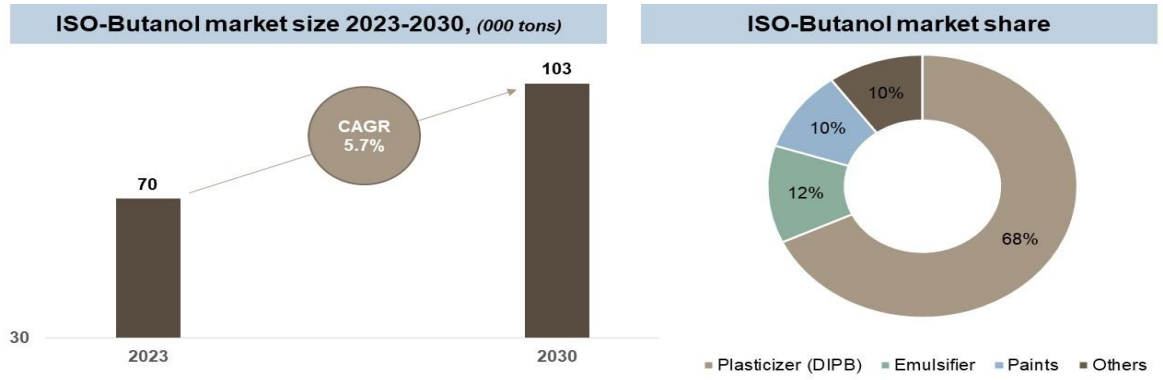
Role of Iso-butanol in SAF production

Market for Iso-butanol as a feedstock for SAF production is in a very nascent stage. Butanol is a four-carbon alcohol suited to produce road and jet fuel. The ATJ-SPK (alcohol-to-jet synthetic paraffinic kerosene) pathway aims to obtain paraffinic kerosene from C2-C4 alcohols. The ASTM already approved the pathway for iso-butanol and ethanol with a blending certification of up to 30% and 50%, respectively. However, the industry is expected to grow in the coming years, due to increased awareness of the benefits of iso-butanol over ethanol as a feedstock for SAF production. Furthermore, Iso-butanol is a 2nd generation biofuel, which makes it all the more lucrative for adoption to prevent the conflict of food vs fuel.

India Iso-Butanol market and government measures

Indian Iso-butanol/SAF market is in a very nascent stage and is expected to catch up by 2025 with SAF production reaching minimum volumes. Currently, only Praj Industries and Gevo Industries provide renewable iso-butanal, SAF and renewable premium gasoline. Gevo Industries and Praj Industries together handle the commercialization of renewable iso-butanol and convert the end product into SAF for aviation sector. These are the only known entities to operate ASTM approved Alcohol-to-Jet pathways in the country. Recently, Praj Industries has signed an MoU with Axxens to produce SAF through Alcohol-to-Jet pathway in the country, further aiding the production capacity and demand of iso-butanol in India.

India Iso-butanol market overview and outlook



Source: CRISIL MI&A consulting

ISO butanol market is 70,000 tons which is expected to grow at a CAGR of 5.7% during 2023-2030. Plasticizer is identified as biggest application holding lion's share of 68% in Fiscal 2023. The market is expected to pick up the pace with governments increased regulations towards Net Zero emission targets and increased understanding of the benefits of SAF in the aviation industry.

Biodiesel

Indian biodiesel market

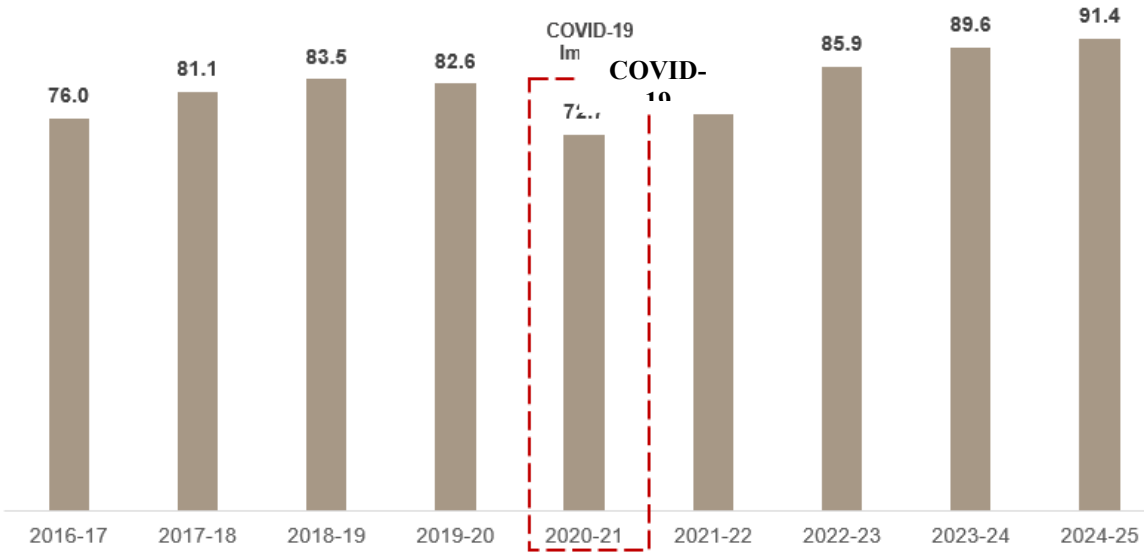
Biodiesel is a domestically produced, clean-burning, renewable substitute for petroleum diesel. Using biodiesel as a vehicle fuel increases energy security, improves air quality and the environment, and provides safety benefits. The raw materials for biodiesel production are vegetable oils, animal fats, and short-chain alcohols. Since cost is the primary concern in biodiesel production and trading (fundamentally due to oil prices), the utilization of non-edible vegetable oils is typically considered to be beneficial. Other than its lower cost, one more evident benefit of non-edible oils for biodiesel production lies in the fact that no foodstuffs are spent to produce fuel. Animal fats are also an interesting option, especially in countries such as India with plenty of livestock resources, although it is necessary to carry out preliminary treatment since they are solid; furthermore, highly acidic grease from cattle, pork, poultry, and fish can be also used. Methanol is the most frequently used alcohol although ethanol can also be used.

MoPNG announced a Biodiesel Purchase Policy which became effective 1st January 2006. On 10.08.2015, Government allowed direct sale of Biodiesel (B100) for blending with diesel to Bulk Consumers such as Railways, State Road Transport Corporations. On 29.06.2017 Government allowed sale of biodiesel to all consumers for

blending with diesel.

Government has notified Guidelines for sale of biodiesel for blending with High-Speed Diesel for transportation purposes on 30.4.2019. Through this Notification Government has granted permission exclusively for sale of biodiesel (B-100) only and not for any mixture thereof of whatever percentage.

Consumption trend of HSD, 2017-2025 (MMT)

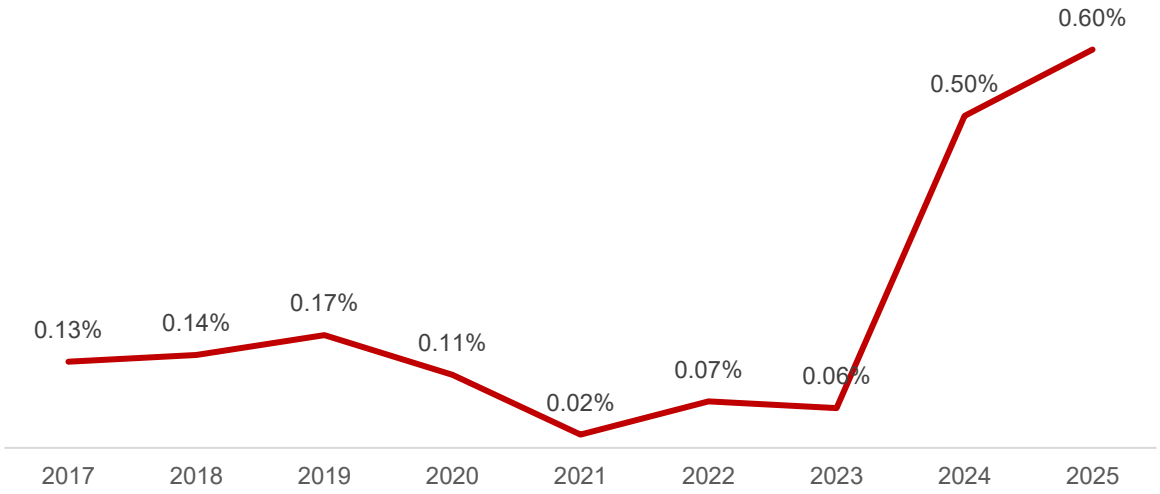


Source: PPAC

In spite of diesel being on the more polluting conventional fuels prevalent in the market, we can see that its usage has increased considerably over the years. This calls for quick and decisive action on this front to curb usage of diesel. Biodiesel is the need of the hour; however, its blending rates have been significantly low, especially when you compare them to what has been achieved in ethanol blending.

To meet its biodiesel blending goal by 2030, India would need to invest in new plants substantially to enhance the production capacity from its current effective capacity of 520 million litres (as of 2021) and form a supply chain infrastructure for UCO; while imposing some essential collection mechanisms. In India, the entrepreneurs who are typically fuel traders with comparatively better access to the domestic fuels market dominate biodiesel manufacturing and operate micro, small, and medium enterprises, in contrast to other countries that mostly rely on manufacturing units set up by vegetable oil refineries or large oil companies. It is important for the government to encourage and/or induce noticeably greater biodiesel production.

Blend rate for biodiesel in India, 2017-2025



Source: TERI; United States Department of Agriculture's FAS; MoPNG

India has an aspirational target of blending 5% of biodiesel (for on-road use) by 2030, which would require 4.5 BL of biodiesel per year. The national average blend rate in India grew slightly from 0.06% from 2023 to an expected rate of 0.60% in 2025, Indian Oil managed to achieve a biodiesel blending ratio of 0.73% for which they have received recognition as well. Biodiesel production in India primarily relies on sources such as animal fats, non-edible oils, used cooking oil (UCO), and imported palm oil and palm stearin. But the marginal growth in the blending rate reflects challenges like import restrictions and a shortage of feedstocks in India. India's UCO market is expanding slowly from 3 MMT in 2022 to 3.2 MMT in 2023 and is expected to reach 4.5 MMT by 2030. However, almost 80% of costs are associated with UCO procurement and processing, coupled with inconsistent availability of feedstocks and an unorganized supply chain. The rise in biodiesel blending that can be seen is primarily due to the push towards sustainability.

India Biodiesel Production from Multiple Feedstocks

Calendar Year	2017	2018	2019	2020	2021	2022	2023	2024
Feedstock Use (1,000 MT)								
Animal fats	6	7	10	6	12	7	6	8
Recycled oils (UCO)	56	60	70	45	65	65	70	125
Oher (Mostly palm stearin)	100	110	140	140	95	105	115	83
Total	**162**	**177**	**220**	**191**	**172**	**177**	**191**	**216**

Source: United States Department of Agriculture's FAS

India, with its large transportation fleet, holds significant potential for the biodiesel market. Several schemes and policies by the Indian government supporting biodiesel capacity building are in place. However, the sector's expansion is hindered by factors, including a lack of viable feedstocks, limited investments, and inadequate infrastructure for storage and delivery. Owing to exorbitant feedstock costs and deflationary policies, few countries sustain B5 biodiesel blends, with some operating at B10 or above.

Indian OMCs between April to November 2024, have procured 36.68 crore litres of biodiesel for the biodiesel blending programme as against 29.25 crore litres during April to November 2023. India maintains more than 12 biodiesel plants with a production capacity of 820 ML. Non-edible industrial oils, UCO, animal fats, and tallows are essential feedstocks for biodiesel production. However, their availability can be inconsistent, leading to intermittent production cycles. The Food Safety and Standards Authority of India (FSSAI) initiated the RUCO (Repurpose Used Cooking Oil) initiative in 2018 to prevent the reuse of cooking oil and turning UCO into biofuel. India uses approximately 24 BL of cooking oil yearly and 60% of it goes back to the food value chain which poses a health threat. This 60% (1.8 BL) of UCO can be collected from the hotel industry and converted into 1.3 BL biodiesel annually.

Given India's situation, using vegetable oil sources for biodiesel production is a hurdle for the country's food security. It will result in food vs fuel debates, as palm stearin is one of the most common imported feedstocks used for biodiesel production. Instead, increasing domestic production using non-edible domestic sources will result in less dependency on imports. Non-edible sources are some of the country's most promising sources of biodiesel production. In response to rapid population growth, urbanization, and industrialization, food production has been impacted by decreased land availability. Proper land distribution is required for agriculture, urbanization, commercial application, and forest reserve distribution. It will burden the land area for food production if edible oil crops are used as feedstock for biodiesel production. However, nonedible crops can be grown in non-fertile land— like saline, sandy soil, and even on wastelands that are unsuitable for crop production. India has a major chunk of land that will require crop cultivation to meet B5 till 2030.

Annual production and oil yield of potential non-edible oil crops

Non-Edible Oil Crops	Major Crop	Yield (Kg/Ha/Yr.)	Oil Content (wt. %)
Jatropha	Seed	2,500	40-60
Mahua	Seed	20-200 (per tree)	35-50
Candlenut	Seed	16,000	60-65
Rubber	Seed	100-150	40-50
Soapnut	Seed	-	23-30
Jojoba	Seed	500-5,000	40-50

Tobacco	Seed	1,170	35-49
Neem	Seed	2,670	25-45
Karanja	Seed	900-9,000	30-50
Castor	Seed	450	45-50
Polanga	Seed	3,700	65-75
Cotton	Seed	649	17-23
Kusum	Seed	-	51-62
Yellow Oleander	Seed	52,000	60-65
Sea Mango	Seed	1,900-2,500	40-50
Tung	Seed	450-600	30-40
Bottle Tree	Seed	250-300	50-60

Source: TERI

National Policy on Biofuels, 2018 also promotes using non-edible sources like jatropha, karanja, mahua, etc., because of their growth potential, wasteland availability, yield, among other reasons. Major challenges and barriers with the non-edible source are its current unavailability, proper cultivation, regularization, high polyunsaturated fatty acids, low unsaturated fatty acids content, etc. However, this could be taken care of with technological advancements.

High-potential second-generation feedstock for biodiesel production uses cooking oil, acid oil, and animal tallow. A high conversion and yield percent from raw material to biodiesel, cheap rates, and availability are some positives for these feedstocks. The major barriers include the poor collection mechanism, disrupted supply-chain network, proper regulation mechanism, etc. Used cooking oil has been a potential feedstock in India because of its availability and high procurement. Though the potential is very high, the supply-chain network, proper regulations in line, and other policy loopholes make achieving the target difficult, proper regulations and a robust implementation framework will be needed to tackle this issue.

Biodiesel market: Policy initiatives

National Biofuels Policy 2018

National Biofuels Policy 2018 was formulated with the primary objective of reducing India's dependency on fossil fuels, promoting cleaner energy, and ensuring sustainable energy security. The policy encompasses various types of biofuels, including Ethanol, biodiesel, and advanced biofuels such as cellulosic Ethanol and algal biofuels. Key features of the 2018 policy include:

- Blending Targets:
  - Ethanol Blending: The policy set a target of achieving 20% Ethanol blending with petrol by 2030. The same was revised to 2025 from 2030 in the 2022 Amendment of the Policy.
  - Biodiesel Blending: A target of 5% biodiesel blending with diesel by 2030 was established.
- Feedstock Utilization:
  - The policy encouraged the use of various feedstocks for biofuel production, including sugarcane, sugar beet, sweet sorghum, starches, and other biomass.
  - It aimed to utilize non-food feedstocks to avoid compromising food security.
  - The 2022 Amendment allowed for a broader range of feedstocks, including agricultural residues, forestry residues, and industrial wastes. Inclusion of advanced biofuels such as 2G Ethanol, CBG, and third-generation ("3G") biofuels also happened at this stage.
- Incentives and Financial Support:
  - Financial incentives were provided to biofuel producers, including subsidies and tax reductions.
  - Viability gap funding, interest subvention, and financial assistance for setting up biofuel plants were introduced.
  - The 2022 amendment provided additional financial incentives to encourage private investment in biofuel production and also the introduction of new schemes for viability gap funding, increased capital subsidies, and more attractive loan terms.
- Research and Development:
  - The policy emphasized the importance of R&D to develop efficient technologies for biofuel production.
  - Collaboration with international agencies and organizations was encouraged to adopt best practices.
- Waste to Energy:
  - Promotion of the use of urban and industrial waste for biofuel production was highlighted.
  - The policy aimed to convert waste into energy, thereby addressing waste management issues.

This goal is to be achieved by:

- Reinforcing ongoing biodiesel supplies through increasing domestic production.
- Setting up Second Generation (2G) bio refineries.
- Development of new feedstock for biodiesel.
- Development of new technologies for conversion to biodiesel.
- Creating suitable environment for biodiesel and its integration with HSD.

The policy identifies the following as potential domestic raw materials for production of biodiesel in the country:

- Non- edible Oilseeds
- Used Cooking Oil (UCO)
- Animal tallow
- Acid Oil
- Short Gestation non-edible oil rich crops
- Algal feedstock, etc.

The policy encourages augmenting indigenous feedstock supplies for biofuel production utilizing the wastelands for feedstock generation. However, depending upon availability of domestic feedstock and blending requirement, import of feedstock for production of bio diesel would be permitted to the extent necessary. Feedstock import requirements will be decided by the National Biofuel Coordination Committee (NBCC) proposed under this Policy.

The amendments reflect India's commitment to achieving a cleaner, more sustainable energy mix. By advancing blending targets and promoting advanced biofuels, the policy aims to reduce greenhouse gas emissions, enhance energy security, and support rural economies through the use of agricultural residues and waste. The comprehensive approach also seeks to attract private investment and foster innovation in the biofuels sector, aligning with global sustainability goals and the Paris Agreement commitments.

Biodiesel Purchase Policy

The Bio-diesel Purchase Policy sets out measures to support activities for blending of biodiesel in diesel and marketing of such blended fuel. The policy states that it is imperative that the biodiesel offered for blending in diesel is of standard quality. Therefore, it would be necessary that only those biodiesel manufacturers who get their samples approved and certified by the oil companies and get registered as authorised suppliers would be eligible for assured purchase of the product. Also, the biodiesel purchase centres should be equipped with minimum testing facilities for ensuring purchase of biodiesel of requisite specification.

With effect from January 2006, the public sector oil marketing companies shall purchase, through its select purchase centres, biodiesel (Bl 00), which meet the fuel quality standard prescribed in the Bureau of Industrial Standards (BIS) specification formulated vide PCD3 (2242) C- dated 26.7.2004, and as may be notified and modified from time to time. The oil marketing companies shall make available the comprehensive industry guideline "Operations, Quality and Safety Manual on Bio-diesel- HSD BIOO and HSD B05max" for information and guidance of the biodiesel industry. The purchase centres have been identified in consultation with the oil marketing companies, viz the Indian Oil Corporation (IOC), Hindustan Petroleum Corporation (HPC) and Bharat Petroleum Corporation (BPC), on the basis of availability of minimum testing facilities for BIOO and for blending in HSD to the extent of 5%. Depending on response, felt need, and preparedness in testing and accepting biodiesel, more purchase centres would be identified subsequently.

Biodiesel manufacturers interested in supplying biodiesel to public sector oil marketing companies should approach the state level co-ordinator (SLC) pertaining to the state, and after assessment of production capacity and credibility of the prospective supplier by joint evaluation / certification by the industry team, samples would be tested and if these meet the prescribed BIS specifications, the supplier shall be registered as an authorized supplier.

The Indian government's biofuel agenda has received a significant boost with the initiation of a substantial biodiesel procurement programme for the financial year 2025-26 by Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL), and Hindustan Petroleum Corporation Limited (HPCL). As part of this endeavour, a tender was floated on March 13, 2025, to procure 200 million litres of biodiesel for the first quarter of the fiscal year, marking the inaugural cycle of procurement for 2025-26. This tender has already yielded results, with Letters of Intent (LOIs) being awarded to various suppliers, including Rajputana Biodiesel Limited and its subsidiary Nirvaanraj Energy Private Limited, highlighting the increasing contribution of private biodiesel

producers in fulfilling the country's energy requirements. This development is in line with the National Policy on Biofuels, which targets a 5% biodiesel blending ratio by 2030, and demonstrates the growing participation of private players, such as Kotyark Industries, Emami Agrotech, Universal Biofuels, Muenzer Bharat Pvt. Ltd., and Altret Greenfuels, in India's biodiesel supply chain.

Sale of Biodiesel for blending with HSD for transportation purposes-2019

- Application for permission for retail sale of Biodiesel (B-100) through an outlet by an entity shall be made to the Food and Civil Supplies Department/any other Department authorised for the same by the State/UT Government of the concerned State/UT, where the Retail Outlet is to be set up.
- The permission will be granted exclusively for sale of biodiesel (B-100) only and not for any mixture thereof of whatever percentage.
- Permission for setting up the retail outlet for sale of biodiesel would be subject to the Registration/Approvals/No Objection Certificates as per the prescribed format from the respective Central/State/UT/Local Government/Authorities in which the retail outlet is located and other concerned authorities mentioned therein.
- Biodiesel to be sold in pursuance of aforesaid permission should be indigenously produced and not imported.
- Owner/Operator shall maintain the material balance along with supplier details. The biodiesel retail outlet owner/operator shall make available the same at the retail outlet at all times for inspection by any authority authorised for the purpose either by the concerned State/UT Government and /or Central Government.
- Biodiesel retail outlet owner/operator shall retain samples of at least last three supplies received by them from their suppliers for inspection and/ or testing by any authority authorised for the purpose.
- To avoid entry of unscrupulous biodiesel suppliers, a suitable registration system for biodiesel manufactures, suppliers and sellers will be devised at the State/UT Level. Further, State/UT Governments shall maintain a register of all Retail Outlets selling Biodiesel in their respective State/UT.
- The biodiesel retail outlet owner/operator shall maintain a permanent record of each and every sale of biodiesel made by it in a register which would be updated on a daily basis and be available for inspection at all times.

Repurpose Used Cooking Oil (RUCO) initiative

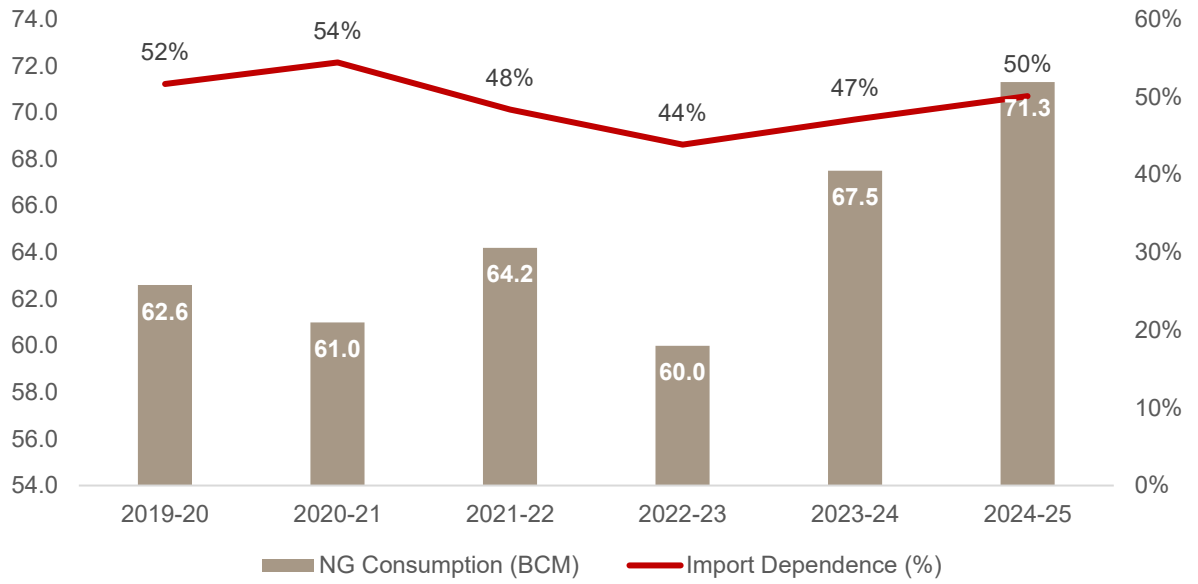
During frying, several properties of oil are altered, Total Polar Compounds (TPC) are formed on repeated frying. The toxicity of these compounds is associated with several diseases such as hypertension, atherosclerosis, Alzheimer’s disease, liver diseases. Therefore, it is essential to monitor the quality of vegetable oils during frying. In order to safeguard consumer health, FSSAI has fixed a limit for Total Polar Compounds at 25% beyond which the vegetable oil shall not be used. From 1st July, 2018 onwards, all Food Business Operators (FBOs) are required to monitor the quality of oil during frying by complying with the said regulations. FSSAI is implementing an EEE (Education, Enforcement, Ecosystem) Strategy to divert Used Cooking Oil from the food value chain and curb current illegal practices. The EEE Strategy approach ensures good health and welfare for all 130–crore citizens, aiding energy security, climate change mitigation, and leading to environmentally sustainable development.

There is a need to ensure that the used cooking oil does not enter the food chain and that oil is disposed or used in a sustainable manner. Thus, the FSSAI launched the RUCO initiative. A network of aggregators has been formed who collect used cooking oils from the manufacturers/FBOs which are then passed on to biodiesel manufacturers and/or soap manufacturers.

CBG

Indian CBG Market

Natural gas consumption in India (BCM) and import dependence (as a % of consumption)



Over the past few years, CBG has emerged as a viable alternative to imported fossil natural gas, offering nearly net-zero emissions and enhancing energy security (given the high dependence on imported natural gas). Various waste and biomass sources, such as cattle dung, agricultural waste, distillery spent wash, press mud, organic fraction of municipal solid waste (OFSMW) and sewage treatment plant sludge, undergo anaerobic decomposition to produce biogas. CBG is progressively also proposed to be used as a cooking fuel, and for household purposes. Only 97 CBG plants have been commissioned in India as of June 2024, out of the planned 5,000 plants expected to be operational by the end of 2024-25 under the Sustainable Alternative Towards Affordable Transportation (SATAT) scheme. The industry is gaining momentum, as evidenced by 2,061 active letters of intent to various stakeholders.

India's CBG potential to be around 40 to 60 million metric tons per annum ("**MMTPA**") with current installed capacity at <1%. Currently, India has already made significant strides in the CBG sector, having sold 31,423 tons of CBG. The SATAT (Sustainable Alternative Towards Affordable Transportation) initiative's ambitious target is to produce 15 million MMTPA of CBG and a remarkable 50 MMTPA of bio-manure. Achieving this target would not only reduce the dependency on fossil fuels but also promote a circular economy where waste materials are transformed into valuable resources, benefiting both the environment and the economy. It underscores the importance of renewable energy and sustainable practices in addressing energy security and environmental challenges on a global scale. Additionally, CBG projects are categorised as agricultural infrastructure as per RBI guidelines. Loans pertaining to agricultural infrastructure are being classified as priority sector lending, which has encouraged banks to sanction loans for CBG projects.

CBG Product Application (Present and Prospective)

Present Applications	Prospective Applications
CBG is compressed and used as a fuel for vehicles, particularly in city transport fleets.	Bio-CNG, which is primarily CBG compressed for use in CNG vehicles, is likely to see significant expansion.
CBG is blended with natural gas or used directly for cooking and heating purposes in households and industries connected to city gas networks.	CBG can play a crucial role in this shift by fuelling buses, taxis, and other public transport vehicles.
CBG is used in gas turbines or engines to generate electricity, either for direct use or for feeding into the grid.	CBG can be used in microgrid systems to provide reliable electricity, supporting rural electrification efforts and enhancing energy security.
Cities and municipalities are setting up Bio-CNG stations where vehicles equipped to use compressed natural gas.	CBG can contribute to grid stability by providing a dispatchable and reliable source of power. Its use can help balance fluctuations in renewable energy generation.
Organic Manure • Liquid Fermented Organic Manure • Fermented Organic Manure	CBG can be utilized in combined heat and power systems, where it not only generates electricity but also provides heat for industrial processes or district heating. This enhances overall energy efficiency and reduces emissions.

Present Applications	Prospective Applications
• Phosphorate Rich Organic Manure	

Driving factors for CBG sector:

- **Mandate for gas marketing entities to sell 5% CBG by volume:** In a move that is likely to change the face of the CBG sector, the government will gradually mandate 5% CBG for all organizations marketing natural and biogas by 2028-29; for collection of biomass and distribution of bio-manure, appropriate fiscal support will be provided.
- **Policy for mandatory bio-manure sale**
- **₹10,000 crore outlay for 200 CBG plants**

Government Initiatives to promote CBG in India

SATAT Scheme

SATAT vision



Source: MoPNG and *CRISIL MI&A Consulting*

SATAT scheme was launched in October 2018 in sync with Swachh Bharat Mission and COP 21 commitments; the scheme is future-ready and even complements the main tenet of the Atmanirbhar Bharat Abhiyan launched in 2020, i.e., self-reliance. It is aimed at reducing India's carbon footprint by spearheading a shift to cleaner fuels and also offering a means to dispose agricultural waste in a beneficial and non-polluting manner.

The Government of India has undertaken initiatives towards encouraging CBG, including the Sustainable Alternative Towards Affordable Transportation (SATAT) initiative launched in October 2018 envisages setting up of 5,000 CBG plants for production of 15 MMT per annum of CBG by 2024-2025 (earlier 2023-2024), with an envisaged initial outlay of ₹ 30,000 crore for setting up of 900 plants in the first phase.

Under SATAT, as of March 2025, total number of active Letters of Intent (LOIs) is 2,277. A total of 94 CBG plants have been commissioned across the country. SATAT scheme invites individuals or corporations to set up CBG plants, produce and supply CBG to Oil Marketing Companies (OMCs). As per the GOBARDhan Portal, India has 143 functional CBG plants while 215 plants are under various stages of construction.

Pricing for CBG under SATAT Scheme

S. No.	Lower RSP of CBG in Slab	Higher RSP of CBG in Slab	Procurement price of CBG	Procurement Price of CBG
	Including tax	**Including tax**	**Without GST**	**With GST**
	Rs./ Kg	**Rs./ Kg**	**Rs./ Kg**	**Rs./ Kg**
1	RSP of CBG up to Rs. 70/ Kg		54.00	56.70
2	70.01	75.00	55.25	58.01
3	75.01	80.00	59.06	62.01
4	80.01	85.00	62.86	66.01
5	85.01	90.00	66.67	70.01
6	90.01	95.00	70.48	74.01
7	95.01	100.00	74.29	78.01

Source: IOCL Notice on "Purchase Price of CBG under SATAT Scheme

Policy for mandatory bio-manure sale:

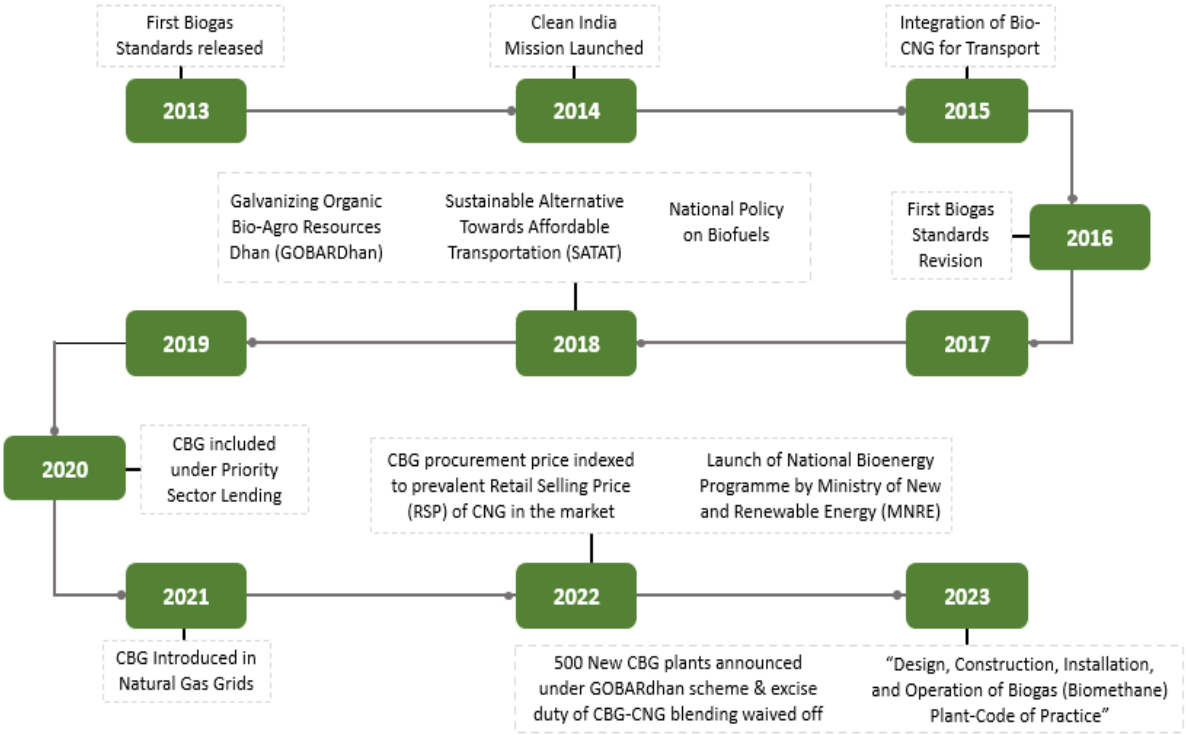
Bio-manure has traditionally been difficult to market due to the sheer dominance of traditional chemical fertilizers in the market; the government is working out a policy for mandatory sale of bio-manure by fertilizer entities in what would be a major boost for CBG players.

₹10,000 crore outlay for 200 CBG plants

500 new 'waste to wealth' plants under GOBARdhan scheme will be established for promoting circular economy; These will include 200 CBG plants, including 75 plants in urban areas, and 300 community or cluster-based plants at total investment of ₹10,000 crore.

Regulation of fermented organic manure in the context of CBG production involves ensuring the quality, safety, and compliance with environmental standards for the use of organic waste materials in the biogas production process. It typically includes guidelines for feedstock sources, fermentation processes, and the handling of resulting organic manure to promote sustainability and minimize environmental impacts.

India Roadmap to CBG



Source: CRISIL MI&A Consulting

CBG Blending Obligation (CBO)

In November 2023, the Government of India made it mandatory for the CGD Sector to blend CBG into the CNG (transport) and PNG (domestic) segments. This significant move aims to promote sustainable energy practices nationwide. Under the CBG Blending Obligation (CBO), CGD entities are required to mix CBG with natural gas, with the blending percentages gradually increasing over time. Initially starting as a voluntary effort until Fiscal 2025, the CBO mandates blend percentages of 1%, 3%, and 4% for Fiscals 2026, 2027, and 2028, respectively. By Fiscal 2029, this obligation rises to 5%. Furthermore, until the CGD network is fully operational across the country, CBG marketed separately by all CGD entities will also count towards meeting the blending obligation.

The latest notification emphasizes the strategic importance of Feedstock Optimization Model in the context of CBG production. The mandatory CBG blending initiative ensures a significant market for CBG, offering assured offtake for producers. The pricing mechanism, as outlined in the notification, provides a favourable framework for producers, contributing to the economic viability of CBG projects. Noteworthy advantages include exemptions from CGD restrictions, allowing for broader market access and sales of CBG. The notification highlights that CBG shall be promoted as the green fuel by guaranteeing its renewable origin and which could be sustainably monetized through tradability of green certificate system. Mechanism like open access, book and claim, mass balancing etc. may be used for transfer and trading of energy and green certificates.

It's crucial to highlight that major companies, including Reliance and other Oil Marketing Companies (OMCs), have committed to ambitious targets in setting up CBG plants. This underscores the industry's confidence in the CBG sector's potential for growth and aligns with broader national objectives related to renewable energy, sustainability, and reducing carbon emissions. The combined impact of these factors positions CBG production as a lucrative and environmentally friendly venture, supported by regulatory measures and industry leaders' proactive investments.

CBG-CGD Synchronisation Scheme

MoPNG has issued policy guidelines dated. 09.04.2021 and 26.10.2021 for synchronisation of CBG produced by plants in CGD networks. GAIL has been mandated to operationalize the Synchro Scheme and supply Biogas/CBG co-mingled with domestic gas at Uniform Base Price (UBP) to all CGD entities for use in CNG(T) and PNG(D) segments of CGD network. The term of CBG-CGD Synchro Scheme has been further extended by 10 years. GAIL has successfully implemented the Synchro scheme on pan India basis, and it is open to every CBG producer for supply of their Biogas/CBG to nearby CGD networks.

Biogas/CBG mixing under CBG/CGD Synchronization



Source: GAIL (India) Limited

After the 12th CGD bidding round, 308 GAs would be authorized to various entities covering 100% of India's geographical area (except the islands) spread over 600 districts in over 30 states/UTs. Widespread access to CGD networks will bring demand centres close to CBG plants, thereby enabling a gas-based economy and there is an increasing demand for Biogas due to shortfall in domestic gas supply for PNG(D) and CNG(T) segment. CGD sector will become an anchor customer for Biogas/CBG.

National Biomass Programme for Fiscal 2022 to Fiscal 2026 (Phase-I)

The Ministry of New and Renewable Energy has notified Central Financial Assistance (CFA) of Rs. 4 crores per

4,800kg of CBG per day generated from 12,000 cubic meters of biogas per day, with a maximum of Rs.10 crore per project. Furthermore, it has announced the national bioenergy programme in November 2022, which is continued for the period from Fiscal 2022 to Fiscal 2026. The Programme has been recommended for implementation in two Phases and Phase-I of the Programme has been approved with a budget outlay of Rs. 858 crores.

It will comprise of the following sub-schemes:

- Waste to Energy Programme: This programme will aim to support the setting up of large Biogas, Bio-CNG and Power plants, and will be implemented under the Indian Renewable Energy Development Agency (IREDA)
- Biomass Programme: This scheme aims to support manufacturing of briquettes and pellets and promotion of biomass (non-bagasse) based cogeneration in Industries.
- Biogas Programme: To support setting up of family and medium size biogas units in rural areas.

For obtaining a bank loan for CBG projects, the financing structure typically involves a contribution of 15-30% of the project cost, which includes various components, including margin money for working capital, as per each bank's specific guidelines for term loans or project loans. Additionally, working capital requirements are typically set at 15-25% of the project cost or in accordance with the policies of each respective bank.

There is also a working capital subsidy of 3%, with a cap of ₹ 2 crore per project for CBG production, as this has been designated a priority sector by the Government of India.

In February 2023, in an effort to prevent the stacking of taxes on blended CNG, the Ministry of Finance (MoF) has granted an exemption from excise duty on the portion equivalent to the GST paid on CBG when mixed with CNG.

Also, the carbon credits earned from producing a tonne of Bio-CNG fall within the range of 16 to 25 credits, depending on the feedstock utilised. CBG initiatives have the potential to produce carbon credits via the Clean Development Mechanism (CDM) established by the United Nations Framework Convention on Climate Change. These carbon credits can be marketed to organizations and governments seeking to neutralize their carbon emissions, offering an extra income stream for CBG projects.

As per the notification released on 15th March 2024, the Government's approval of the Scheme for Development of Pipeline Infrastructure (DPI) represents a significant stride in facilitating the injection of CBG into the CGD network. With a substantial financial outlay of Rs.994.50 crore allocated for Fiscal 2024 to Fiscal 2026, this scheme aims to provide financial assistance for creating CBG-CGD grid connectivity and supporting 100 CBG projects. By fostering an ecosystem conducive to the seamless offtake of CBG, the DPI scheme is poised to reduce logistical costs and promote sustainable energy practices on a large scale.

MoPNG on August 27, 2025 released a revised scheme guideline for Development of Pipeline Infrastructure for facilitation of CBG offtake with the aim of:

- Supporting pipeline infrastructure for injection of CBG from CBG plant into CGD network by providing systematic financial assistance ("**FA**"). FA shall be based on the pre-condition that plants should have an installed CBG production capacity of at least 2 TPD and are registered on GOBARdhan platform.
- Injection of CBG by gas pipeline operators (GPO) into gas pipeline network. For this, FA shall be provided to the GPO under a phased manner. FA shall be based on the pre-condition that GPO should be engaged in development/ laying/ operating either of the following. First, natural gas pipeline authorized by PNGRB. Second, dedicated pipeline for natural gas transportation. Third, captive pipeline for natural gas transportation.

The primary objective of the policy is to facilitate cost-effective transportation of CBG from production facilities to demand centres.

Several other subsidies provided by various Government Departments to promote CBG include:

Department of Fertilizers: Market Development Assistance

The Department of Fertilizers has introduced a Market Development Assitance (MDA) scheme with an outlay of Rs. 1,451.82 crore for 3 years (Fiscal 2024 to Fiscal 2026). Under this scheme, an MDA of Rs. 1500/MT will be granted for the sale of Fermented Organic Manure (FOM)/ Liquid Fermented Organic Manure (LFOM)/ Phosphate Rich Organic Manure (PROM) produced at BG/CBG plants under the GOBARdhan initiative. Registration of manufacturing plants on the Unified GOBARdhan portal of the DDWS and adhering to Fertilizer Control Order (FCO) specifications for organic fertilizers are pre-requisites for MDA eligibility. In a further boost, the Indian Council for Agricultural Research has facilitated development of Package of Practices (PoP) for FOM/ LFOM application for various crops.

Department of Drinking Water and Sanitation: Swachh Bharat Mission – Gramin 2.0

Financial support of up to Rs. 50 lakh per district is available for setting up at least one model community biogas

plants at the village/ block/district level to achieve safe management of cattle and biodegradable waste. The Department of Drinking Water and Sanitation's Unified Registration Portal has streamlined efforts for one to avail benefits of any of the CBG schemes of the Government of India. They have launched a Unified Registration Portal for CBG/ Biogas plants which will likely have a significant positive impact on the sector as a whole.

Department Ministry of Housing and Urban Affairs: Swachh Bharat Mission - Urban 2.0
Under the Scheme of Swachh Bharat Mission Urban 2.0, additional Central Assistance is provided to States and Union Territories for solid waste management by Ministry of Housing and Urban Affairs, as per scheme guidelines. Additional Central Assistance of 25% /33%/50% (based on ULB population) for MSW based CBG plants (subject to max. cost of Rs.18 crore per 100 TPD).

Department of Agriculture, and Farmers Welfare: Agri-Infra Fund
The Department of Agriculture and Farmers Welfare has introduced a new Scheme under the National Agriculture Infra Financing Facility called Agriculture Infrastructure Fund (AIF). The Agricultural Infrastructure Fund (AIF) offers financial assistance for investments in viable projects related to post-harvest management infrastructure and community farming assets. CBG is among the eligible projects under the community farming assets project. All loans obtained through this financing facility will benefit from a 3% per annum interest subvention, capped at a loan amount of Rs. 2 crores. This subvention will be applicable for a maximum duration of 7 years.

Department of Animal Husbandry and Dairying: Animal Husbandry Infrastructure Fund
The Animal Husbandry Infrastructure Development Fund (AHIDF) is a central sector scheme with a package of Rs.15,000 crore. The project under the AHIDF is eligible for a loan up to 90% of the estimated/ actual project cost from the Scheduled Banks based on the submission of viable projects by eligible beneficiaries. All eligible entities under AHIDF will be provided with interest subvention of 3% on loans up to INR 2 crore. Production of Bio-CNG and production of Phosphate Rich Organic Manure (PROM) was included as eligible activities under Animal Waste to Wealth Management (including Agri waste management) component of AHIDF in April 2022. The inclusion of bio slurry in the Fertilizer Control Order has also been promised.

The Government of India intends to facilitate biomass aggregation, preventing the burning of surplus biomass and generating extra income for farmers. This scheme aims to support biomass collection for initial 100 biomass-based CBG plants by providing financial assistance to CBG producers for procurement of biomass aggregation machinery (BAM). MoPNG sanctions amounting to almost INR 38 crore have been issued to date.

Additionally, in 2023, India introduced the 2023 Carbon Credit Trading Scheme (CCTS), encompassing both compliance and voluntary sectors. However, while the compliance segment is scheduled to commence in 2025-26 and there is no set timeline for the launch of the voluntary carbon market. Nevertheless, it shows the intent towards sustainability. Under India's revised carbon market scheme, obligated entities have the flexibility to purchase additional credits or sell surplus ones. Meanwhile, businesses can trade CCCs to offset their emissions. Such schemes will further boost green fuels and energies once they are brought into action.

CBG and CNG

Process Comparison

CNG and CBG are both methane-based gases. CNG is processed from the seabed, however, CBG is made from fermented waste or other biological material, then compressed and processed to remove carbon dioxide and hydrogen sulphide content, making it a CO2 neutral fuel. Chemically, both the fuels are alike with similar calorific value, the basic difference lies in their production process and composition, where CNG is derived from fossil fuels and CBG is derived from decomposition of waste materials. This makes CBG a commercially viable option to replace CNG as a transport fuel in vehicles. Just like CNG, CBG is also transported through gas pipelines, requiring no additional infrastructural requirements.

CBG holds the potential for minimizing India's import bill for fuels. The solid by-products of CBG can be used as bio-manure, and as per the experts, it can potentially lead to a 20% increase in crop yield. Other by-product of CBG is CO2, which has a high demand in food preservation and in fire extinguishers production. CBG further enhances the country's utilization of agricultural residue, cattle dung and municipal solid waste (MSW) and thus to achieve reduction in emissions and pollution. CBG also acts as a buffer against the energy security concerns and crude/gas price fluctuations. CBG is expected to provide an additional source of income to the farmers, rural employment and amelioration of the rural economy.

Compatibility of CBG in existing CNG Vehicles

In Fiscal 2023, India's demand for Compressed Natural Gas (CNG) stands at 19.2 million metric standard cubic meters per day (mmscmd), CBG and CNG have similar properties and hence a vehicle running on CNG can be straightway filled with CBG without any prior modifications. Ministry of Road transport and Highways,

Government of India, as per its recent notifications has permitted the usage of CBG for motor vehicles as an alternate of CNG.

As per MOPNG, the potential customers for CBG are vehicles and industries towards replacement of petrol, diesel and CNG. CBG is also sold to end customers as a replacement for LPG. Furthermore, the Indian Biogas Association has also guided the committee under SATAT towards the policy for injection of CBG to CGD and replacement of LPG cylinders under Ujjawala Yojna with bio-CNG under SATAT initiative. Furthermore, under the CBG-CGD synchronisation scheme of SATAT, there is a provision for injecting CBG in the CGD network. Additionally, the government allows the sale of CBG even in authorized areas of CGD entities through separate retail outlets, in other words, there is no PNGRB permission required for selling CBG in any part of India.

Other Use Cases of CBG apart from fuel

Biogas, after anaerobic production, can be converted into electricity through fuel cells. However, the process is only practical in the theoretical sense, as it requires very clean gas and expensive fuel cells. Therefore, direct conversion of biogas into electricity is still under research phase.

Whereas conversion of biogas to electric power by a generator set is more practical. In contrast to natural gas, biogas is characterized by a high knock resistance and hence can be used in combustion motors with high compression rates.

During the production of CBG, bio-slurry is produced as a waste, which can be processed and used as a bio-fertilizer in the field. The bio-fertilizer thus produced has less noticeable odor and no hazardous microbes.

Why CBG as a product is feasible for ethanol player

The upgraded form of biogas, known as CBG or bio- CNG (biomethane in Europe and renewable natural gas in the United States), contains over 98% methane and is generated through anaerobic digestion from organic waste streams. These waste materials arise from diverse industrial, economic, agricultural and household activities. The CBG cycle serves as an ideal representation of circularity, as it is derived from various wastes generated by human activities and is subsequently utilized as a resource in the form of clean energy and biofertilizer. Implementing CBG projects in India offers multiple advantages. It reduces the need for CNG imports, promotes in-house clean energy production, enhances waste management, strengthens the rural economy, and expands the non-chemical fertilizer sector. This aligns with the Indian government's goal of transitioning to a gas-based economy, aiming to increase its gas share from the current 6.7% (as of December 2023) to 15% by 2030.

CBG and ethanol as a product are a form of waste-to-fuel energy. Both require processing of biomass to convert them into fuel. However, ethanol is produced in the liquid form whereas CBG is produced in the gaseous form. CBG is feasible for an ethanol player as it provides an infrastructural advantage. Both CBG and Ethanol are produced from maize/ sugar and other farm waste. However, after the pre-treatment and initial processing, both follow a completely different procedure, where waste material has to be processed into an anaerobic chamber for a certain time to produce CBG, and for ethanol production, waste is required to be processed further for blending production.

Gail (India), India's leading natural gas company, and TruAlt Bioenergy Limited signed a Term Sheet for GAIL's equity participation in TruAlt Bioenergy's joint venture company Leafiniti Bioenergy Limited which owns and operates India's second CBG plant. TruAlt Bioenergy and GAIL India hold 51% and 49% shareholding respectively in the JV. The investment for establishing the CBG plants is expected to surpass US$72 million, financed through a blend of debt and equity, contingent upon successful due diligence and necessary approvals. The JV company plans to process more than 600 million kilograms of organic waste annually, including agricultural residue, sugarcane press mud, spent wash from ethanol production, and other biodegradable waste. This initiative aims to produce over 33 million kilograms of CBG, nearly 20 million kilograms of Solid Fermented Organic Manure (SFOM), and more than 30 million kilograms of Liquid Fermented Organic Manure (LFOM) each year. Each unit will operate at a capacity of 10 tonnes per day (TPD), leading to a daily production of 100,000 kilograms of CBG. This will provide a substantial economic boost to local agriculture, creating jobs for over 600 people, and offering considerable environmental advantages. The joint venture aims to establish a strong production system for CBG using diverse waste and biomass sources, in line with the growing demand for CNG.

Carbon credits market

A carbon credit is a tradable permit representing one ton of carbon dioxide (CO2) removed from the atmosphere. These arise from projects that reduce, avoid, or capture greenhouse gas emissions like renewable energy generation, forest conservation, or carbon capture and storage. Verified and certified projects generate credits that companies, organizations, or even individuals can purchase.

The concept of carbon credits emerged in the 1997 Kyoto Protocol, the first international agreement to combat

climate change. It established a cap-and-trade system, limiting the total greenhouse gas emissions allowed for participating countries. Each country received an initial allocation of "allowances" (essentially carbon credits) that they could trade amongst themselves. This created a market incentive for reducing emissions, as countries with excess allowances could sell them to those exceeding their limits.

The Paris Agreement in 2015 further solidified the role of carbon markets. It encouraged countries to establish Nationally Determined Contributions (NDCs), ambitious national climate plans that often involve carbon trading schemes.

The global carbon credits market is a mechanism designed to reduce greenhouse gas emissions by allowing countries, companies, or organizations to buy carbon credits as a way to offset their own emissions. The primary goal of the carbon credits market is to incentivize and finance projects that reduce or remove greenhouse gases from the atmosphere. This can include renewable energy projects, reforestation efforts, or energy efficiency improvements.

Carbon credits represent the right to emit one ton of carbon dioxide or its equivalent. These credits are traded on various platforms and exchanges, with prices fluctuating based on supply and demand dynamics. The market operates under various regulatory frameworks, including the Kyoto Protocol's Clean Development Mechanism (CDM) and the Paris Agreement's mechanisms for voluntary carbon markets. Participants in the market include governments, multinational corporations, financial institutions, and project developers. They buy credits to meet regulatory requirements, offset their emissions voluntarily, or as part of corporate social responsibility initiatives.

The market faces challenges such as ensuring the environmental integrity of credits, avoiding double counting, and maintaining transparency in transactions. There is ongoing debate about the effectiveness of carbon markets in achieving emission reduction targets. Over time, the market has evolved with new initiatives and standards emerging to address shortcomings and improve transparency. Efforts are underway to create more robust market mechanisms under international agreements like the Paris Agreement. The global carbon credits market plays a significant role in the fight against climate change by financially supporting emission reduction projects. However, its effectiveness hinges on robust regulation, transparency, and continued evolution to meet global climate goals.

Carbon credits market – Compliance and voluntary markets

Compliance markets are regulated by national or international legal frameworks. Notable examples include the European Union Emissions Trading System (EU ETS), the California Cap-and-Trade Program, and mechanisms established under the Kyoto Protocol such as the Clean Development Mechanism (CDM). Participants are typically large emitters such as power plants, industrial facilities, and airlines that are mandated by law to cap their emissions. These entities must purchase carbon credits to cover any emissions above their allotted cap.

Compliance markets have strict rules for the types of projects that can generate credits, and there is rigorous monitoring and verification to ensure the integrity of the credits. Prices in these markets can be influenced by regulatory changes and the overall cap on emissions set by authorities. Compliance markets are designed to ensure that countries or regions meet their emission reduction targets. They create a financial incentive for companies to reduce their emissions and invest in cleaner technologies.

Voluntary markets allow companies, organizations, and individuals to purchase carbon credits voluntarily, often driven by corporate social responsibility, sustainability goals, or consumer demand for greener products. These markets are not regulated by law but operate based on standards developed by various organizations. Participants include businesses looking to offset their carbon footprint, NGOs, individuals, and governments that want to demonstrate leadership in climate action. There are several standards in the voluntary market, such as the Verified Carbon Standard (VCS), Gold Standard, and Climate Action Reserve. These standards ensure that projects are real, additional (beyond business-as-usual scenarios) and verified by third parties.

Voluntary markets support a wide variety of projects, including reforestation, renewable energy, methane capture, and community-based initiatives. The flexibility allows for innovation and diverse approaches to emission reductions. Prices in voluntary markets can vary widely based on the type of project, location, and co-benefits (e.g., social, environmental benefits beyond carbon reduction). The market is often influenced by corporate sustainability commitments and public awareness of climate issues. Voluntary markets provide additional avenues for funding climate projects and raise awareness about carbon offsetting. They play a critical role in engaging private sector participation and driving climate action beyond regulatory requirements.

Indian carbon markets (ICM)

India has established a new National Designated Authority (NDA) on August 22, 2025 to handle all of India's commitments under Article 6 of the Paris Agreement superseding the earlier NDA dated May 30, 2025. Chaired by the Secretary of Ministry of Environment, Forest and Climate Change and comprising representatives from 20 key ministries/agencies, the new NDA's role is to evaluate, approve, and authorize carbon market and non-market projects, maintain a national registry through the Indian Carbon Market framework, facilitate migration of pre-2020 CDM Certified Emission Reductions (CERs) into new article 6 framework, and ensure projects align with India's sustainable development goals and NDC targets. It can set eligibility criteria, fees, guidelines, and procedures; assess projects for technical, financial, and sustainability soundness; prioritize proposals with higher national benefits; and co-opt experts or form sub-committees as needed. It also ensures proper monitoring, stakeholder consultation, and compliance with international requirements while reporting to the Apex Committee for Paris Agreement Implementation (AIPA) and the Central Government.

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This development is in line with the Paris Agreement Rulebook, which emphasizes carbon trading through bilateral and cooperative approaches, as well as international market mechanisms. India has taken the necessary steps, including the inclusion of fuels like CBG and Sustainable Aviation Fuel (SAF) in the list of greenhouse gas (GHG) mitigation activities.

In 2023, India introduced the Carbon Credit Trading Scheme (CCTS), which encompasses both compliance and voluntary sectors. Although the compliance segment is set to commence in 2025-26, a specific timeline for the launch of the voluntary carbon market has not been established. Under the revised carbon market scheme, obligated entities have the flexibility to purchase additional credits or sell surplus ones, while businesses can trade carbon credits to offset their emissions.

However, sectors facing challenges in meeting reduction targets, particularly those with hard-to-abate emissions, are exploring the possibility of trading energy-saving certificates (ESCerts) and renewable energy certificates (RECs) as offsets. Following the successful hosting of the G20 Summit, India has emerged as a favorable destination for energy transition investments, with the addition of approximately 17 GW of capacity, of which 13.8 GW consists of non-fossil additions.

The government plans to further develop the Indian Carbon Market (ICM), which will establish a national framework aimed at decarbonizing the Indian economy by pricing GHG emissions through the trading of Carbon Credit Certificates. The Bureau of Energy Efficiency, in conjunction with the Ministry of Environment, Forest, and Climate Change, is developing the Carbon Credit Trading Scheme for this purpose. A stakeholder consultation on Accredited Carbon Verifiers under the ICM was recently held in New Delhi, attended by key stakeholders, including Accredited Energy Auditors, Carbon/Energy Verifiers, and sector experts.

As India currently has an energy savings-based market mechanism, the new Carbon Credit Trading Scheme will enhance energy transition efforts with an increased scope covering potential energy sectors in India. For these sectors, GHG emissions intensity benchmarks and targets will be developed, aligned with India's emissions trajectory as per climate goals. The trading of carbon credits will be based on performance against these sectoral trajectories. Furthermore, a voluntary mechanism is envisioned to encourage GHG reduction from non-obligated sectors.

The ICM will enable the creation of a competitive market that provides incentives for climate actors to adopt low-cost options by attracting technology and finance towards sustainable projects that generate carbon credits. It can serve as a vehicle for mobilizing a significant portion of the investments required by the Indian economy to transition towards low-carbon pathways. Additionally, it will provide guidance for developing the Monitoring, Reporting, and Verification (MRV) process and define eligibility criteria for Accredited Carbon Verifiers (ACVs).

The ICM will develop methodologies for estimating carbon emissions reductions and removals from various registered projects and stipulate the required validation, registration, verification, and issuance processes to operationalize the scheme. MRV guidelines for the emissions scheme will also be developed after consultation. A comprehensive institutional and governance structure will be established with specific roles for each party involved in the execution of the ICM. Capacity building of all entities will be undertaken to up-skill in the subject matter.

The ICM will mobilize new mitigation opportunities through demand for emission credits by private and public entities. A well-designed, competitive carbon market mechanism would enable the reduction of GHG emissions at the least cost, both at the entity level and the overall sector, driving faster adoption of clean technologies in a growing economy like India.

India has been at the forefront of climate action to meet climate goals through its ambitious Nationally Determined Contributions (NDC). To facilitate the achievement of India's enhanced climate targets and meet future goals, the government is developing the ICM. By accelerating the transition to a low-carbon economy, the ICM will facilitate the achievement of the NDC goal of reducing the Emissions Intensity of GDP by 45% by 2030 against 2005 levels.

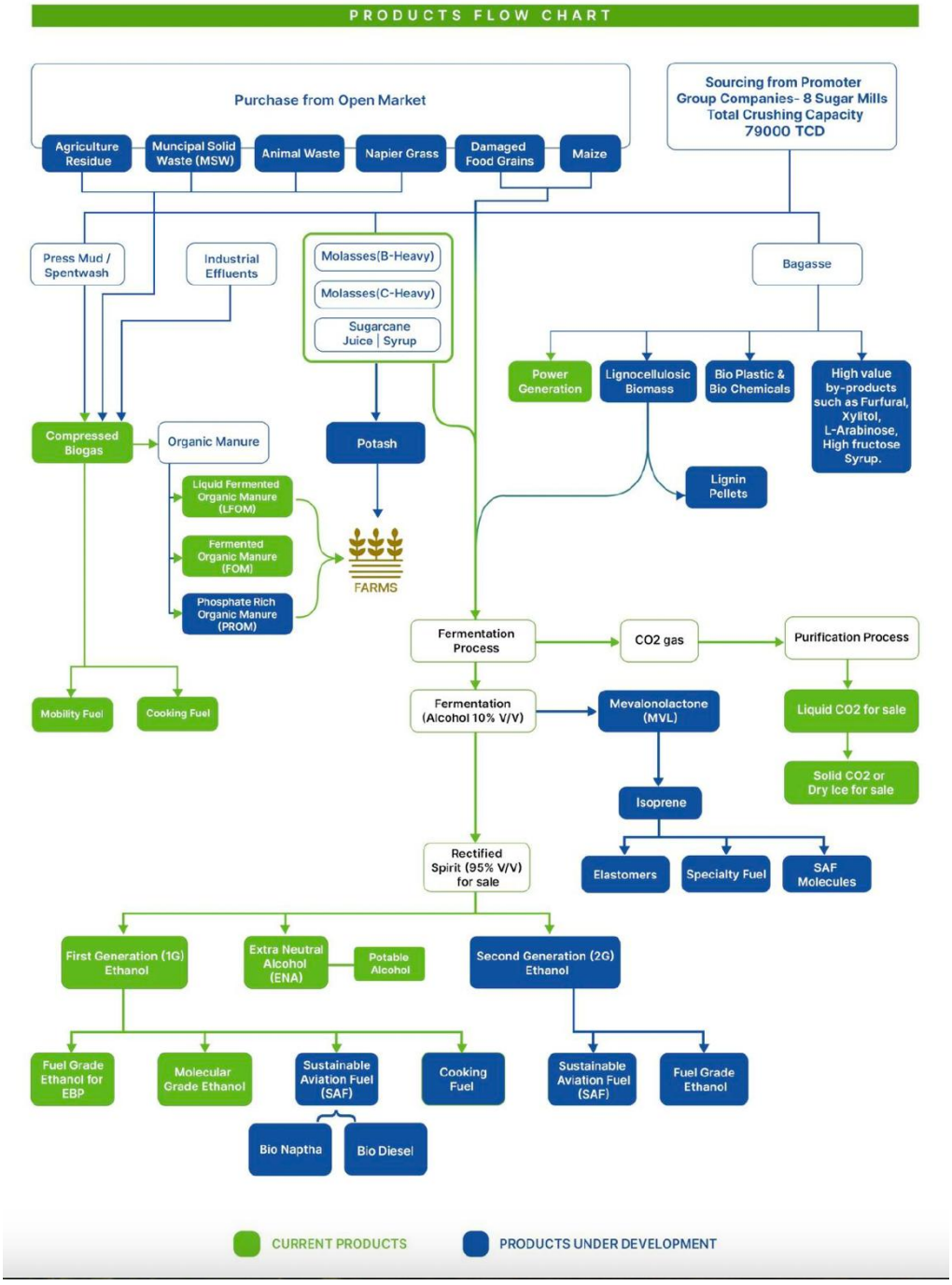
The government has already begun work in this regard, with the Ministry of Environment proposing legally

binding GHG emission targets for over 460 industrial units as part of India's first compliance-based carbon market. The draft rules, titled Greenhouse Gas Emission Intensity Target Rules, 2025, were issued by the ministry in June 2025. The Bureau of Energy Efficiency will set targets for two compliance years, 2025-26 and 2026-27, based on 2023-24 as baseline data. Sectoral benchmarks and each company's past performance will guide these targets. Unused credits can be banked for future years, offering some flexibility to industries.

This development will be particularly beneficial for biofuel producers in India, considering Article 6 of the Paris Agreement, which focuses on the development of carbon markets and enables countries to transfer carbon credits earned from the reduction of greenhouse gas emissions to help one or more countries meet their climate targets. CBG and SAF have been finalized as GHG mitigation activities in India, while biofuels, in general, will be considered valid under GHG removal activities. This will give impetus to the development of biofuels in India once the ICM is operational.

TruAlt Bioenergy: A diversified biofuel player

TBL products flow chart



TruAlt Bioenergy Limited is a green energy company steadfastly pursuing its objectives through a harmonious amalgamation of various policies laid out by the Government of India in its transition towards sustainable growth. From the foundational National Biofuels Policy to the strategic Ethanol Blending Program, the Pradhan Mantri JI-VAN Yojana, the Sustainable Alternative Towards Affordable Transportation (SATAT) initiative, to the cutting-edge forays into Green Hydrogen and the globally significant Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), TruAlt Bioenergy's operations seamlessly align with an extensive spectrum of governmental policies. Strategic investments and collaborations are at the heart of TruAlt Bioenergy's growth strategy, wherein the company actively seek partnerships with industry leaders, research institutions, and governmental bodies to amplify our impact and accelerate the adoption of sustainable energy solutions. These alliances enable TruAlt Bioenergy to leverage collective expertise, share resources, and expand market reach, driving significant value creation for stakeholders. TruAlt Bioenergy's forays into CBG with companies like GAIL as partners are examples of these.

TruAlt Bioenergy stands as one of India's largest biofuels producers, having strategically positioned itself as a prominent and diversified player in the biofuel industry, particularly in the ethanol sector. TruAlt Bioenergy holds the distinction of being the largest ethanol producer in India based on installed capacity, with an aggregate installed capacity of 2,000 kilo litres per day (KLPD) and an operational capacity of 1,800 KLPD as of March 31, 2025. The company is a leading entity in the market and has amongst the largest market share in terms of ethanol production capacity in (Fiscal 2025) at 3.6%. This 3.6% market share is based on the combined share in both sugar/molasses-based and grain-based ethanol. Specifically, in sugar-based ethanol, TruAlt Bioenergy holds a market share of 7.0%.

TruAlt Bioenergy has strategically established its presence with five distillery units that operate on molasses and syrup-based feedstocks. The company further intends to commission dual-feed capabilities totalling 1,300 KLPD, aimed at enhancing operational flexibility and optimizing feedstock utilization. These units will be capable of running on diverse feedstocks, including damaged food grains, broken rice, and maize. Typically, dual feed integration facilities operate approximately from 330 to 340 days. In parallel bagasse-based cogeneration plants offer a cost advantage over coal-based cogeneration plants, resulting in lower fuel expenses and reduced power generation costs.

As of August 2024, the world's first commercial ethanol-to-SAF refinery is operational with a capacity of 110 KLPD, TruAlt Bioenergy has ambitions of setting up a 310 KLPD facility to produce 10 crore litres of SAF, which is intended to position it as one of the world's largest producers of SAF from Ethanol.

TruAlt Bioenergy also produces extra-neutral alcohol (ENA) which is a primary raw material in the production of alcoholic beverages. During the manufacturing processes, the company also captures CO2 which is in turn used to produce dry ice and liquid CO2. The CO2 market in India is primarily driven by its use in various industries such as food and beverages, healthcare, chemicals, and oil and gas. The CO2 market is growing in India driven by increasing industrialisation and rising standards of living.

TruAlt Bioenergy, through its subsidiary Leafiniti Bioenergy Private Limited, is one of the first producers of CBG under the Sustainable Alternative Towards Affordable Transportation (SATAT) scheme introduced by the Government of India in 2018 and operated at 10.2 TPD. TruAlt Bioenergy is rapidly expanding its CBG capacity with multiple plans and is set to become one of India's leading CBG/ Bio-CNG producers.

A distinct advantage that sets TruAlt Bioenergy apart from other biofuel players lies in its robust network of raw material sources, majority of which are internally generated. This vertically integrated approach to sourcing raw materials contributes significantly to the company's competitive edge by having direct control over the supply of raw material via supply arrangement with promoter group entities. Thus, TruAlt Bioenergy is at a position to ensure reliability, consistency, and quality in its ethanol production processes.

This strategic alignment of resources positions TruAlt Bioenergy to effectively cater to the burgeoning demand for ethanol in India's dynamic market. As countries increasingly shift towards more sustainable and environmentally friendly energy solutions, the demand for biofuels, including ethanol, continues to rise. TruAlt Bioenergy's strategic foresight in expanding its distillation capacity and securing its raw material supply bodes well for its ability to meet this growing market demand. In line with this TruAlt Bioenergy is also progressing towards the fuel retail business. TruAlt Bioenergy has been officially granted authorisation as an Oil Marketing Company (OMC), allowing it to directly market clean fuels like ethanol and Bio-CNG, along with retailing Motor Spirit (Petrol) and High-Speed Diesel (HSD) across India. This marks a strategic entry into the country's fuel retailing network. The company will be recognized as a private Oil Marketing Company (OMC) in India, alongside established players such as Reliance Industries – BP, Shell and Nayara Energy. As part of its commitment to inclusive fuel access, TruAlt Bioenergy aims to establish at least 5% of the retail outlets in notified remote areas, supporting the government's vision of last-mile energy connectivity. In the initial rollout, TruAlt Bioenergy plans to launch over 100 strategically located fuel stations, building a robust network that caters to both conventional fuels and next-generation blended alternatives such as ethanol and Bio-CNG.

TruAlt Bioenergy's long-term growth strategy entails reducing its reliance on a single feedstock and diversify its range of raw materials. The diversification aims to enhance operational efficiency while positioning TruAlt Bioenergy as a carbon-neutral entity. Primary focus is on second-generation biofuels, which encompass a wide variety of feedstocks, with an emphasis on non-edible biomass like wood chips, agricultural and forest residues, and municipal solid waste. Second-generation biofuels present numerous advantages, including superior environmental sustainability, enhanced energy efficiency, and the potential for utilizing more cost-effective resources. Additionally, the company intends to progressively commence the production of second generation (2G) ethanol, bioplastics, sustainable aviation fuel (SAF), biochemicals, and set up biofuel dispensing stations.

The company meets its steam and power requirements through integrated captive power generation. Each distillery is equipped with bagasse-fired cogeneration plants, comprising high-efficiency boilers and turbines, thereby ensuring minimal reliance on external energy sources. This approach not only enhances operational sustainability but also delivers a significant cost advantage over conventional coal-based power systems, aligning with both economic and environmental objectives. Furthermore, TruAlt Bioenergy's in-house raw material sourcing for ethanol production, particularly from a sister concern/ promoter group company, strategically fosters vertical integration. This ensures a seamless supply chain, granting the promoter group company direct control over raw material quality. Leveraging the sister concern/ promoter group resources enhances efficiency, reduces external dependency, and boosts overall operational stability, providing a distinct strategic advantage.

TruAlt Bioenergy: Potential threats to products and services

1. Competition with Fossil Fuels:
   Biofuels face strong competition from cheaper and more established fossil fuels, which can limit market share and profitability.

2. Food vs. Fuel Debate:
   The use of agricultural feedstocks for biofuel production can lead to conflicts with food supply, impacting public perception and policy support.

3. Climate Variability:
   Climate variability and extreme weather events can affect the availability and reliability of feedstocks, disrupting biofuel production.

4. Regulatory and Policy Changes:
   Uncertainty and changes in government regulations and policies can impact the biofuel industry's growth and stability.

5. Technological Advancements in Electric Vehicles:
   The rapid advancement and adoption of electric vehicles pose a significant threat to the biofuel market by reducing demand for liquid fuels.

6. Global Economic Instability:
   Economic instability can affect investment in the biofuel sector and disrupt global supply and demand dynamics.

7. Infrastructure Limitations:
   Insufficient infrastructure for biofuel production, distribution, and storage can hinder market expansion and accessibility.

Competitive Landscape

Level of industry fragmentation and key player overview

Ethanol market in India is relatively fragmented, with numerous players including sugar mills, distilleries, and ethanol manufacturers. The Indian government has promoted ethanol blending in gasoline, which has encouraged a wider range of entities to enter the ethanol production market. Both large corporate players and smaller regional producers are involved in ethanol production.

TruAlt Bioenergy invested significantly in expanding its production capacity, allowing it to produce ethanol on a larger scale compared to its competitors. This move enabled them to meet the growing demand for ethanol, especially due to the Indian government's emphasis on ethanol blending. TruAlt Bioenergy has a successful track record of increasing the distillation capacity from 390 KLPD to 2,000 KLPD in around 4 years to become India's largest ethanol producer by installed capacity as of December 31, 2024.

The company currently operates four Ethanol production distilleries on molasses and syrup-based feedstocks,

with production capacity (installed operational capacity) as follows:

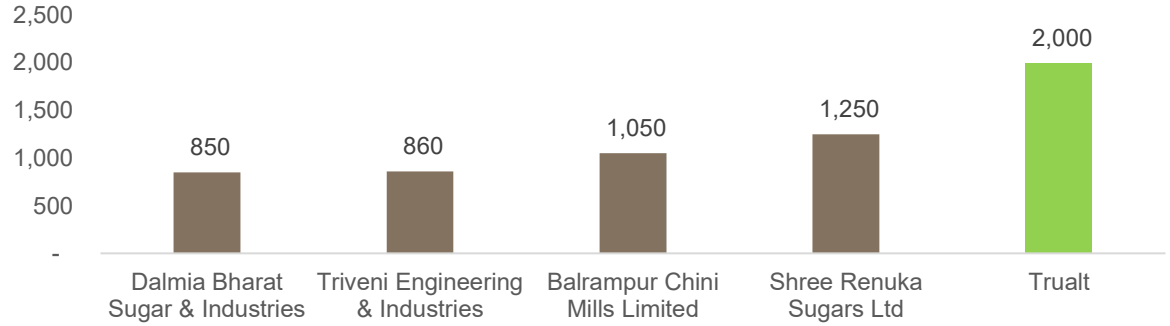
Ethanol Capacity

Sr. No.	Unit Type	Capacity* (KLPD)
1	Unit 1	700
2	Unit 2	500
3	Unit 3	400**
4	Unit 4	200***
	Total	**1,800**

**As of March 31, 2025.*
*** TBL Unit 3 capacity was increased from 200 KLPD to 400 KLPD from November 1, 2024.*
**** TBL Unit 4 received consent to operate on December 24, 2024 and was capitalised on March 30, 2025 post completion of trial run on March 29, 2025.*

Note: In addition, the company has established TBL Unit 5 with an installed capacity of 200 KLPD as of March 31, 2025.

Top 5 installed distillation capacity (in KLPD), India – Fiscal 2025



KLPD: thousand litre per day

Source: CRISIL MI&A consulting

Porter's five forces analysis

Porter's Five Forces Assessment

Bargaining power of buyer (High)	• India ethanol market, buyers hold a significant amount of bargaining power due to the presence of numerous buyers such as oil marketing companies, sugar mills, and distilleries. • The buyers have the option to switch to other fuels like gasoline if the price of ethanol becomes too high. • Refineries and distributors have some leverage over ethanol producers as ethanol is a vital component of gasoline blends. • However, the competition among ethanol suppliers helps to balance this power dynamic.
Bargaining power of suppliers (Low to Moderate)	• The bargaining power of suppliers is relatively low in the India ethanol market. This is because there are a limited number of suppliers of ethanol, and they are all located in India. Buyers are also able to produce their own ethanol if the price becomes too high. • Ethanol production relies on agricultural feedstocks (sugarcane, corn). Suppliers have some power due to their importance, but options exist for sourcing raw materials.
Threat of new entrants (Moderate to High)	• There are various rules and regulations that are to be followed to produce ethanol like Environment Clearance from MoEFCC/SEIAA, license from Petroleum and Explosive Safety Organization of India (PESO), IEM license, and must meet the BIS standards for ethanol production. • Setting up the ethanol production plants requires high capital requirements.

Threat of substitutes (Moderate)	• There are several alternative fuels that can be used in gasoline, such as methanol and biodiesel. However, ethanol is a relatively cost-competitive fuel, and it has several environmental benefits that make it a desirable alternative to other products. • The by-products of ethanol hold immense value and can be utilized in a multitude of beneficial ways. For example, one of the by-products is distilled grains which are the leftover grains from the fermentation process. The other one is Co2 which can be used in carbonation of beverages.
Industry Rivalry (High)	• The rivalry among existing firms is relatively high in the India ethanol market. This is because there are a limited number of players in the market, and they all compete for a share of the same customers. • Intense competition among ethanol producers due to government mandates for blending and increasing demand. Established players and potential capacity expansions contribute to rivalry.

Source: CRISIL MI&A consulting

Operational benchmarking

Ethanol Plant – Operational benchmark - Indian Players (Fiscal 2025)

Sr. No.	Company Name	No. of distilleries	Ethanol/ Distillery capacity (KLPD)	Production (KLPD)	$ Capacity Utilisation %
1	TruAlt Bioenergy	4	1800	628	45%
2	Bajaj Hindustan Sugar Ltd	6	800	NA	NA
3	Dhampur Sugar Mills Ltd	1	350	223	64%
4	Triveni Engineering & Industries	5	860	658	77%
5	Balrampur Chini Mills Ltd	5	1,050	716	68%
6	Shree Renuka Sugars Ltd	3	1,250	NA	NA
7	Eid Parry India Ltd	5	537	NA	NA
8	Dwarikesh Sugar Indus Ltd	2	337.5	181	54%
9	Dalmia Bharat Sugar & Industries	4	850	NA	NA
10	India Glycols Ltd	3	810	NA	NA
11	Simbhaoli Sugars Ltd	3	210	NA	NA
12	KPR Mill Ltd	2	500	NA	NA
13	DCM Shriram	4	560	NA	NA
14	Uttam Sugar Mills	2	350	219	63%
15	BCL Industries Ltd	2	700	743	106%
16	Godavari Biorefineries Limited	1	600	276	46%
17	Ugar Sugar Works Ltd	3	845	NA	NA
18	Dhampur Bio-Organics Ltd	1	312.5	201	64%

Source: Company regulatory filings and CRISIL MI&A consulting

Unit 4 has an installed operational capacity of 200 KLPD from 24th December 2024. Unit 5 has an installed capacity of 200KLPD as on 31 December 2024.

Ethanol Plant – Operational benchmark - Indian Players (Fiscal 2024)

Sr. No.	Company Name	No. of distilleries	Ethanol/ Distillery capacity (KLPD)	Production (KLPD)	$ Capacity Utilisation %
1	TruAlt Bioenergy	3	1,400	598	43%
2	Bajaj Hindustan Sugar Ltd	6	800	586	73%
3	Dhampur Sugar Mills Ltd	1	350	413	118%
4	Triveni Engineering & Industries	5	860	606	71%
5	Balrampur Chini Mills Ltd	5	1,050	921	88%
6	Shree Renuka Sugars Ltd	3	1,250	514	41%
7	Eid Parry India Ltd	5	417	415	99%
8	Dwarikesh Sugar Indus Ltd	2	337.5	326	97%
9	Dalmia Bharat Sugar & Industries	4	850	580	68%
10	India Glycols Ltd	3	510	N.A.	N.A.
11	Simbhaoli Sugars Ltd	3	210	118	56%
12	KPR Mill Ltd	2	500	310	62%
13	DCM Shriram	4	560	534	95%
14	Uttam Sugar Mills	2	300	225	75%
15	BCL Industries Ltd	2	700	434	62%
16	Godavari Biorefineries Limited	1	600	N.A.	N.A.
17	Ugar Sugar Works Ltd	3	845	N.A.	N.A.
18	Dhampur Bio-Organics Ltd	1	312.5	306	98%

Source: Company regulatory filings and CRISIL MI&A consulting

*# **Note for TruAlt Bioenergy**: TruAlt Bioenergy increased capacity in Unit 1 by 550 KLPD and Unit 2 by 260 KLPD 26th Jan 2023 and 15th Nov 2022 respectively. As a result, TruAlt Bioenergy' s total capacity increased from 590 KLPD in Fiscal 2022 to 1,400 KLPD in Fiscal 2023 and 2,000 in Fiscal 2024. The sudden increase in capacity by 1,410 KLPD has resulted in lower utilization which is likely to increase from this year onwards. Installed capacity represents the installed capacity as of the last date of the relevant period. The installed capacity is based on various assumptions and estimates, including standard capacity calculation practice in the Indian ethanol industry and capacity of other machinery installed at the relevant distillery unit. Assumptions and estimates taken into account for measuring capacity utilization is calculated on a weighted average basis.*

$ Capacity Utilization – [Production (KLPD)]/ [Ethanol Capacity (KLPD)].

Ethanol Plant – Operational benchmark - Indian Players (Fiscal 2023)

Sr. No.	Company Name	No. of distilleries	Ethanol/ Distillery capacity (KLPD)	Production (KLPD)	$ Capacity Utilisation %
1	TruAlt Bioenergy	3	1,400	597	70% #
2	Bajaj Hindustan Sugar Ltd	6	800	517	65%
3	Dhampur Sugar Mills Ltd	1	350	284	81%
4	Triveni Engineering & Industries	4	660	496	75%
5	Balrampur Chini Mills Ltd	5	1,050	589	56%
6	Shree Renuka Sugars Ltd	3	1,250	538	43%

Sr. No.	Company Name	No. of distilleries	Ethanol/ Distillery capacity (KLPD)	Production (KLPD)	$ Capacity Utilisation %
7	Eid Parry India Ltd	5	417	294	71%
8	Dwarikesh Sugar Indus Ltd	2	337.5	233	69%
9	Dalmia Bharat Sugar & Industries	4	710	485	68%
10	India Glycols Ltd	3	350	NA	NA
11	Simbhaoli Sugars Ltd	3	210	92	44%
12	KPR Mill Ltd	2	360	188	52%
13	DCM Shriram	4	560	NA	NA
14	Uttam Sugar Mills	2	200	151	76%
15	BCL Industries Ltd	2	600	287	48%
16	Godavari Biorefineries Limited	1	600	NA	NA
17	Ugar Sugar Works Ltd	2	845	250	30%
18	Dhampur Bio-Organics Ltd	1	312.5	269	86%

Source: Company regulatory filings and CRISIL MI&A consulting

*# **Note for TruAlt Bioenergy:** TruAlt Bioenergy increased capacity in Unit 1 by 550 KLPD and Unit 2 by 260 KLPD 26th Jan 2023 and 15th Nov 2022 respectively. As a result, TruAlt Bioenergy' s total capacity increased from 590 KLPD in Fiscal 2022 to 1,400 KLPD in Fiscal 2023. The sudden increase in capacity by 810 KLPD has resulted in lower utilization which is likely to increase from this year onwards. In Fiscal 2023 capacity in Unit 1 has increased from 150 KLPD to 700 KLPD from Feb 23 and in Unit 2 has increased from 240 KLPD to 500 KLPD from Nov 22. Installed capacity represents the installed capacity as of the last date of the relevant period. The installed capacity is based on various assumptions and estimates, including standard capacity calculation practice in the Indian ethanol industry and capacity of other machinery installed at the relevant distillery unit. Assumptions and estimates taken into account for measuring capacity utilization is calculated on a weighted average basis. The corresponding capacity utilization has been considered on a weighted average basis. In Fiscal 2023 capacity in Unit 1 has increased from 150 KLPD to 700 KLPD from Feb 23 and in Unit 2 has increased from 240 KLPD to 500 KLPD from Nov 22. The corresponding capacity utilization has been considered on a weighted average basis.*

$ Capacity Utilization – [Production (KLPD)]/ [Ethanol Capacity (KLPD)].

Ethanol Plant – Operational benchmark - Indian Players (Fiscal 2022)

Sr. No.	Company Name	No. of distilleries	Ethanol/ Distillery capacity (KLPD)	Production (KLPD)	$ Capacity Utilisation %
1	TruAlt Bioenergy	3	590	372	63%
2	Bajaj Hindustan Sugar Ltd	6	800	475	59%
3	Dhampur Sugar Mills Ltd	1	250	221	88%
4	Triveni Engineering & Industries	3	520	262	50%
5	Balrampur Chini Mills Ltd	4	560	447	80%
6	Shree Renuka Sugars Ltd	3	720	452	63%
7	Eid Parry India Ltd	5	297	213	78%
8	Dwarikesh Sugar Indus Ltd	1	162.5	152	94%
9	Dalmia Bharat Sugar & Industries	4	600	321	52%
10	India Glycols Ltd	3	NA	NA	NA

Sr. No.	Company Name	No. of distilleries	Ethanol/ Distillery capacity (KLPD)	Production (KLPD)	$ Capacity Utilisation %
11	Simbhaoli Sugars Ltd	3	210	85	40%
12	KPR Mill Ltd	2	360	93	26%
13	DCM Shriram	4	350	NA	NA
14	Uttam Sugar Mills	2	200	139	70%
15	BCL Industries Ltd	2	400	197	49%
16	Godavari Biorefineries Limited	1	400	NA	NA
17	Ugar Sugar Works Ltd	2	200	74	37%
18	Dhampur Bio-Organics Ltd	1	312.5	125	40%

Source: Company regulatory filings and CRISIL MI&A consulting

*# **Note for TruAlt Bioenergy:** Installed capacity represents the installed capacity as of the last date of the relevant period. The installed capacity is based on various assumptions and estimates, including standard capacity calculation practice in the Indian ethanol industry and capacity of other machinery installed at the relevant distillery unit. Assumptions and estimates taken into account for measuring capacity utilization is calculated on a weighted average basis.*

$ Capacity Utilization – [Production (KLPD)]/ [Ethanol Capacity (KLPD)].

Ethanol Plant – Operational benchmark - Indian Players (Fiscal 2021)

Sr. No.	Company Name	No. of distilleries	Ethanol/ Distillery capacity (KLPD)	Production (KLPD)	$ Capacity Utilisation %
1	TruAlt Bioenergy	3	390	233	60% #
2	Bajaj Hindustan Sugar Ltd	6	800	249	31%
3	Dhampur Sugar Mills Ltd*	2	400	308	77%
4	Triveni Engineering & Industries	2	320	293	92%
5	Balrampur Chini Mills Ltd	4	520	468	90%
6	Shree Renuka Sugars Ltd	3	720	372	52%
7	Eid Parry India Ltd	4	237	173	73%
8	Dwarikesh Sugar Indus Ltd	1	130	84	65%
9	Dalmia Bharat Sugar & Industries	3	305	231	76%
10	India Glycols Ltd	3	NA	NA	NA
11	Simbhaoli Sugars Ltd	3	210	93	44%
12	KPR Mill Ltd	1	130	64	49%
13	DCM Shriram	4	350	NA	NA
14	Uttam Sugar Mills	2	200	82	41%
15	BCL Industries Ltd	1	200	190	95%
16	Godavari Biorefineries Limited	1	400	NA	NA
17	Ugar Sugar Works Ltd	2	75	NA	NA
18	Dhampur Bio-Organics Ltd*	NA	NA	NA	NA

Source: Company regulatory filings and CRISIL MI&A consulting

**NOTE: In Fiscal 2021 Dhampur Sugar Mills Ltd and Dhampur Bio-organics were one entity and the number taken from the Fiscal 2021 annual Report reflect the same*

*# **Note for TruAlt Bioenergy:** Installed capacity represents the installed capacity as of the last date of the relevant period. The installed capacity is based on various assumptions and estimates, including standard capacity calculation practice in the Indian ethanol industry and capacity of other machinery installed at the relevant distillery unit. Assumptions and estimates taken into account for measuring capacity utilization is calculated on a weighted average basis.*
$ Capacity Utilization – [Production (KLPD)]/ [Ethanol Capacity (KLPD)].

Ethanol Plant – Indian Players – Miscellaneous information

Sr. No.	Company Name	Upcoming plant	Cane crushing capacity (TCD)	Product Portfolio
1	TruAlt Bioenergy	1300 KLPD dual-feed integration in existing installed capacity of 2000 KLPD.	79,000***	Fuel-grade Ethanol
2	Bajaj Hindustan Sugar Ltd	NA	1,36,000	Fuel-grade Ethanol, Pharmaceutical and industrial grades, beverages production and Disinfectants and Sanitizers
3	Dhampur Sugar Mills Ltd	Recently expanded	24,000	Fuel-grade Ethanol
4	Triveni Engineering & Industries	Announced expansion to 1110 KLPD	61,000	Produce potable alcohol and fuel-grade Ethanol
5	Balrampur Chini Mills Ltd	NA	80,000	Fuel-grade Ethanol, and industrial application
6	Shree Renuka Sugars Ltd	NA	46,000	Fuel grade ethanol that can be blended with petrol
7	Eid Parry India Ltd	165 KLPD, expansions in its Haliyal and Nellikuppam plants are under progress. Would reach to 582 KLPD by April 2024.	40,800	Fuel-grade Ethanol
8	Dwarikesh Sugar Indus Ltd	NA	21,500	Fuel-grade Ethanol
9	Dalmia Bharat Sugar & Industries	The Company is expanding the 110 KLPD Jawaharpur distillery to 250 KLPD during Fiscal 2024. The Company will install another 300 KLPD grain-based distillery in Nigohi, which is expected to be commissioned in Fiscal 2025	43,200	Fuel-grade Ethanol
10	India Glycols Ltd	Plan for further Grain Capacity expansion to 720 KLPD by Q2 of Fiscal 2025	5,500	Fuel-grade Ethanol
11	Simbhaoli Sugars Ltd	NA	19,500	Fuel-grade Ethanol
12	KPR Mill Ltd	NA	20,000	Fuel-grade Ethanol
13	DCM Shriram	120 KLD multi-feed distillery with 260 KLD grain attachment at Ajbapur	41,000	Fuel-grade Ethanol

Sr. No.	Company Name	Upcoming plant	Cane crushing capacity (TCD)	Product Portfolio
14	Uttam Sugar Mills	In January 2024, 100 KLPD was added, taking the total capacity to 300 KLPD	27,000	Fuel-grade Ethanol
15	BCL Industries Ltd	Plans to take up the total group distillery capacity to 850 KLPD over the next two years.	NA	Producers of grain based potable alcohol and bottled alcohol
16	Godavari Biorefineries Limited	Recently completed expansion from 400 KLPD	20,000	Sugar, biofuel, ENA, perfumery grade ethanol, hand sanitizer, pharma grade ethanol
17	Ugar Sugar Works Ltd	The company is planning an investment of Rs. 151 crores. It will set up a 200 KLPD facility at Ugar Khurd	18,500	Rectified spirit, Indian made liquor, absolute alcohol, arrack, industrial alcohol
18	Dhampur Bio-Organics Ltd	250 KLPD greenfield expansion project announced	29,500	Fuel-grade ethanol

Source: Company regulatory filings and CRISIL MI&A consulting
****Through Promoter Group companies*

Ethanol Plant – Operational benchmark (Global Players)

Sr. No.	Company Name	No of plants	Ethanol capacity (KLPD)	Production (KLDP)	Capacity Utilisation %	Upcoming plant	Cane crushing capacity (TCD)	Product Portfolio
1	Valero Energy Corporation	12	16,594	14,634	88%	NA	NA	Ethanol is shipped primarily by rail to fuel providers who mix the ethanol with gasoline
2	Raizen Brazil	NA	11,223	NA	NA	NA	NA	Fuel-grade Ethanol, Phamraceutical and industrial grades for chemical, cosmetic and beverages applications
3	Wilmar - Australia	1	164	NA	NA	NA	11,841	Fuel-grade Ethanol, industrial grades, organic ethanol (include beverages, flavours, perfumery and extraction) and Refrigeration brine
4	Petrobras	9	4,362	NA	NA	NA	NA	Fuel-grade Ethanol
5	Sao Martinho	4	3,562	NA	NA	NA	NA	**Hydrated ethanol**, used in the tanks of ethanol-powered cars; **Anhydrous ethanol**, which

Sr. No.	Company Name	No of plants	Ethanol capacity (KLPD)	Production (KLDP)	Capacity Utilisation %	Upcoming plant	Cane crushing capacity (TCD)	Product Portfolio
								is mixed with gasoline as an additive to fill the tanks of gasoline-powered vehicles; and industrial ethanol, mainly used in the production of paints, cosmetics, and alcoholic beverages.

Source: Company regulatory filings

Financial benchmarking

Domestic Players

Revenue, Fiscal 2018 to Fiscal 2025

Revenue (Rs. Lakh)	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	CAGR (Fiscal 2018-2025)	Fiscal 2024 % revenue from ethanol
TruAlt Bioenergy	-	-	-	52,538	69,558	116,039	122,340	190,772	38.04%*	78.2%
Bajaj Hindustan Sugar Ltd	594,271	680,639	666,934	666,597	557,565	633,803	610,432	557,476	-0.91%	14.2%
Triveni Engineering & Indus	341,238	315,174	443,663	470,335	469,404	631,010	615,140	680,794	10.37%	35.8%
Dhampur Sugar Mills Ltd	339,581	295,406	352,513	223,297	216,298	287,402	264,683	265,638	-3.45%	30.7%
Balrampur Chini Mills Ltd	440,072	428,578	474,129	481,166	484,603	466,586	559,374	541,538	4.1%	30.2%
Shree Renuka Sugars Ltd	626,634	447,953	474,079	555,537	638,647	902,075	1,131,900	1,058,910	7.78%	7.6%
Dalmia Bharat Sugar and Industries	227,488	201,851	211,080	268,577	300,686	325,208	289,937	374,578	7.38%	37.7%
Dwarikesh Sugar Indus Ltd	145,828	108,412	133,613	183,885	197,871	210,296	170,957	135,888	-1.00%	34.1%
EID Parry India Ltd	1,543,758	1,656,539	1,712,892	1,858,745	2,352,106	3,524,380	2,941,311	N.A.	N.A.	2.7%

**CAGR is from Fiscal 2021 to Fiscal 2025*
Source: Company regulatory filings

EBITDA Fiscal 2018 to Fiscal 2025

EBITDA (Rs. Lakh)	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	CAGR (Fiscal 2018-

									2025)
TruAlt Bioenergy	-	-	-	9,974	10,877	15,480	18,809	30,914	32.68% *
Bajaj Hindusthan Sugar Ltd	27,211	29,618	45,294	16,293	17,141	26,285	24,723	28,874	0.85%
Triveni Engineering & Indus	27,588	30,886	54,318	55,821	63,441	61,591	62,659	47,620	8.11%
Dhampur Sugar Mills Ltd	3,545	48,010	36,121	27,672	29,139	30,333	26,631	16,954	25.05%
Balrampur Chini Mills Ltd	45,166	68,907	68,197	71,383	69,971	51,204	81,227	73,943	7.30%
Shree Renuka Sugars Ltd	-110,626	26,785	-12,089	51,079	34,679	56,370	67,400	60,140	-
Dalmia Bharat Sugar and Industries	23,419	23,705	33,662	47,143	46,440	43,653	41,185	46,891	10.43%
Dwarikesh Sugar Indus Ltd	14,249	12,905	13,607	20,125	29,073	21,455	20,495	11,347	-3.25%
EID Parry India Ltd	136,874	151,007	199,681	217,556	240,602	315,550	258,762	N.A.	N.A.

(*) CAGR for Fiscal 2021-Fiscal 2025
Source: Company regulatory filings

EBITDA margin Fiscal 2018 to Fiscal 2025

EBITDA Margin	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
TruAlt Bioenergy	-	-	-	18.98%	15.64%	13.34%	15.37%	16.20%
Bajaj Hindusthan Sugar Ltd	4.58%	4.35%	6.79%	2.44%	3.07%	4.15%	4.05%	5.18%
Triveni Engineering & Indus	8.08%	9.80%	12.24%	11.87%	13.52%	9.76%	10.19%	6.99%
Dhampur Sugar Mills Ltd	1.04%	16.25%	10.25%	12.39%	13.47%	10.55%	10.06%	6.38%
Balrampur Chini Mills Ltd	10.26%	16.08%	14.38%	14.84%	14.44%	10.97%	14.52%	13.65%
Shree Renuka Sugars Ltd	-17.65%	5.98%	-2.55%	9.19%	5.43%	6.25%	5.95%	5.68%
Dalmia Bharat Sugar and Industries	10.29%	11.74%	15.95%	17.55%	15.44%	13.42%	14.20%	12.52%
Dwarikesh Sugar Indus Ltd	9.77%	11.90%	10.18%	10.94%	14.69%	10.20%	11.99%	8.35%
EID Parry India Ltd	8.87%	9.12%	11.66%	11.70%	10.23%	8.95%	8.80%	N.A.

Source: Company regulatory filings

PAT Fiscal 2018 to Fiscal 2025

PAT (Rs. Lakh)	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025	CAGR (Fiscal 2018-2025)
TruAlt Bioenergy	-	-	-	4,950	3,760	4,901	3,181	14,664	31.19%
Bajaj Hindusthan Sugar Ltd	-49,964	-13,657	-5,000	-29,082	-26,754	-13,474	-8,692	-2,478	-
Triveni Engineering	11,914	21,628	33,512	29,460	42,406	179,18	39,516	23,826	10.49%

& Indus						1			
Dhampur Sugar Mills Ltd	15,126	25,092	22,403	14,335	14,403	15,799	13,452	5,242	-14.05%
Balrampur Chini Mills Ltd	23,166	57,582	51,935	47,979	46,464	28,417	53,447	43,692	9.49%
Shree Renuka Sugars Ltd	-69,554	-36,505	-56,656	-11,652	-13,672	-19,667	-62,720	-29,990	-
Dalmia Bharat Sugar and Industries	12,230	17,515	19,319	27,034	30,786	24,832	27,247	38,675	17.88%
Dwarikesh Sugar Indus Ltd	10,145	9,511	7,345	9,154	15,522	10,481	8,352	2,334	-18.94%
EID Parry India Ltd	51,743	43,765	88,888	99,982	157,370	182,774	161,757	N.A.	N.A.

(*) CAGR for Fiscal 2021 - Fiscal 2025
Source: Company regulatory filings

PAT margin Fiscal 2018 to Fiscal 2025

PAT Margin	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
TruAlt Bioenergy	-	-	-	9.4%	5.4%	4.2%	2.6%	7.69%
Bajaj Hindusthan Sugar Ltd	-8.41%	-2.01%	-0.75%	-4.36%	-4.80%	-2.13%	-1.42%	-0.44%
Triveni Engineering & Indus	3.49%	6.86%	7.55%	6.26%	9.03%	28.40%	6.42%	3.50%
Dhampur Sugar Mills Ltd	4.45%	8.49%	6.36%	6.42%	6.66%	5.50%	5.08%	1.97%
Balrampur Chini Mills Ltd	5.26%	13.44%	10.95%	9.97%	9.59%	6.09%	9.55%	8.07%
Shree Renuka Sugars Ltd	-11.10%	-8.15%	-11.95%	-2.10%	-2.14%	-2.18%	-5.54%	-2.83%
Dalmia Bharat Sugar and Industries	5.38%	8.68%	9.15%	10.07%	10.24%	7.64%	9.40%	10.32%
Dwarikesh Sugar Indus Ltd	6.96%	8.77%	5.50%	4.98%	7.84%	4.98%	4.89%	1.72%
EID Parry India Ltd	3.35%	2.64%	5.19%	5.38%	6.69%	5.19%	5.50%	N.A.

Source: Company regulatory filings

Net worth Fiscal 2018 to Fiscal 2025

Net Worth (Rs. Lakh)	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
TruAlt Bioenergy	-	-	-	7,209	10,975	24,049	26,461	76,900
Bajaj Hindusthan Sugar Ltd	295,725	279,239	269,701	237,222	225,909	443,480	448,519	423,117
Triveni Engineering & Indus	94,635	114,052	133,867	155,567	191,285	266,525	290,090	315,962
Dhampur Sugar Mills Ltd	100,254	122,582	136,190	156,006	88,498	104,304	110,101	115,335
Balrampur Chini Mills Ltd	161,706	211,779	241,569	261,915	276,971	289,558	340,096	379,550

Net Worth (Rs. Lakh)	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
Shree Renuka Sugars Ltd	-367,160	-556,115	-88,240	-66,414	-60,746	-88,064	-143,790	-167,510
Dalmia Bharat Sugar and Industries	150,456	153,170	151,875	214,269	238,571	270,495	293,216	323,451
Dwarikesh Sugar Indus Ltd	36,582	46,360	48,371	57,891	67,329	73,979	82,208	80,622
EID Parry India Ltd	423,642	445,246	522,628	682,869	809,987	953,899	1,121,200	N.A.

Source: Company regulatory filings

Net debt Fiscal 2018 to Fiscal 2025

Net Debt (Rs. Lakh)	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
TruAlt Bioenergy	-	-	-	33,751	75,005	114,532	166,133	139,990
Bajaj Hindusthan Sugar Ltd	601,541	533,261	504,192	532,835	476,006	427,767	378,783	350,346
Triveni Engineering & Indus	110,776	159,429	135,500	96,594	153,647	83,928	133,455	192,295
Dhampur Sugar Mills Ltd	131,469	166,278	160,759	106,940	83,457	68,746	96,033	79,558
Balrampur Chini Mills Ltd	87,374	167,179	139,746	113,419	120,931	187,831	200,793	262,583
Shree Renuka Sugars Ltd	307,610	269,695	287,191	439,291	519,241	538,159	573,460	580,380
Dalmia Bharat Sugar and Industries	66,191	94,972	113,961	84,461	72,390	38,828	95,953	71,074
Dwarikesh Sugar Indus Ltd	32,178	63,505	65,249	55,663	52,184	37,009	44,995	42,119
EID Parry India Ltd	3,47,897	4,71,401	3,65,964	-15,430	4,377	-24,853	9,005	N.A.

Source: Company regulatory filings

ROE Fiscal 2018 to Fiscal 2025

ROE	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
TruAlt Bioenergy	-	-	-	68.66%*	41.36%	26.31%	10.27%	28.27%
Bajaj Hindustha n Sugar Ltd	-16.90%	-4.75%	-1.82%	-11.47%	-11.55%	-4.03%	-1.95%	-0.6%
Triveni Engineerin g & Indus	12.59%	20.73%	27.03%	20.36%	24.45%	78.28%	14.20%	7.9%
Dhampur Sugar Mills Ltd	15.09%	22.52%	17.31%	9.81%	11.78%	16.39%	12.55%	4.7%
Balrampur Chini Mills Ltd	14.33%	30.83%	22.91%	19.06%	17.24%	10.03%	16.98%	12.1%
Shree Renuka Sugars Ltd	18.94%	7.91%	17.59%	15.07%	21.50%	26.43%	Not Meaningfu l	Not Meaningfu l
Dalmia Bharat Sugar and	8.13%	11.54%	12.67%	14.77%	13.60%	9.76%	9.67%	12.5%

ROE	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
Industries								
Dwarikesh Sugar Indus Ltd	27.73%	22.93%	15.51%	17.23%	24.79%	14.83%	10.69%	2.9%
EID Parry India Ltd	12.21%	10.07%	18.37%	16.59%	21.08%	20.72%	15.59%	18.5%

(*) For Fiscal 2021, TruAlt's ROE figure is derived from closing equity, as opposed to average equity
Source: Company regulatory filings

ROCE Fiscal 2018 to Fiscal 2025

ROCE	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
TruAlt Bioenergy	-	-	-	18.89%*	12.96%	10.48%	7.42%	10.88%
Bajaj Hindusthan Sugar Ltd	0.8%	1.1%	3.0%	-0.7%	-0.6%	0.6%	0.29%	0.94%
Triveni Engineering & Indus	10.7%	10.5%	17.1%	18.2%	18.4%	14.8%	15.20%	6.83%
Dhampur Sugar Mills Ltd	-8.3%	8.2%	9.7%	8.1%	11.1%	14.2%	10.83%	5.22%
Balrampur Chini Mills Ltd	14.3%	18.9%	15.3%	15.9%	15.2%	8.7%	11.58%	8.83%
Shree Renuka Sugars Ltd	249.2%	-2.8%	45.9%	11.7%	3.3%	7.0%	9.06%	7.68%
Dalmia Bharat Sugar and Industries	8.1%	7.8%	10.7%	13.0%	11.8%	9.9%	7.68%	7.90%
Dwarikesh Sugar Indus Ltd	15.9%	10.7%	8.9%	14.1%	21.2%	14.3%	12.79%	4.93%
EID Parry India Ltd	13.5%	14.1%	18.3%	22.5%	25.4%	28.3%	18.67%	N.A.

(*) For Fiscal 2021, TruAlt's ROCE figure is derived from closing capital employed, as opposed to average capital employed
Source: Company regulatory filings

Net Debt/Equity Fiscal 2018 to Fiscal 2025

Debt/Equity	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
TruAlt Bioenergy	-	-	-	4.68	6.83	4.76	6.28	1.82
Bajaj Hindusthan Sugar Ltd	2.03	1.91	1.87	2.25	2.11	0.96	0.84	0.83
Triveni Engineering & Indus	1.17	1.40	1.01	0.62	0.80	0.31	0.46	0.61
Dhampur Sugar Mills Ltd	1.31	1.36	1.18	0.69	0.94	0.66	0.87	0.69
Balrampur Chini Mills Ltd	0.54	0.79	0.58	0.43	0.44	0.65	0.59	0.69
Shree Renuka Sugars Ltd	-0.84	-0.48	-3.25	-6.61	-8.55	-6.11	-3.99	-3.46

Dalmia Bharat Sugar and Industries	0.44	0.62	0.75	0.39	0.30	0.14	0.33	0.22
Dwarikesh Sugar Indus Ltd	0.88	1.37	1.35	0.96	0.78	0.50	0.55	0.52
EID Parry India Ltd	0.82	1.06	0.70	-0.02	0.01	-0.03	0.01	N.A.

Source: Company regulatory filings

Fixed Asset Turnover Fiscal 2018 to Fiscal 2025

Fixed Asset Turnover	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
TruAlt Bioenergy	-	-	-	1.60*	1.70	1.40	1.01	1.29
Bajaj Hindusthan Sugar Ltd	0.8	0.9	0.9	0.9	0.8	0.9	0.8	0.75
Triveni Engineering & Indus	4.1	3.8	4.7	4.4	4.4	5.0	4.2	3.56
Dhampur Sugar Mills Ltd	2.1	1.9	2.2	1.4	1.7	2.9	2.5	2.37
Balrampur Chini Mills Ltd	3.0	3.0	3.1	3.0	3.0	2.2	2.1	2.05
Shree Renuka Sugars Ltd	1.0	0.9	1.2	1.5	1.6	2.2	2.6	2.42
Dalmia Bharat Sugar and Industries	1.8	1.5	1.6	2.0	2.1	2.0	1.7	2.07
Dwarikesh Sugar Indus Ltd	4.3	3.3	3.6	4.4	5.0	4.4	2.9	2.42
EID Parry India Ltd	5.0	5.4	5.4	5.8	7.4	10.6	7.9	N.A.

(*) For Fiscal 2021, TruAlt's figure is derived from closing PPE, as opposed to average PPE
Source: Company regulatory filings

Working Capital days Fiscal 2018 to Fiscal25

Working Capital Days	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
TruAlt Bioenergy	-	-	-	59.83	26.09	-21.50	26.23	26.18
Bajaj Hindusthan Sugar Ltd	-28	-51	-95	-111	-122	-106	-98	-63.74
Triveni Engineering & Indus	167	231	172	142	197	165	210	211.73
Dhampur Sugar Mills Ltd	112	182	171	243	217	130	173	212.85
Balrampur Chini Mills Ltd	122	190	200	198	210	219	222	265.30
Shree Renuka Sugars Ltd	-114	-154	-79	-43	5	10	2	-2.32
Dalmia Bharat Sugar and Industries	81	154	241	219	193	160	223	202.68
Dwarikesh Sugar Indus	114	238	260	191	173	139	187	265.32

Working Capital Days	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
Ltd								
EID Parry India Ltd	25	48	63	36	16	8	8	N.A.

Source: Company regulatory filings

Note: High WC days in the industry can be attributed to its cyclic nature with production being concentrated in sugarcane crushing season which generally lasts for 4-5 months, leading to a mismatch between cashflows and expenses throughout the year, thus necessitating higher WC days to manage daily operations and inventory.

Inventory days Fiscal 2018 to Fiscal 2025

Inventory Days	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
TruAlt Bioenergy	-	-	-	79.14*	65.29	57.36	70.34	51.77
Bajaj Hindusthan Sugar Ltd	212	178	184	175	219	189	200	224.62
Triveni Engineering & Indus	223	302	226	194	241	180	228	229.27
Dhampur Sugar Mills Ltd	158	248	220	329	290	147	182	220.13
Balrampur Chini Mills Ltd	189	246	240	247	242	240	242	283.63
Shree Renuka Sugars Ltd	57	137	154	170	160	111	134	164.14
Dalmia Bharat Sugar and Industries	161	239	314	270	224	179	261	229.38
Dwarikesh Sugar Indus Ltd	169	310	308	225	199	147	190	265.58
EID Parry India Ltd	134	150	152	116	98	76	124	N.A.

(*) For Fiscal 2021, TruAlt's figure is derived from closing inventory, as opposed to average inventory
Source: Company regulatory filings

Note: High inventory days stem from the need to store raw material which primarily is syrup and molasses for usage during off season period which generally lasts for 6-9 months. During peak crushing seasons (lasting 4 to 5 months) when output surpasses demand the sugar manufacturing industry produces and stores final product (sugar / ethanol) and various byproducts like syrup, molasses. Thus, for Ethanol players, syrup is used as a raw material in crushing season and molasses are used in the off season. Additionally, evolving market conditions with respect to domestic and international markets may also play a role in inventory management decisions leading to prolonged storage periods.

Further the sale of ethanol is dependent on the bidding process of OMCs and supply of ethanol is as per the delivery schedules which is guided by OMCs pursuant to various market factors.
Further, for pure-play Ethanol companies, the raw material (syrup and molasses) prices increase in the off season due to which they are procured in the cane crushing season and stored in inventory, to ensure continuous supply of raw material throughout the year, thus leading to a higher investment in inventory resulting in a longer working capital cycle.

Receivable days Fiscal 2018 to Fiscal 2025

Receivable Days	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
TruAlt	-	-	-	56.76*	43.01	26.54	57.50	61.61

Bioenergy								
Bajaj Hindusthan Sugar Ltd	11	10	10	10	14	10	9	8.62
Triveni Engineering & Indus	33	32	24	22	18	19	22	23.17
Dhampur Sugar Mills Ltd	26	39	36	50	39	23	25	21.44
Balrampur Chini Mills Ltd	15	27	27	18	14	10	8	9.05
Shree Renuka Sugars Ltd	44	43	16	9	13	10	13	18.39
Dalmia Bharat Sugar and Industries	12	25	32	19	16	17	17	12.28
Dwarikesh Sugar Indus Ltd	13	19	22	16	9	9	11	13.08
EID Parry India Ltd	43	43	45	29	11	7	16	N.A.

(*) For Fiscal 2021, TruAlt's figure is derived from closing receivables, as opposed to average receivables
Source: Company regulatory filings

Payable days Fiscal 2018 to Fiscal 2025

Payable Days	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2025
TruAlt Bioenergy	-	-	-	76.07*	82.21	105.40	101.61	87.21
Bajaj Hindusthan Sugar Ltd	251	239	289	296	355	305	307	296.98
Triveni Engineering & Indus	89	104	78	73	62	34	40	40.72
Dhampur Sugar Mills Ltd	73	105	85	136	112	40	34	28.72
Balrampur Chini Mills Ltd	82	83	67	67	46	32	28	27.38
Shree Renuka Sugars Ltd	215	334	249	223	167	111	146	184.85
Dalmia Bharat Sugar and Industries	92	110	106	70	48	36	55	38.97
Dwarikesh Sugar Indus Ltd	68	91	69	50	35	17	14	13.34
EID Parry India Ltd	152	145	133	110	93	75	132	N.A.

(*) For Fiscal 2021, TruAlt's figure is derived from closing account payables, as opposed to average account payables
Source: Company regulatory filings

Global Players

Revenue

Global Players ($ Mn)	2017	2018	2019	2020	2021	2022	CAGR (2017-2022)	% Of revenue from ethanol
Wilmar International	43,574	44,498	42,640	50,527	65,794	73,399	11.0%	NA
Petrobras	88,827	95,584	76,589	53,683	83,966	124,474	7.0%	NA
Valero	93,980	117,033	108,324	64,912	113,977	176,383	13.4%	3%
	Fiscal 2018	**Fiscal 2019**	**Fiscal 2020**	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**	**CAGR (Fiscal 2018-2023)**	
Raizen	16	17	21	24	18	38	19.3%	NA
Sao Martinho	522	685	672	739	861	1,144	17.0%	NA

Source: Company regulatory filings

EBITDA

Global Players ($ Mn)	2017	2018	2019	2020	2021	2022	CAGR (2017-2022)
Wilmar International	2,615.0	2,937.0	3,024.0	3,609.0	4,172.0	4,734.0	12.6%
Petrobras	30,125.0	34,460.0	34,251.0	20,510.0	48,626.0	68,510.0	17.9%
Valero	5,549.0	6,641.0	6,091.0	772.0	4,535.0	18,163.0	26.8%
	Fiscal 2018	**Fiscal 2019**	**Fiscal 2020**	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**	**CAGR (Fiscal 2018-2023)**
Raizen	1.34	1.26	1.20	1.81	1.67	2.51	13.7%
Sao Martinho	162.72	261.82	200.26	284.61	370.30	553.27	27.7%

Source: Company regulatory filing

EBITDA Margin

Global Players	2017	2018	2019	2020	2021	2022
Wilmar International	6.0%	6.6%	7.1%	7.1%	6.3%	6.4%
Petrobras	33.9%	40.7%	44.7%	38.2%	57.9%	55.0%
Valero	5.9%	5.7%	5.6%	1.2%	4.0%	10.3%
	Fiscal 2018	**Fiscal 2019**	**Fiscal 2020**	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**
Raizen	8%	7%	6%	7%	9%	7%
Sao Martinho	31%	38%	30%	39%	43%	48%

Source: Company regulatory filings

PAT

Global Players ($ Mn)	2017	2018	2019	2020	2021	2022	CAGR (2017-2022)
Wilmar International	1,280	1,224	1,327	1,691	2,066	2,569	14.9%
Petrobras	169	7,414	10,363	948	19,986	36,755	193.4%
Valero	4,156	3,353	2,784	-1,107	1,288	11,879	23.4%
	Fiscal 2018	**Fiscal 2019**	**Fiscal 2020**	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**	**CAGR (Fiscal 2018-2023)**
Raizen	0.61	0.46	0.45	0.48	0.21	0.65	1.2%
Sao Martinho	56.8	98.3	62.8	127.8	185.4	296.2	39.1%

Source: Company regulatory filings

PAT Margin

Global Players	2017	2018	2019	2020	2021	2022
Wilmar International	2.9%	2.8%	3.1%	3.3%	3.1%	3.5%
Petrobras	0.2%	8.8%	13.5%	1.8%	23.8%	29.5%
Valero	4.4%	2.9%	2.6%	-1.7%	1.1%	6.7%
	Fiscal 2018	**Fiscal 2019**	**Fiscal 2020**	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**
Raizen	3.9%	2.7%	2.1%	2.0%	1.2%	1.7%
Sao Martinho	10.9%	14.4%	9.3%	17.3%	21.5%	25.9%

Source: Company regulatory filings

Net Worth

Global Players ($ Mn)	2017	2018	2019	2020	2021	2022
Wilmar International	16,985	16,767	17,876	21,383	22,602	22,601
Petrobras	81,502	73,175	74,215	59,876	69,812	69,836
Valero	22,900	22,731	22,536	19,642	19,817	25,468
	Fiscal 2018	**Fiscal 2019**	**Fiscal 2020**	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**
Raizen	2	2	2	2.	1	4.
Sao Martinho	681	658	678	669	797	1,064

Source: Company regulatory filings

Net Debt

Global Players ($ Mn)	2017	2018	2019	2020	2021	2022
Wilmar International	18,372	21,694	21,594	20,443	26,422	27,430
Petrobras	86,527	70,276	55,888	42,177	25,233	21,958
Valero	3,022	6,127	7,089	11,364	9,748	6,773
	Fiscal 2018	**Fiscal 2019**	**Fiscal 2020**	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**
Raizen	2	2	2	3	1	3
Sao Martinho	715	757	851	944	752	1,155

Source: Company regulatory filings

ROE

Global Players	2017	2018	2019	2020	2021	2022
Wilmar International	7.5%	7.3%	7.7%	8.6%	9.4%	11.4%
Petrobras	0.2%	9.6%	14.1%	1.4%	30.8%	52.6%
Valero	18.1%	14.7%	12.3%	-5.2%	6.5%	52.5%
	Fiscal 2018	**Fiscal 2019**	**Fiscal 2020**	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**
Raizen	24.8%	19.1%	19.2%	20.7%	12.0%	23.3%
Sao Martinho	8.3%	14.7%	9.4%	19.0%	25.3%	31.8%

Source: Company regulatory filings

ROCE

Global Players	2017	2018	2019	2020	2021	2022
Wilmar International	5.0%	5.5%	5.3%	5.9%	6.3%	6.8%
Petrobras	8.9%	13.0%	13.2%	7.2%	33.7%	53.9%
Valero	11.2%	14.4%	12.0%	11.5%	14.2%	12.7%

	Fiscal 2018	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2023
Raizen	18.4%	14.6%	13.2%	15.5%	29.3%	21.4%
Sao Martinho	8.2%	13.3%	7.6%	9.8%	14.6%	20.6%

Source: Company regulatory filings

Net Debt to Equity

Global Players	2017	2018	2019	2020	2021	2022
Wilmar International	1.1	1.3	1.2	1.0	1.2	1.2
Petrobras	1.1	1.0	0.8	0.7	0.4	0.3
Valero	0.1	0.3	0.3	0.6	0.5	0.3
	Fiscal 2018	**Fiscal 2019**	**Fiscal 2020**	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**
Raizen	0.7	0.8	1.0	1.4	0.9	0.6
Sao Martinho	1.1	1.2	1.3	1.4	0.9	1.1

Source: Company regulatory filings

Fixed Asset Turnover

Global Players	2017	2018	2019	2020	2021	2022
Wilmar International	5.0	4.9	4.1	4.2	4.9	5.1
Petrobras	0.5	0.5	0.5	0.4	0.7	1.0
Valero	3.4	4.2	3.7	2.2	3.7	5.7
	Fiscal 2018	**Fiscal 2019**	**Fiscal 2020**	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**
Raizen	7.4	7.8	7.8	7.4	7.5	13.2
Sao Martinho	0.5	0.6	0.6	0.6	0.7	0.9

Source: Company regulatory filings

Working Capital Days

Global Players	2017	2018	2019	2020	2021	2022
Wilmar International	100	97	98	92	88	90
Petrobras	37	42	44	38	27	32
Valero	18	15	18	32	15	8
	Fiscal 2018	**Fiscal 2019**	**Fiscal 2020**	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**
Raizen	10	8	1	-5	-4	-3
Sao Martinho	46	42	30	6	0	-7

Source: Company regulatory filings

Inventory Days

Global Players	2017	2018	2019	2020	2021	2022
Wilmar International	75	73	76	71	66	69
Petrobras	52	61	69	87	55	49
Valero	28	23	26	40	22	16
	Fiscal 2018	**Fiscal 2019**	**Fiscal 2020**	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**
Raizen	11	11	12	15	21	15
Sao Martinho	49	46	34	13	10	14

Source: Company regulatory filings

Receivable Days

Global Players	2017	2018	2019	2020	2021	2022

Wilmar International	34	35	37	34	34	33
Petrobras	20	23	23	29	24	17
Valero	27	22	28	42	26	23
	Fiscal 2018	**Fiscal 2019**	**Fiscal 2020**	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**
Raizen	9	10	11	10	11	8
Sao Martinho	24	18	19	16	16	14

Source: Company regulatory filings

Payable Days

Global Players	2017	2018	2019	2020	2021	2022
Wilmar International	10	12	15	13	11	12
Petrobras	35	42	48	78	52	34
Valero	37	30	36	50	33	31
	Fiscal 2018	**Fiscal 2019**	**Fiscal 2020**	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2023**
Raizen	10	13	22	29	36	26
Sao Martinho	26	23	23	24	26	35

Source: Company regulatory filings

Formulas used:

EBITDA = Profit before tax+ Depreciation and Amortization + Finance costs – Other Income

Net debt = Long-term borrowing + short-term borrowing – Cash and cash equivalents

EBITDA margin (%) = EBITDA/ Revenue from operations

PAT margin (%) = PAT/ Revenue from Operations

Fixed Asset turnover = Revenue from operations/ Average Property Plant Equipment

RoE = PAT/ Average Shareholders' equity (Net worth) [Return on Equity for TruAlt Bioenergy Ltd is calculated as profit after tax less preference dividend divided by average total equity. (Note: Closing total equity is used for year ended 2021).]

RoCE = EBIT/ Average Capital employed [Return on Capital Employed for TruAlt Bioenergy Ltd is calculated as EBIT divided by average capital employed. Capital employed is calculated as Net Worth (Shareholders Equity) plus total debt plus Deferred Tax Liability (Net of Deferred Tax Assets); while EBIT is calculated as profit after tax plus total income tax expense plus finance costs minus other income. (Note: Closing capital employed is used for year ended 2021)]

Capital Employed = Shareholder’s Equity + Total Bank Debt

Working capital days = Inventory days + receivable days – payable days

Inventory days = Average inventory * 365/Cost of Goods Sold

Receivable days = Average trade receivable * 365/revenue from operations

Payable days = Average trade payables * 365/ Cost of Goods Sold

Net debt-equity ratio = Net debt/ Shareholders equity

Exchange rate: 1 Reals = $0.2

OUR BUSINESS

Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 21, for a discussion of the risks and uncertainties related to those statements and also the sections "Risk Factors", "Industry Overview", "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 36, 180, 393, and 526, respectively, as well as financial and other information contained in this Red Herring Prospectus as a whole, for a discussion of certain factors that may affect our business, financial condition, results of operations or cash flows. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our Company's financial year commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that year. Unless otherwise indicated or unless the context requires otherwise, the financial information included herein is based on our Restated Financial Information included in this Red Herring Prospectus. For further information, see "Restated Financial Information" on page 399.

Further, names of certain customers have not been included in this Red Herring Prospectus either because relevant consents for disclosure of their names were not available or in order to preserve confidentiality.

*Our Company entered into business transfer agreements, each dated September 26, 2022, with MRN Cane Power India Limited, Nirani Sugars Limited and Shri Sai Priya Sugars Limited ("**Seller Companies**") to acquire their distillery and co-generation facilities with effect from October 1, 2022 (collectively, the "**Acquisition**"). The Seller Companies prior to the execution of the business transfer agreements were collectively managed and operated by members of the Promoter Group and were each engaged in business activities of sugar production, co-generation and distillery. The business transfer agreements as executed by our Company with the three Seller Companies are executed concurrently in contemplation of one another with similar terms linked and form part of a single business acquisition. For further information, see "History and Certain Corporate Matters – Other Agreements" on page 333. The impact of the Acquisition is depicted in our Restated Financial Information in only six months of Fiscal 2023, and in Fiscals 2024 and 2025. The Proforma Condensed Combined Financial Information has been included in this Red Herring Prospectus to indicate the results of operations and financial position that would have resulted had the Acquisition been completed as of April 1, 2020. For further information, see "Proforma Condensed Combined Financial Information" on page 445. Further, we acquired a majority stake in Leafiniti Bioenergy Private Limited ("**Leafiniti**") on October 4, 2023. Accordingly, the consolidated financial information for Fiscal 2025 and Fiscal 2024 are not directly comparable with the standalone financial information for Fiscal 2023 as we did not have any subsidiary in such prior period. Unless the context otherwise requires, in this section, references to "the Company" or "our Company" are to TruAlt Bioenergy Limited on a standalone basis, while "we", "us" and "our" refer to TruAlt Bioenergy Limited on a consolidated basis.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Assessment of Biofuels Market" dated September 2025 (the "**CRISIL Report**") prepared and issued by CRISIL Market Intelligence & Analytics, a division of CRISIL Limited, pursuant to an engagement letter dated August 9, 2023 and addenda dated June 18, 2024, November 18, 2024 and June 6, 2025. The CRISIL Report has been exclusively commissioned and paid for by us in connection with the Offer. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. A copy of the CRISIL Report is available on the website of our Company at https://www.trualtbioenergy.com/investor-relations. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular Fiscal/ Calendar Year refers to such information for the relevant Fiscal/ Calendar Year. For further information, see "Risk Factors – Industry information included in this Red Herring Prospectus has been derived from an industry report prepared by CRISIL Market Intelligence & Analytics, a division of CRISIL Limited, exclusively commissioned and paid for by us for such purpose." on page 59. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data" on page 80.*

OVERVIEW

We are one of India's largest biofuels producers, having strategically positioned ourselves as a prominent and diversified player in the biofuels industry, particularly in the Ethanol sector. We hold the distinction of being the largest Ethanol producer in India based on installed capacity, with an aggregate installed capacity of 2,000 kilo litres per day ("**KLPD**") and an operational capacity of 1,800 KLPD, as of March 31, 2025. Our market share is amongst the largest in terms of Ethanol production capacity in Fiscal 2025, at 3.6%. (*Source: CRISIL Report*)

Our Business Verticals

Ethanol

As of the date of this Red Herring Prospectus, we have established five distillery units in Karnataka. As of March 31, 2025, we operated four Ethanol production distilleries on molasses and syrup-based feedstocks, with production capacity (installed operational capacity) as follows:

S. No.	Particulars	Capacity*
1.	TBL Unit 1	700 KLPD
2.	TBL Unit 2	500 KLPD
3.	TBL Unit 3	400 KLPD**
4.	TBL Unit 4	200 KLPD***
	Total	**1,800 KLPD**

**As of March 31, 2025.*
*** TBL Unit 3 capacity was increased from 200 KLPD to 400 KLPD from November 1, 2024.*
**** TBL Unit 4 received consent to operate on December 24, 2024 and was capitalised on March 30, 2025 post completion of trial run on March 29, 2025.*
Note: In addition, we have established TBL Unit 5 with an installed capacity of 200 KLPD as of March 31, 2025.

Diversify Sources of Ethanol Production

By March 2026, out of the 2,000 KLPD installed capacity, we intend to convert 1,300 KLPD of our current mono feed (sugarcane juice / sugar syrup / molasses) capacity to dual-feed, capable of producing ethanol from grain-based feedstocks or grains unfit for human consumption. Progressively, we also intend to increase our operational capacity from 1,800 KLPD as of March 31, 2025 to 2,000 KLPD.

As part of our Ethanol production, we also produce extra neutral alcohol ("**ENA**"), the primary raw material in the production of alcoholic beverages. Our product portfolio also includes dry ice and liquid carbon dioxide ("**CO_2**"), by-products in the Ethanol production process.

*Compressed Biogas ("**CBG**") Production Capabilities*

Through our Subsidiary, Leafiniti, we are one of the first producers of CBG under the Sustainable Alternative Towards Affordable Transportation ("**SATAT**") scheme introduced by the Government of India in 2018. (*Source: CRISIL Report*) We are rapidly expanding our CBG capacity with multiple plants and are set to become one of India's leading CBG/ bio-CNG producers. (*Source: CRISIL Report*) Our Subsidiary, Leafiniti, operates one CBG plant with a capacity of 10.20 tonnes per day ("**TPD**") as of March 31, 2025, which also produces solid and liquid fermented organic manure ("**FOM**"). To strengthen our CBG capabilities further, on August 11, 2025, our Company entered into a share subscription cum shareholders' agreement with GAIL through which our Subsidiary, Leafiniti will commence setting up multiple CBG units across various locations in a phased manner, of which 20 locations have been identified in the subscription cum shareholders' agreement. GAIL is proposing to hold not more than 49% shareholding in Leafiniti.

In order to further explore strategic partnerships to expand our CBG capabilities, we have entered into a memorandum of understanding ("**MOU**") dated November 18, 2024 with a globally recognized Japanese trading and investment company and a Japanese gas company to establish a joint venture for setting up multiple CBG plants starting from three to five CBG plants in different parts of India.

Additionally, we have signed a non-binding term sheet dated February 18, 2025 and a memorandum of understanding dated October 25, 2024 with Sumitomo Corporation Asia & Oceania Pte. Ltd. for potential collaboration in the bioenergy sector. The initial phase will involve developing four CBG plants (three in Karnataka and one in Maharashtra), followed by future projects in ethanol and sustainable aviation fuel.

These partnerships aim to advance projects in several key areas, including biogas, compressed biogas, bioethanol from first-generation feedstock, bioethanol from second-generation feedstock, sustainable aviation fuel, carbon credit projects and biochemicals from sugar value chain. We also aim to explore carbon credit initiatives to strengthen our commitment to innovation and environmental sustainability in India's bioenergy landscape.

Proposed Business Verticals

Going forward, we intend to venture into the following business verticals, which have been approved by our Board of Directors pursuant to resolution dated September 6, 2025:

*Second Generation ("**2G**") Ethanol*. As an extension of our existing business, we intend to expand our operations and venture into production of 2G Ethanol by utilizing excess 'bagasse', a by-product of sugar manufacturing, as the raw material. We intend to utilize 800,000 MT of bagasse from our Promoter Group companies to produce approximately 6 crore litres per annum of 2G ethanol.

Our Company has signed MoU with Praj Industries Limited on a non-exclusive basis for the production of SAF and 2G ethanol. Further, we have entered into a non-binding term sheet with Sumitomo Corporation Asia & Oceania Pte. Ltd. for potential collaboration in the bioenergy sector.

*Sustainable Aviation Fuel ("**SAF**")*. We intend to move-up the value chain further by utilizing Ethanol to produce SAF. We have also entered into a process license agreement with UOP LLC for Ethanol to Jet process technology to transform Ethanol into high-quality, renewable jet fuel (SAF). We intend to set up a facility to produce 10 crore litres of SAF annually, which, according to the CRISIL Report, is intended to place us as one of the world's largest producers of SAF from Ethanol.

It is expected that from 2027, all international flights will be subject to offsetting requirements under the mandatory stage of the Carbon Offsetting and Reduction Scheme for International Aviation, and the Indian Government has also announced a 1% SAF indicative blending target for 2027. (*Source: CRISIL Report*) To meet this requirement, we aim to scale our existing facility to produce SAF.

*Mevalonolactone ("**MVL**") and Allied Biochemicals*. MVL can be used to produce various valuable products, for the synthesis of elastomers, specialty fuels, and SAF molecules. (*Source: CRISIL Report*) We intend to produce MVL and allied biochemicals, during the manufacturing of Ethanol.

We have entered into an MOU with Visolis Inc., to enter into a technology collaboration for production of SAF. We intend to undertake feasibility studies to understand the ability to produce MVL in dual purpose designed fermenters, which can produce both ethanol and MVL.

Biofuel Dispensing Stations. We operate five dispensing stations in Mudhol, Jamkhandi, Badami, and Kerakalmatti in the Bagalkot district of Karnataka, as of March 31, 2025. With the Government of India's increased push towards use of non-fossil fuel vehicles and leveraging our ready source of Ethanol and CBG, we intend to further set up biofuel dispensing stations. We will be recognized as a private OMC in India, alongside established players such as Reliance Industries – BP, Shell and Nayara Energy. (*Source: CRISIL Report*)

We have received approval from the Ministry of Petroleum and Natural Gas, Government of India, to exercise retail marketing rights to market motor spirit and high-speed diesel. The approval is subject to conditions including net worth criteria, requirement to set up at least 5% retail outlets in notified remote areas, furnishing of bank guarantees, and requirement for permission from the government for expansion of retail outlets beyond the 100 retail outlets proposed in our application form.

In addition to conventional fuels, we are required to install facilities for marketing at least one new generation alternate fuel at our proposed retail outlets within three years of operationalization of the said outlet, subject to us complying with various other statutory guidelines. There shall not be any restriction on an authorized entity such as our Company from utilizing the same retail outlet premises for sales of other new generation transportation fuels by other companies subject to us complying with all statutory guidelines as applicable.

We intend to make our dispensing stations to be capable of dispensing motor spirit, high speed diesel, E85 and E93 blended fuel, bio-CNG, and will also have EV charging points, EV battery swapping and create a non-fuel retail division to cater to fast moving consumer goods and automotive products. These biofuel dispensing stations will allow us to venture into the direct to consumer space as direct retail suppliers. For further information, see "*-Business Strategies*" on page 301.

Our Company is a green energy company steadfastly pursuing our objectives through a harmonious amalgamation of various policies laid out by the Government of India in its transition towards sustainable growth. From the foundational National Biofuels Policy 2018 to the strategic Ethanol Blending Program, the Pradhan Mantri JI-VAN Yojana, the SATAT initiative, to cutting-edge forays into green hydrogen and the globally significant Carbon Offsetting and Reduction Scheme for International Aviation, our vision seamlessly align with an extensive spectrum of governmental policies.

Incentives and schemes have been offered by the Government of India and the State Government of Karnataka, which provide impetus to our operations, and which we benefit from, include the interest subvention scheme for enhancement and augmentation of Ethanol production capacity, long term Ethanol procurement policy, administered price mechanism, Production Linked Incentive ("**PLI**") schemes, stamp duty exemption, reduction in Goods and Service Tax on Ethanol for the Ethanol Blended Petrol programme, use of multiple feedstocks for Ethanol production as well as key Ethanol blending targets.

Summary Financial Highlights

Our business operation commenced in Fiscal 2023. The following table sets forth certain financial information for our Company, as per the Restated Financial Information:

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2024	For the Year Ended March 31, 2025
	(Standalone)	(Consolidated)	
Revenue from operations (₹ lakhs)	76,238.03	1,22,340.47	1,90,772.40
EBITDA (₹ lakhs)[(1)]	10,504.65	18,808.51	30,914.37
Restated profit/ (loss) after tax for the year (₹ lakhs)	3,545.99	3,180.79	14,663.85

Notes:

(1) EBITDA is calculated as profit before tax plus depreciation and amortisation expense plus finance cost, less other income.

The following table sets forth certain financial information as per the Proforma Condensed Combined Financial Information:

Particulars	For the Year Ended March 31,		
	2021	2022	2023
Revenue from operations (₹ lakhs)	52,538.49	69,557.98	1,16,039.01
EBITDA (₹ lakhs)[(1)]	9,973.61	10,876.55	15,480.20
Profit for the year (₹ lakhs)	4,949.69	3,760.41	4,900.69

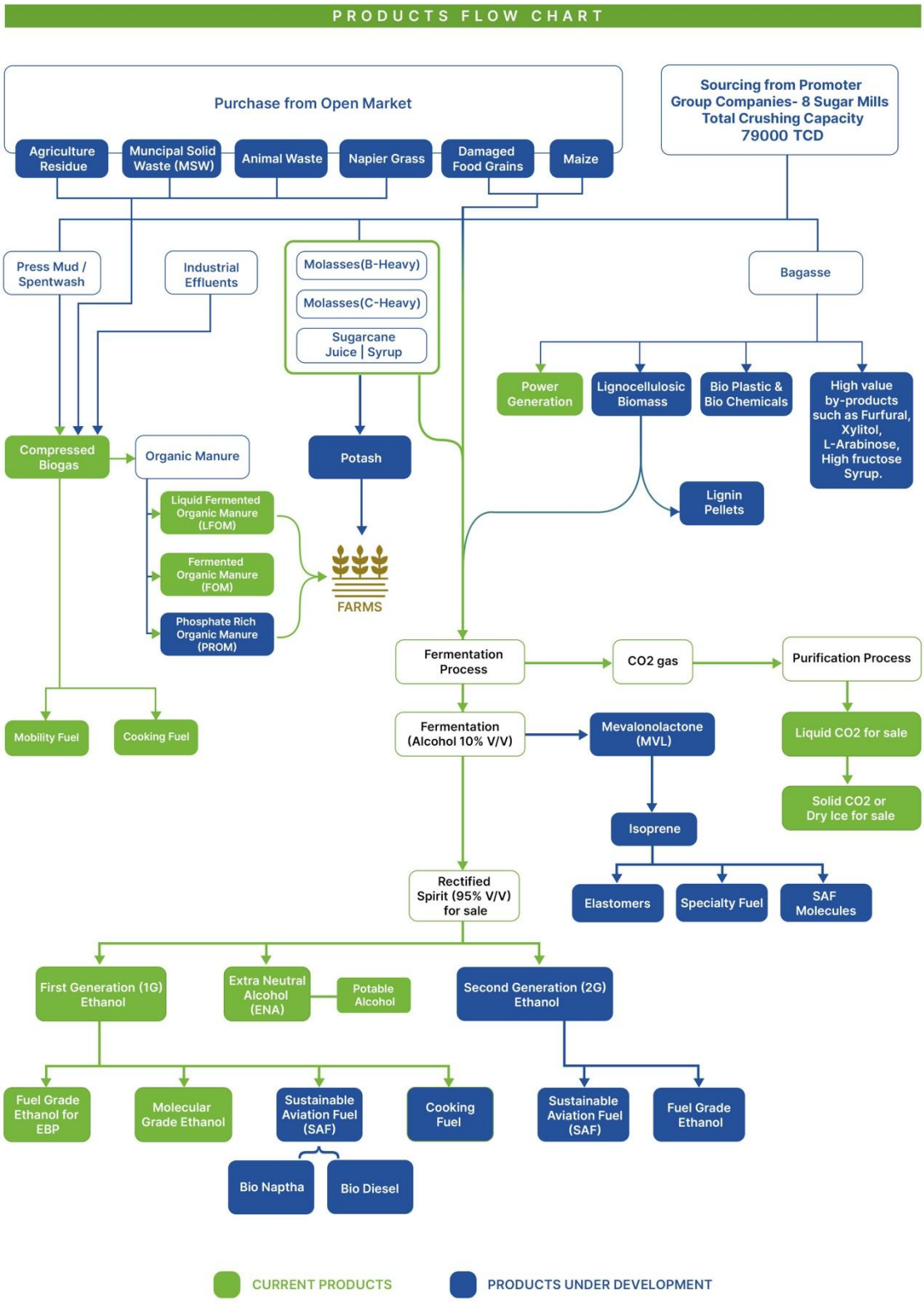
Notes:

(1) EBITDA is calculated as profit before tax plus depreciation and amortisation expense plus finance cost, less other income.

The following sets forth our revenues from sale of products in the corresponding years, as per the Restated Financial Information:

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2024	For the Year Ended March 31, 2025
	(Standalone)	(Consolidated)	
Revenue from sale of Ethanol (₹ lakhs)	70,080.78	95,635.79	1,43,393.84
Revenue from sale of CBG (₹ lakhs)	—	542.06	2,290.19
Revenue from sale of FOM (₹ lakhs)	—	31.94	89.51
ENA (₹ lakhs)	5,271.60	24,598.03	28,367.05
CO_2 (₹ lakhs)	290.74	571.01	600.77

Overview of our Business Operations



1G Ethanol

Introduction

Ethanol, commonly known as ethyl alcohol, is a versatile and flammable chemical that is both renewable and colourless. Its primary production method involves fermentation of various sugar-based materials, starches, and

cellulose-based feedstocks such as corn, barley, wood, and wheat. First-generation bioethanol ("**1G Ethanol**", or "**Ethanol**") is produced from biomass such as sugar-containing materials (like sugar cane juice, molasses, sugar beet, among others) and starch-containing materials (such as corn, cassava, rotten vegetables such as potatoes, damaged food grain, among others). The process of manufacturing 1G Ethanol is a simple and cost-efficient process with no intensive pre-treatments and a well-established infrastructure in the country. (*Source: CRISIL Report*)

Product Applications (*Source: CRISIL Report*)

One of the key characteristics of ethyl alcohol is its high solubility, making it an effective organic solvent. Overall, Ethanol's applications are diverse and impactful, spanning across multiple industries and contributing to both everyday products and essential industrial processes. Set forth below are some of the key uses of Ethanol:

Present Applications	Prospective Applications
First Generation (1G) Ethanol	
Ethanol blended petrol for fuel grade Ethanol.	To produce SAF
Ethanol serves as an essential industrial solvent, used in the manufacturing of paints, coatings, varnishes and inks, providing efficient dissolution of various compounds, and for degreasing applications.	Ethanol is used as cooking fuel in households and commercial kitchens as an alternative to traditional fossil fuels like LPG and kerosene.
Ethanol is a critical ingredient in medical and pharmaceutical industries, used in the production of antiseptics, disinfectants, and tinctures.	Biofuels, including Ethanol and biogas, can be used in power plants for electricity generation.
Ethanol is the primary ingredient in the production of alcoholic beverages to create beverages such as beer, wine, and spirits.	Ethanol and other bio-derived chemicals are used in the production of bioplastics and biochemicals for alternatives to petroleum-based plastics and chemicals.
Ethanol is also used as a chemical feedstock in personal care and cosmetics, as well as in agriculture and animal husbandry as a carrier for active ingredients. It serves as a solvent for dyes and textile finishing chemicals and is utilized in the processing of both natural and synthetic rubber.	MVL can be used to produce various valuable products, for the synthesis of elastomers, specialty fuels, and SAF molecules.

Growth Opportunities (*Source: CRISIL Report*)

Ethanol demand in India is expected to grow at a CAGR of 17.7% till Fiscal 2026. In Fiscal 2023, the overall Ethanol market, including Ethanol for diverse uses, is estimated to be at 828 crore litres and is anticipated to expand significantly, reaching 1,350 crore litres by 2026. This upward trajectory underscores the nation's robust commitment to increasing Ethanol utilization, higher blending targets under the EBP Program, potential utilization of Ethanol in blending of diesel, for flex fuel vehicles, cooking fuel and SAF, reinforcing sustainable energy practices, and fostering a greener future. The Government has already begun planning for the future by exploring goals beyond the 20% ethanol blending target. By ESY 2025-2026, at 20% blending level, ethanol demand will increase to 1,016 crore litres. Therefore, the worth of the ethanol industry will jump by over 500% from around ₹9,000 crore to over ₹50,000 crore.

Key Policies

- *National Biofuels Policy*. National Biofuels Policy 2018 was formulated with the primary objective of reducing India's dependency on fossil fuels, promoting cleaner energy, and ensuring sustainable energy security. The policy encompasses various types of biofuels, including Ethanol, biodiesel, and advanced biofuels such as cellulosic Ethanol and algal biofuels. Key features of the 2018 policy include:

  - Blending Targets:
    - Ethanol Blending: The policy set a target of achieving 20% Ethanol blending with petrol by 2030. The same was revised to 2025 from 2030 in the 2022 Amendment of the Policy.
    - Biodiesel Blending: A target of 5% biodiesel blending with diesel by 2030 was established.

  - Feedstock Utilization:
    - The policy encouraged the use of various feedstocks for biofuel production, including sugarcane, sugar beet, sweet sorghum, starches, and other biomass.
    - It aimed to utilize non-food feedstocks to avoid compromising food security.
    - The 2022 Amendment allowed for a broader range of feedstocks, including agricultural residues, forestry residues, and industrial wastes. Inclusion of advanced biofuels such as 2G Ethanol, CBG, and third-generation ("**3G**") biofuels also happened at this stage.

- Incentives and Financial Support:
    - Financial incentives were provided to biofuel producers, including subsidies and tax reductions.
    - Viability gap funding, interest subvention, and financial assistance for setting up biofuel plants were introduced.
    - The 2022 amendment provided additional financial incentives to encourage private investment in biofuel production and also the introduction of new schemes for viability gap funding, increased capital subsidies, and more attractive loan terms.

- Research and Development:
    - The policy emphasized the importance of R&D to develop efficient technologies for biofuel production.
    - Collaboration with international agencies and organizations was encouraged to adopt best practices.

- Waste to Energy:
    - Promotion of the use of urban and industrial waste for biofuel production was highlighted.
    - The policy aimed to convert waste into energy, thereby addressing waste management issues.

The amendments reflect India's commitment to achieving a cleaner, more sustainable energy mix. By advancing blending targets and promoting advanced biofuels, the policy aims to reduce greenhouse gas emissions, enhance energy security, and support rural economies through the use of agricultural residues and waste. The comprehensive approach also seeks to attract private investment and foster innovation in the biofuels sector, aligning with global sustainability goals and the Paris Agreement commitments.

- *Ethanol Blended Petrol Programme*. The EBP programme was launched in 2003 with the aim of promoting the use of environmentally friendly alternative fuels and reduce import dependency for energy requirements. Under the EBP program, the government undertook several measures like re-introducing administered price mechanism, exploring alternate routes to Ethanol production and differential pricing mechanism for Ethanol products. The government also introduced several schemes to reduce the price of Ethanol blended petrol like reduction in GST on Ethanol for EBP and interest subvention scheme. Furthermore, the government has released long term procurement targets for Ethanol. In 2019, the targets were revised to selling 10% Ethanol blended petrol by 2022 and 20% by 2030; however, the government achieved its 2022 stated targets and has taken several measures to prepone the existing target of 20% blending in 2030 to 2025. In addition to these efforts, the Government is also using taxes and duties to encourage Ethanol usage and boost the market for Ethanol. For instance, an additional basic excise duty of ₹ 2 per litre has been levied on unblended petrol (or petrol not blended with Ethanol or methanol) intended for retail sale with effect from November 1, 2022, showcasing the Government's commitment towards bringing Ethanol to the forefront.

- *Long-Term Ethanol Procurement Policy.* To increase indigenous production of Ethanol, the Government of India has since 2014 implemented multiple interventions including administered price mechanism, opening alternate routes for Ethanol production, amendment to the Industries (Development and Regulation) Act, 1951, which legislates exclusive control of denatured Ethanol by the Central Government, reduction in GST from 18% to 5%, Notification of National Policy on Biofuels – 2018, increasing scope of raw material for Ethanol procurement, interest subvention scheme for enhancement and augmentation of Ethanol production capacity and extension of EBP Programme to whole of India except the islands of Andaman Nicobar & Lakshadweep with effect from April 1, 2019. It has been decided that the price of Ethanol derived from damaged and surplus food grains has to be fixed by oil marketing companies ("**OMCs**"). Based on the estimated petrol demand at an OMC's location and Ethanol prices as fixed for an Ethanol Supply Year, OMCs estimate the Ethanol demand and float tender/ expression of interest. The annual Ethanol procurement quantity (i.e., offtake assurance) is determine by OMCs along with Ethanol procurement price derived from damaged and surplus food grains, if applicable, whereas ethanol procurement price derived from sugarcane based raw materials is fixed by the Government taking into account sugar sector scenario. The Government directs OMCs to accord prioritization of raw material for Ethanol procurement, guidance on transportation rate (which is fixed by OMCs), payment of GST and other administrative requirements to take forward the EBP Programme.

- *Interest Cost Subsidy for Setting-up Ethanol Plants*. Under the 'scheme for extending financial assistance to sugar mills for augmentation of Ethanol production capacity', the Government of India extends soft loan to mills for setting up new distilleries/ expansion and installation of incineration boilers or installation of any method as approved by the Central Pollution Control Board for zero liquid discharge and interest cost subsidy on the loans to be extended by banks for five years including a one-year moratorium.

PLI Incentive. To increase the production of Ethanol in the country and achieve the much-stated target of 20% blending by 2025, the Government of India has announced several schemes for aligning the industry, ultimately benefiting Ethanol production in the country. Key incentives under the scheme include providing soft loans to sugar mills and a single-window mechanism for expedited regulatory clearance for building grain-based distilleries across the country. Under the New Industrial Policy 2025, Government of Karnataka has introduced a scheme where certain industries receive an incentive of 1.75% of their gross revenue for actively participating in and supporting the state's economy and job creation initiatives. Under the Government of Karnataka's scheme, if a company has topline of ₹ 1,000 crore in a financial year, it would receive incentives benefitting it to the tune of ₹ 17.5 crore. We have been benefiting from subsidy, which is paid at the conclusion of each fiscal year, for a period of 10 years starting from Fiscal 2023.

- *Ethanol Interest Subvention Schemes*. Several Ethanol Interest Subvention Schemes have been introduced between 2018 and 2022, incentivizing entrepreneurs to establish new distilleries or expand existing ones. These schemes provide an interest subvention, which is borne by the Government of India of 6% or 50% of the interest charged by banks/financial institutions for five years, whichever is lower, accompanied by a one-year moratorium.

- *Special Incentives Package*. The Government of Karnataka has granted a special incentives package for us effective from May 2023, concerning our Ethanol production plants, which have collectively been recognized as a Super Mega Enterprise under the Industrial Policy 2020-2025. The incentives include a five-year exemption or reimbursement of all kinds of applicable stamp duty and registration charges, in addition to other incentives in line with the New Industrial Policy 2020-2025.

- The Central Board of Indirect Taxes and Customs in July 2022 has exempted the excise duty on 12% Ethanol blended petrol and 15% Ethanol blended petrol in order to support the Ethanol production in the country.

The Government of India and certain State Governments have also included Ethanol projects under their priority sector lending criteria, which has encouraged banks to sanctions loans for Ethanol projects to achieve priority sector lending thresholds.

As an Ethanol producer, we are strategically leveraging the National Biofuels Policy 2018 to align with various Government of India initiatives such as 'Make in India', 'Swachh Bharat Abhiyan', and other national goals like doubling farmers' income, reducing imports, generating employment, and creating wealth from waste. Long-term procurement policies provide us with a stable market for our Ethanol, facilitating consistent production and financial planning. By converting agricultural waste into Ethanol, we are addressing waste management challenges and also creating renewable fuel. An additional basic excise duty of ₹ 2 per litre on unblended petrol intended for retail sale incentivizes blending with Ethanol, promoting higher demand for our product.

Sourcing and Supply

As of March 31, 2025, we primarily manufacture 1G Ethanol utilizing sugar syrup and molasses as raw materials. The process of manufacturing 1G Ethanol is a simple and cost-efficient process with no intensive pre-treatments and a well-established infrastructure in the country, however, it leads to a conflict of food vs fuel and require high land and water usage. (*Source: CRISIL Report*). Towards ensuring assured and continuous raw material supply, we have entered into supply agreements with Nirani Sugars Limited **(**formerly known as MRN Chamundi Canepower and Biorefineries Limited)*,* one of our Promoter Group entities and Group Company, and with MRN Bhima Sugar and Power Private Limited and MRN Canepower and Biorefineries Private Limited to enable uninterrupted access to *inter alia,* bagasse, sugar syrup/sugarcane juice and molasses for Ethanol production, without any minimum purchase obligations on us. In Fiscal 2025, 78.93% of our molasses requirements and 100.00% of our sugar syrup/sugarcane juice requirements, respectively, were sourced from entities which form part of our Promoter Group.

Our Capacity

Ethanol and ENA

Unit / Location	Installed Capacity*	Fungible Integration by addition of Grains Capacity	Feedstock
TBL Unit 1	700 KLPD	550 KLPD by September 2025	Dual Feed Stock (550 KLPD dual feed and 150 KLPD Sugarcane Juice / Syrup / Molasses)

Unit / Location	Installed Capacity*	Fungible Integration by addition of Grains Capacity	Feedstock
TBL Unit 2	500 KLPD	450 KLPD by October 2025	Dual Feed Stock (450 KLPD dual feed and 50 KLPD Sugarcane Juice / Syrup / Molasses)
TBL Unit 3	400 KLPD	-	400 KLPD Sugarcane Juice / Syrup / Molasses
TBL Unit 4[#]	200 KLPD	300 KLPD by October 2025	Dual Feedstock (200 KLPD)
TBL Unit 5**	200 KLPD	-	Sugarcane Juice / Syrup / Molasses (200 KLPD)
Total	**2,000 KLPD**	**1,300 KLPD**	

** As of March 31, 2025.*

[#]Commenced operations on December 24, 2024.

*** We have established TBL Unit 5 with an installed capacity of 200 KLPD as of March 31, 2025, which does not form part of our operational capacity.*

CBG

Introduction

The upgraded form of biogas, known as CBG or bio-CNG (biomethane in Europe and renewable natural gas in the United States), contains over 98% methane and is generated through anaerobic digestion from organic waste streams. These waste materials arise from diverse industrial, economic, agricultural and household activities. The CBG cycle serves as an ideal representation of circularity, as it is derived from various wastes generated by human activities and is subsequently utilized as a resource in the form of clean energy and biofertilizer. Implementing CBG projects in India offers multiple advantages – it reduces the need for CNG imports, promotes in-house clean energy production, enhances waste management, strengthens the rural economy, and expands the non-chemical fertilizer sector. This aligns with the Indian government's goal of transitioning to a gas-based economy, aiming to increase its gas share from 6.7% as of December 2023 to 15% by 2030. (*Source: CRISIL Report*)

Product Applications

CBG, once compressed, becomes a versatile and clean fuel suitable for a range of applications, including transportation, power generation, and industrial processes. Set forth below are some of the key uses of CBG: (*Source: CRISIL Report*)

Present Applications	Prospective Applications
CBG is compressed and used as a fuel for vehicles, particularly in city transport fleets.	Bio-CNG, which is primarily CBG compressed for use in CNG vehicles, is likely to see significant expansion.
CBG is blended with natural gas or used directly for cooking and heating purposes in households and industries connected to city gas networks.	CBG can play a crucial role in this shift by fuelling buses, taxis, and other public transport vehicles.
CBG is used in gas turbines or engines to generate electricity, either for direct use or for feeding into the grid.	CBG can be used in microgrid systems to provide reliable electricity, supporting rural electrification efforts and enhancing energy security.
Cities and municipalities are setting up Bio-CNG stations where vehicles equipped to use compressed natural gas.	CBG can contribute to grid stability by providing a dispatchable and reliable source of power. Its use can help balance fluctuations in renewable energy generation.
Organic Manure • Liquid Fermented Organic Manure • Fermented Organic Manure • Phosphorate Rich Organic Manure	CBG can be utilized in combined heat and power systems, where it not only generates electricity but also provides heat for industrial processes or district heating. This enhances overall energy efficiency and reduces emissions.

Growth Opportunities

Achieving net-zero energy target by Fiscal 2050, the total biogas demand is globally expected to surge to 404 billion cubic meters equivalent, indicating a CAGR of 9% during 2021 to 2050. This is because of the increased renewable energy requirement globally and increased feasibility of biomethane as an energy source. The major demand drivers for CBG from 2021 to 2030 include increasing environmental regulations, a focus on sustainability and renewable energy sources, government initiatives and incentives, expanding use in transportation and industry, and the need to reduce greenhouse gas emissions. These drivers are pushing the growth of CBG production and consumption, aiming to reach 199 billion cubic meters equivalent by 2050. The government of India is looking

forward to exploring CBG as an addition to the biofuel mix of the country and the Indian biogas market is expected to grow up to $2.25 billion in 2029, logging a CAGR of 6.3% between 2022 and 2029. (*Source: CRISIL Report*) We intend to leverage these growth opportunities, backed by policy support, to grow our CBG production capabilities.

Key Policies (*Source: CRISIL Report*)

- *Sustainable Alternative Towards Affordable Transportation Scheme introduced by the Government of India in 2018*. The SATAT initiative's ambitious target is to produce 15 million metric tonnes per annum ("**MMTPA**") of CBG and a remarkable 50 MMTPA of bio-manure. The scheme envisages setting up of 5,000 CBG plants for production of 15 MMTPA of CBG by 2025, with an envisaged initial outlay of ₹ 30,000 crore for setting up of 900 plants in the first phase. Under SATAT, as of March 2025, the total number of active letters of intent is 2,277 and a total of 94 CBG plants have been commissioned across the country. About 215 plants are under various stages of construction. SATAT scheme invites individuals or corporations to set up CBG plants, produce and supply CBG to OMCs.

- *CBG Blending Obligation*. In November 2023, the Government of India made it mandatory for the City Gas Distribution ("**CGD**") sector to blend CBG into the CNG (transport) and PNG (domestic) segments. This significant move aims to promote sustainable energy practices nationwide. Under the CBG Blending Obligation ("**CBO**"), CGD entities are required to mix CBG with natural gas, with the blending percentages gradually increasing over time. Initially starting as a voluntary effort until Fiscal 2025, the CBO mandates blend percentages of 1%, 3%, and 4% for Fiscal 2026, 2027 and 2028, respectively, and by Fiscal 2029, this obligation rises to 5%. Furthermore, until the CGD network is fully operational across the country, CBG marketed separately by all CGD entities will also count towards meeting the blending obligation. The notification highlights that CBG shall be promoted as the green fuel by guaranteeing its renewable origin and which could be sustainably monetized through tradability of green certificate system. Mechanism like open access, book and claim, mass balancing etc. may be used for transfer and trading of energy and green certificates.

- *CBG-CGD Synchronisation Scheme*. The Ministry of Petroleum and Natural Gas has issued policy guidelines dated April 9, 2021 and October 26, 2021 for synchronisation of CBG produced by plants in CGD networks. GAIL has been mandated to operationalize the Synchro Scheme and supply biogas/CBG co-mingled with domestic gas at Uniform Base Price to all CGD entities for use in CNG (Transport) and PNG (Domestic) segments of CGD network. The term of CBG-CGD Synchro Scheme has been further extended by 10 years.

- In February 2023, in an effort to prevent the stacking of taxes on blended CNG, the Ministry of Finance has granted an exemption from excise duty on the portion equivalent to the GST paid on CBG when mixed with CNG.

- CBG initiatives have the potential to produce carbon credits via the Clean Development Mechanism established by the United Nations Framework Convention on Climate Change – these carbon credits can be marketed to organizations and governments seeking to neutralize their carbon emissions, offering an extra income stream for CBG projects.

- CBG projects are categorised as agricultural infrastructure as per RBI guidelines. Loans pertaining to agricultural infrastructure are being classified as priority sector lending, which has encouraged banks to sanctions loans for CBG projects.

- *Market Development Assistance*. The Department of Fertilizers has introduced a Market Development Assistance ("**MDA**") scheme with an outlay of ₹1,451.82 crore for three years, from Fiscal 2024 to Fiscal 2026. Under this scheme, an MDA of ₹1500/MT will be granted for the sale of FOM, liquid FOM, phosphate-rich organic manure produced at biogas/CBG plants under the GOBARdhan initiative.

- *Department of Agriculture, & Farmers Welfare: Agri-Infra Fund*. The Department of Agriculture & Farmers Welfare has introduced a new Scheme under the National Agriculture Infra Financing Facility called Agriculture Infrastructure Fund ("**AIF**"). The AIF offers financial assistance for investments in viable projects related to post-harvest management infrastructure and community farming assets. CBG is among the eligible projects under the community farming assets project. All loans obtained through this financing facility will benefit from a 3% per annum interest subvention, capped at a loan amount of ₹2 crore. This subvention will be applicable for a maximum duration of 7 years.

- *Scheme for Development of Pipeline Infrastructure*: The Government of India has approved the Scheme for Development of Pipeline Infrastructure for the injection of CBG into the city gas distribution network. This initiative is supported by a financial outlay of ₹994.50 crore for Fiscal 2024 to Fiscal 2026, in order to create an ecosystem for off-take of CBG with reduced logistical costs.

- Additionally, in 2023, India introduced the 2023 Carbon Credit Trading Scheme, encompassing both compliance and voluntary sectors. However, while the compliance segment is scheduled to commence in 2025 – 2026 and there is no set timeline for the launch of the voluntary carbon market. Nevertheless, it shows the intent towards sustainability. Under India's revised carbon market scheme, obligated entities have the flexibility to purchase additional credits or sell surplus ones. Meanwhile, businesses can trade carbon credits to offset their emissions. Such schemes will further boost green fuels and energies once they are brought into action.

As CBG producers through our Subsidiary, Leafiniti, we are strategically leveraging these initiatives to enhance our production capabilities and market reach, contributing significantly to India's clean energy goals. By complying with SATAT standards, we supply compressed biogas to retail outlets, benefiting from a stable procurement price, which enables us to market by-products such as bio-manure, thus enhancing our returns on investment.

The guidelines allowing the co-mingling of CBG with domestic gas in the CNG and PNG segments has facilitated a consistent market for our output and enabled us to benefit from excise duty exemptions on the GST paid on blended CNG. Additionally, the price of CBG, indexed to the retail selling price of CNG with a lower fixed limit fixed, has ensured better pricing, making production more financially viable and encouraging further investments.

The National Bioenergy Programme, unveiled by the MNRE, has reduced our upfront investment costs, promoting the establishment of new CBG plants and aligning our operations with national renewable energy goals. Further, the MDA scheme has bolstered the financial viability of our CBG plants, attracting private investments and supporting sustainable agricultural practices by providing organic manure, thereby reducing reliance on chemical fertilizers.

Additionally, the GOBARdhan initiative, coupled with key enablers such as the inclusion of CBG plants in the AIF, as well as revised waste management practices, has streamlined our operations and reduced our environmental impact.

Sourcing and Supply

In connection with CBG production, different feedstocks are set forth below: (*Source: CRISIL Report*)

Feedstock	Average biogas yield (nm3 /MT)
OFMSW (organic fraction of municipal solid waste)	80-100
Napier Grass	110-130
Poultry Litter	80-100
Press Mud	90-110
Spent Wash	40-50
Bagasse	150-170
Segregated Food Waste	110-130
Paddy Straw	300-350
Cow Dung	40-50

We are able to source press mud from one of our erstwhile group companies, which has now merged with one of our Promoter Group companies and Group Company. For further information, see "*History and Certain Corporate Matters – Other Agreements – Business Transfer Agreement dated September 26, 2022 amongst our Company and Shri Sai Priya Sugars Limited ("**SSPSL BTA**")*" on page 334. As of March 31, 2025, the Promoter Group member from whom we source sugar syrup and molasses, namely Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), and MRN Bhima Sugar and Power Private Limited and MRN Canepower and Biorefineries Private Limited, have a sugarcane crushing capacity of 79,000 TCD. Accordingly, we are able to leverage our Promoter Group relationships to satisfy the raw material requirements for CBG for our Subsidiary as well.

Our Capacity

Our installed production capacity, as of March 31, 2025, for CBG is 10.20 TPD (at TBL Unit 2, Jamakhandi, Karnataka). We also intend to set up multiple additional CBG plants in a phased manner, pursuant to a share subscription cum shareholders' agreement with GAIL; and additional CBG plants with other strategic partners, including a globally recognized Japanese trading and investment company and a Japanese gas company, and Sumitomo Corporation Asia & Oceania Pte. Ltd.

We have entered into tripartite agreements under CBG-CCD synchronisation scheme for the sale of CBG, where GAIL acts as an intermediary between us and AGP City Gas Private Limited to ensure that there is uninterrupted and timely supply of CBG. We also have agreements with a strategic partner for supply of CBG. As of March 31, 2025, our CBG customers include GAIL and AGP City Gas Private Limited, and we have been able to establish our position as one of India's largest biofuels producers. (*Source: CRISIL Report*) We have received a purchase order on May 12, 2025 effective from April 24, 2025 to March 31, 2026 from an Indian public sector undertaking which produces chemicals and fertilizers, which enables us to sell FOM at the price of ₹5,565.00 (including GST) per MT.

On August 11, 2025, our Company entered into a share subscription cum shareholders' agreement with GAIL through which our Subsidiary, Leafiniti will commence setting up multiple CBG units across various locations in a phased manner, of which 20 locations have been identified in the subscription cum shareholders' agreement. GAIL is proposing to hold not more than 49% shareholding in Leafiniti.

Further, we have signed a non-binding MOU with a Japanese strategic partner for setting up a joint venture company to establish and develop additional CBG plants, secure feedstock and land, and entry into a definitive agreement for the proposed joint venture is subject to completion of satisfactory due diligence.

We have entered into a non-binding MOU dated November 18, 2024 with a globally recognized Japanese trading and investment company and a Japanese gas company to establish a joint venture for setting up multiple CBG plants across India, starting from three to five CBG plants. Additionally, we have signed a non-binding term sheet dated February 18, 2025 and a memorandum of understanding dated October 25, 2024 with Sumitomo Corporation Asia & Oceania Pte. Ltd. for potential collaboration in the bioenergy sector. The initial phase will involve developing four CBG plants (three in Karnataka and one in Maharashtra) followed by future projects in ethanol and sustainable aviation fuel.

COMPETITIVE STRENGTHS

Largest Installed Capacity for Production of Ethanol in India

As of March 31, 2025, we are the largest producer of Ethanol in India in terms of installed capacity. (*Source: CRISIL Report*) As of the date of this Red Herring Prospectus, we have established five distillery units in Karnataka. As of March 31, 2025, four of our molasses and sugar syrup-based distillery units were operational, and we had an aggregate operational ethanol production capacity of 1,800 KLPD and installed capacity of 2,000 KLPD. Our unit at Kulali Cross, Jamkhandi Road, Mudhol, District Bagalkot, Karnataka, TBL Unit 1, has an installed capacity of 700 KLPD, our unit at Hippargi-Maigur, Jamkhandi Taluk, Bagalkot District, Karnataka, TBL Unit 2, has an installed capacity of 500 KLPD, our unit at Kallapur- S. K. Post: Kulageri, Badami Talulk, Bagalkot District Karnataka, TBL Unit 3, has an installed capacity of 400 KLPD, our unit at Jalageri and Ganganaboodhihala, Tal, Badami in the Bagalkot district of Karnataka, TBL Unit 4, has an installed capacity of 200 KLPD and commenced operations on March 30, 2025, each in terms of operational Ethanol production, as of March 31, 2025. We have also established a greenfield unit at Muttalgeri, Tal, Badami in the Bagalkot district of Karnataka, TBL Unit 5, with an installed capacity of 200 KLPD. In Fiscal 2023, 2024 and 2025, we produced 1,64,904 KL, 141,659 KL and 1,82,588 KL of Ethanol, respectively, of which 70,238 KL, 89,675 KL and 63,313 KL of Ethanol was produced using molasses and 94,666 KL, 51,984 KL and 1,19,275 KL was produced using sugar syrup, respectively. For further information on our installed capacity for Ethanol production, see "*Business Operations – Capacity and Capacity Utilization*" on page 313.

Our Company was incorporated in March 2021, cognizant of the headroom for growth in the Ethanol industry, aided by GoI schemes and incentives towards non-fossil fuels and renewable energy. To this end, we acquired three distillery units pursuant to the Acquisition. For further information on the business transfer agreements underlying the Acquisition, see "*History and Certain Corporate Matters – Other Agreements*" on page 333. We achieved installed operational capacity for Ethanol production of 1,800 KLPD as of March 31, 2025, based on the capacities of TBL Unit 1, TBL Unit 2, and TBL Unit 3, and TBL Unit 4 which commenced operations on March 30, 2025. In comparison, we had an aggregated installed capacity of 590 KLPD as of March 31, 2022, when TBL Unit 1, TBL Unit 2 and TBL Unit 3 were not part of our Company. Even in the absence of any working capital limits in these periods, we achieved capacity utilization of 74.06%, 42.63%, 45.08% for Ethanol and ENA in Fiscal 2023, 2024 and 2025, respectively. Our operational growth is further demonstrated by the fact that in Fiscal 2023,

2024 and 2025, our revenue from sale of Ethanol amounted to ₹70,080.78 lakhs, ₹95,635.79 lakhs, and ₹1,43,393.84 lakhs, respectively, as per the Restated Financial Information. As per the Proforma Condensed Combined Financial Information, revenue from sale of Ethanol was ₹39,961.07 lakhs, ₹63,382.75 lakhs and ₹1,03,610.59 lakhs in Fiscal 2021, 2022 and 2023, respectively.

We have recently completed a capacity expansion of 600 KLPD in three locations. We have an approval of loan of up to ₹1,93,197.00 lakhs under Ethanol Interest Subvention Schemes from the Central Government for our proposed capacity expansion.

We have also applied for environmental clearance for the proposed expansion. Further, we have received approval from the State High Level Clearance Committee of Karnataka to scale our Ethanol manufacturing capabilities to 4,600 KLPD.

In a limited operating period, we have been able to grow our business as a result of our strategic utilization of our production capacity. At the same time, we have adopted a focused expansion pathway including diversifying our raw material base for Ethanol production. Of our anticipated total installed capacity of 2,000 KLPD, 1,300 KLPD is proposed to be fungible, being capable of using grain as well as sugar syrup/sugarcane juice and molasses as raw materials for Ethanol production, and is to be commissioned by Fiscal 2026. We intend to utilize our existing units and the proposed additional capacities in a fungible manner based on seasonal availability of raw material to optimize output, navigate the dynamic nature of raw material prices, and the different prices for Ethanol sourced from multiple feedstock.

We propose to integrate a 200 KLPD unit for 2G Ethanol production and diversify our feedstock for Ethanol production by utilizing excess bagasse of 800,000 MT as additional feedstock in our proposed unit. This will enable us to diversify our raw material base and will allow us to navigate seasonality notwithstanding the scale of our operations.

We believe our large installed capacity for Ethanol production, coupled with our systematic expansion pathway that continues to diversify our raw material base and offer additional sustainable energy solutions, provides us a distinct competitive advantage in utilizing the growth runway for Ethanol and biofuels.

Integrated Resource Management, Creating Scalable Operations

We believe we are able to differentiate ourselves through our ease of access to raw materials, as the bulk of the sugar syrup/sugarcane juice and molasses that we require for Ethanol production are procured from sugar manufacturing facilities owned by entities forming part of our Promoter Group. Further, our Promoter Group company has the ability to supply adequate amounts of raw material even following our proposed capacity expansion. As of March 31, 2025, the Promoter Group entity from whom we source sugar syrup/sugarcane juice and molasses, has a sugarcane crushing capacity of 79,000 tonnes crushed per day. Its crushing capacity includes 79,000 TCD production capacities for molasses and sugarcane syrup/juice per day. In Fiscal 2025, operating at our existing operational capacity of 1,800 KLPD, we utilized 3,74,676 MT of sugar syrup/sugarcane juice, and 3,60,825 MT of molasses, for our operations.

We leverage comprehensive access to essential raw materials such as sugarcane juice, sugar syrup and molasses through existing relationships with our Promoter Group entity. We have ensured uninterrupted supply of sugar syrup, sugarcane juice and molasses through supply agreements with Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), one of our Promoter Group entities and Group Company, and with MRN Bhima Sugar and Power Private Limited and MRN Canepower and Biorefineries Private Limited. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, the Seller Companies, Nirani Sugars Limited, Shri Sai Priya Sugars Limited and MRN Cane Power India Limited, stand merged with our Group Company and Promoter Group entity, Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), with the appointed date of October 1, 2022, and we acquire our key raw material from this entity. These agreements do not impose minimum purchase obligations upon us, although our Promoter Group entity is required to supply its goods and services upon our request and on an exclusive basis. This allows us flexibility in our purchase decisions, as we may choose to procure sugarcane juice, sugar syrup and molasses from the open market in seasons when a better price is offered than what is stipulated under our existing supply agreements. The non-exclusive nature of our purchase obligation, while the Promoter Group entity is mandated to offer its produce to us exclusively, is as a result of our ability to leverage our existing relationships with the relevant Promoter Group company. We believe this distinguishes us from Ethanol producers who only have the opportunity to obtain sugar syrup and molasses in a timely manner and at suitable costs from the open market, and are subject to the vagaries thereof. With a cane crushing capability of 79,000 TCD per day, as of March 31, 2025 (*Source: CRISIL Report*) we ensure a robust and uninterrupted supply chain while reducing dependency on external resources.

A distinct advantage that sets us apart from other biofuel players lies in our robust network of raw material sources, majority of which are internally generated. This vertically integrated approach to sourcing raw materials contributes significantly to our competitive edge by having direct control over the supply of raw material *via* supply arrangement with promoter group entities. Leveraging the sister concern/ promoter group resources enhances efficiency, reduces external dependency, and boosts overall operational stability, providing a distinct strategic advantage. Thus, we are at a position to ensure reliability, consistency, and quality in our Ethanol production processes. Our long-term growth strategy entails reducing our reliance on a single feedstock and diversifying our range of raw materials, and the diversification aims to enhance operational efficiency while positioning us as a carbon-neutral entity. (*Source: CRISIL Report*)

Set forth below is the total purchases of raw materials from our top 10 suppliers during Fiscal 2023, 2024 and 2025 (top 10 suppliers for each year are specifically for that relevant year):

Fiscal 2023

S. No.	Supplier	Amount (₹ Lakhs)	Percentage of total purchases of raw materials (%)
1.	Supplier 1 (Shri Sai Priya Sugars Limited)^	30,789.34	34.68%
2.	Supplier 2 (Nirani Sugars Limited)^	14,275.96	16.08%
3.	Supplier 3 (MRN Cane Power (India) Limited)^	11,531.55	12.99%
4.	Supplier 4 (Badami Sugars Limited)^	2,874.26	3.24%
5.	Supplier 5 (Shree Kedarnath Sugar & Agro Products Limited)^	2,158.00	2.43%
6.	Supplier 6 (MRN Bhima Sugar and Power Private Limited)	1,728.17	1.95%
7.	Supplier 7	1,606.51	1.81%
8.	Supplier 8	566.86	0.64%
9.	Supplier 9	447.52	0.50%
10.	Supplier 10	404.50	0.46%
	Total	**66,382.68**	**74.78%**

^ As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Badami Sugars Limited and Shree Kedarnath Sugar and Agro Products Limited stand merged with Shri Sai Priya Sugars Limited with an appointed date of April 1, 2022 and Erstwhile Nirani Sugars Limited, Shri Sai Priya Sugars Limited and MRN Cane Power India Limited stand merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

Fiscal 2024

S. No.	Supplier	Amount (₹ Lakhs)	Percentage of total purchases of raw materials (%)
1.	Supplier 1 (MRN Chamundi Canepower and Biorefineries Limited)^	23,330.96	16.66%
2.	Supplier 2 (Nirani Sugars Limited)^^	20,543.42	14.67%
3.	Supplier 3 (Shri Sai Priya Sugars Limited)^^	19,429.87	13.87%
4.	Supplier 4 (MRN Cane Power (India) Limited) ^^	8,196.06	5.85%
5.	Supplier 5 (Shree Kedarnath Sugar & Agro Products Limited)^^	4,853.72	3.47%
6.	Supplier 6 (MRN Bhima Sugar and Power Private Limited)	3,842.00	2.74%
7.	Supplier 7 (Badami Sugars Limited)^^	3,189.69	2.28%
8.	Supplier 8	1,896.99	1.35%
9.	Supplier 9	1,134.00	0.81%
10.	Supplier 10	714.99	0.51%
	Total	**87,131.70**	**62.21%**

^ As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

^^ As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Badami Sugars Limited and Shree Kedarnath Sugar and Agro Products Limited stand merged with Shri Sai Priya Sugars Limited with an appointed date of April 1, 2022 and Erstwhile Nirani Sugars Limited, Shri Sai Priya Sugars Limited and MRN Cane Power India Limited stand merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024,

MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

Fiscal 2025

S. No.	Supplier	Amount (₹ Lakhs)	Percentage of total purchases of raw materials (%)
1.	Supplier 1 (Nirani Sugars Limited)^	99,437.53	52.98%
2.	Supplier 2 (MRN Bhima Sugar and Power Private Limited)	20,755.78	11.06%
3.	Supplier 3 (OMC)	6,588.16	3.51%
4.	Supplier 4	5,006.64	2.67%
5.	Supplier 5	1,892.07	1.01%
6.	Supplier 6	1,687.50	0.90%
7.	Supplier 7	1,064.62	0.57%
8.	Supplier 8	930.48	0.50%
9.	Supplier 9 (OMC)	878.70	0.47%
10.	Supplier 10	797.19	0.42%
	Total	**139,038.67**	**74.09%**

^As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Badami Sugars Limited and Shree Kedarnath Sugar and Agro Products Limited stand merged with Shri Sai Priya Sugars Limited with an appointed date of April 1, 2022 and Erstwhile Nirani Sugars Limited, Shri Sai Priya Sugars Limited and MRN Cane Power India Limited stand merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

With our proposed dual-feed integrations, we will also aim to diversify our feedstock by using damaged food grains, surplus rice and maize for fungible capacity. This integration is also expected to allow us to operate the dual-feed plants for an increased number of days in a year.

In the 'off-season' of sugarcane crushing, we typically face pricing fluctuations for feedstock procurement. Our pricing strategy for raw material supply within our Promoter Group helps us mitigate the effects of such price increases in the open market during 'off-seasons'. Additionally, the lack of purchase obligations in our arrangements with our Promoter Group entities allows us to source raw materials from the open market during the crushing season, if pricing is more advantageous to us. Our flexible payment terms in these supply agreements, where invoicing is done before the end of the month of supply, also enable us to avoid upfront payment for our raw material expenses. This approach ensures ease of acquiring raw materials without being significantly impacted by pricing fluctuations.

In the sugarcane crushing season, lasting approximately 140 days to 160 days in a year, we are able to operate utilizing the sugarcane juice/syrup and molasses sourced from our Promoter Group entity, while during off-season it operates using stored molasses for approximately 70-90 days. This results in an operating cycle of around 210 to 250 days, and for the remaining days of the year, we either source molasses from the open market or require our Promoter Group companies to produce and store sugar syrup. According to the CRISIL Report, typically dual feed integration facilities operate approximately from 330 to 340 days. Set forth below are details of certain key raw materials that we have sourced from members of our Promoter Group in the relevant years:

Raw Material	Fiscal 2023		Fiscal 2024		Fiscal 2025	
	Quantity Sourced from Promoter Group	Percentage of Total Quantity Sourced (%)	Quantity Sourced from Promoter Group	Percentage of Total Quantity Sourced (%)	Quantity Sourced from Promoter Group	Percentage of Total Quantity Sourced (%)
Sugarcane syrup (KL)	3,11,453	100.00%	1,71,175	100.00%	3,74,676	100.00%
Molasses (MT)	1,39,099	98.47%	3,72,737	86.01%	2,86,759	78.93%

Further, we have been able to source our steam and power requirements internally through captive power sources. Each of our units has bagasse cogeneration plants, with a boiler and turbines, which reduces external power requirements. Bagasse-based cogeneration plants offer a cost advantage over coal-based cogeneration plants, resulting in lower fuel expenses and reduced power generation costs. (*Source: CRISIL Report*) For further information, see "– *Strategically Located Production Infrastructure, with a Focus on Technological Innovation*

and Sustainability" on page 297. We intend to leverage our strategic location further, by adding dedicated segments including grain storage section, loading and unloading section, grain handling, cleaning, milling and flour handling, flour weighing system, slurry handling, jet cooking, liquification, pre-scarification section, decantation section, and distillers' dried grains with solubles ("**DDGS**") dryer section within our existing distillery units, which will enable us to operate dual-feed Ethanol plants. This is intended to create fungible production units and improve our margins by increasing the productivity of existing units. For further information, see "*Objects of the Offer*" on page 135. Our limited reliance on external raw material sources and utilities allows us to limit interruption in our operations that are a result of seasonal limitations. This makes us capable of running our operations with an assured raw material supply, with the flexibility of improving margins if we choose to leverage the open market.

Strategically Located Production Infrastructure, with a Focus on Technological Innovation and Sustainability

Our Company owns five distillery units and operates four distillery units in the Bagalkot district of Karnataka, which holds a significant position as part of India's sugar belt. The state is a major player in sugar production, which provides a readily available feedstock for Ethanol manufacturing. The availability of ample sugarcane resources, combined with the incentive scheme, places Karnataka in a favorable position to not only support the state's Ethanol initiatives but also boost its economy and contribute to the national Ethanol production targets. (*Source: CRISIL Report*) Our location allows us access to key customers as well as skilled labourers and provides a logistical advantage by significantly reducing transit times and costs, enhancing our operational efficiency.

Ethanol Production Infrastructure

We believe technological competence is a key differentiator in our business and we have deployed significant efforts to co-opt technological advances into our operations. We have adopted technology such as multi-pressure vacuum distillation and molecular sieve dehydration systems, which create ease of operations. We have cooling towers and have large fermenters with capacities of 18 lakhs litres.












CBG Production Infrastructure

For CBG production, our CBG Unit is equipped with technology sourced from Praj Industries Limited. Our compressors and purification system is membrane-based and driven by advanced technology. Our CBG Unit is a "no effluent discharge plant". Further, liquid fermented organic manure is recycled to reduce fresh water consumption. We have focused on sustainability in our CBG operations as well. Our Subsidiary, Leafiniti, utilizes effluents from the ethanol distillation process, or 'spent wash', for CBG production. We also use spent wash in boilers to burn as fuel and the residual waste which is otherwise hazardous, known as spent leese, is used in the digesters to produce methane for CBG production. To minimize waste while adding a revenue stream, we have commenced the sale of FOM, which is a byproduct of our CBG production process, at a price range of approximately ₹5,565 (including GST) per MT. We have recently commenced the sale of liquid FOM.

Sustainability Measures

We endeavour to be an environmentally conscious enterprise and our production processes are driven by technological innovation with an emphasis on sustainability. Other key steps we have taken towards sustainability include the following:

- we have installed zero discharge facilities at our units for the treatment of all liquid effluents;
- 100% of the water that we use in the distillation process is condensed and reused further. Similarly, the moisture extracted in the spent wash process is further used for fermentation, instead of fresh water;
- we have established effluent treatment plants at our distillery units, to reduce fresh water usage, and mitigate disruptions to the ecology of the areas.
- all Ethanol units have bagasse and spent wash-fired incineration boilers, compared to erstwhile boilers which use coal;
- the ash emitted from the boilers is sold externally, which is then used in making bricks and in making potash granules which are used as manure;
- we have cogeneration units, with boilers and turbines, at each of our units, which generate steam and power for captive consumption, and reduce external power requirements;
- potash derived from molasses, a by-product of our ethanol production, is sold externally; and
- CO_2 expelled as a by-product of our production process is sold to third parties for use in other applications as either dry ice or as liquid CO2, instead of being externally discharged.

Our production units have processes to monitor product quality. As part of our continued focus on technology that aids sustainability, our proposed new units will be equipped with distillation sections requiring steam pressure of 1.2 kilograms per square centimetre compared to our existing distillery units, where steam pressure of 3.5 kilograms per square centimetre is utilized. This in turn is intended to allow for higher electricity to be generated at our turbo generators, leading to energy optimization and cost efficiency.

Our steps towards sustainability have the added benefit of contributing to our revenues as well. We are able to sell CO_2 to two individual entities for use in other applications, which apart from ecological benefits, has contributed ₹290.74 lakhs, ₹571.01 lakhs, and ₹600.77 lakhs, respectively to our revenue from operations in Fiscal 2023, 2024 and 2025, as per the Restated Financial Information.

Well-positioned to Capture Favourable Industry Tailwinds

The biofuel market in India is majorly divided into Ethanol, CBG and biodiesel currently, of which Ethanol forms a major chunk. The Indian biogas market is expected to grow up to USD 2.25 billion in 2029, at a CAGR of 6.3% between 2022 and 2029. (*Source: CRISIL Report*) As part of our product portfolio, we produce Ethanol and CBG. Along with Ethanol, the Government of India is looking forward to exploring CBG as an addition in the biofuel mix of the country.

Ethanol Support Initiatives

The Ethanol Blended Petrol (EBP) programme was launched in 2003, aiming to promote the use of environmentally friendly alternative fuels and reduce import dependency for energy requirements. Sizeable investments, especially by the government, are aimed at converting excess sugar availability into Ethanol to strengthen its pursuit of creating an Ethanol economy. (*Source: CRISIL Report*) Incentives and schemes have been offered by the Government of India and the State Government of Karnataka, which provide impetus to our operations, and which we intend to benefit from, include several Ethanol interest subvention schemes, exemptions on excise duty production linked incentives, central financial assistance, working capital subsidies, as well as key Ethanol blending targets.

CBG Support Initiatives

As one of the first producers of CBG under the SATAT scheme through our Subsidiary, we are also well placed to benefit from the increased demand for CBG pursuant to initiatives such as SATAT. We are rapidly expanding our CBG capacity with multiple plants and are set to become one of India's leading CBG/ bio-CNG producers. (*Source: CRISIL Report*) The mandatory CBG blending initiative ensures a significant market for CBG, offering assured offtake for producers. (*Source: CRISIL Report*) Our Subsidiary has also received authorization from the Ministry of Agriculture and Farmers Welfare for selling FOM and liquid FOM in bulk directly to farmers for a period of three years from November 14, 2023. Through our proposed capacity additions, including the CBG projects we intend to set up, as described in "*Business Strategies – Focus on increasing our CBG capabilities*", on page 301, we believe we will be able to further consolidate our leadership position and expand our CBG business. We believe we will be able to grow further, backed by policy support towards biofuel production, and be integral to bridging the demand-supply gap in the market.

Entrenched Customer Relationships, Creating a Strong Demand Pipeline

Our Company was incorporated in March 2021, and commenced Ethanol production pursuant to the Acquisition. However, our business benefits from our Promoters' relationships with customers, as a result of their association with Ethanol production through Promoter Group companies, which our Company has been able to strengthen.

As part of the EBP, OMCs sell petrol blended with an average 19.05% Ethanol as of July 2025, which will be increased to 20.00% by ESY 2025-2026. (*Source: CRISIL Report*) With OMCs which are Government of India enterprises, we have successfully bid for supply of Ethanol, pursuant to which we have received letters of intent, and subsequent purchase orders for the supply of certain quantities of Ethanol to them as per their allocation guidelines.

Particularly under the SATAT scheme, our Subsidiary has offtake agreements for CBG with two OMCs, with tenure of 10 years and 15 years respectively, demonstrating our demand pipeline. Further, the residual waste from CBG production in the digester that comes out as solid waste is treated subsequently and converted into FOM. We are also able to sell FOM to various fertilizer and manure companies and farmers. We have received a purchase order on May 12, 2025 effective from April 24, 2025 to March 31, 2026 from an Indian public sector undertaking which produces chemicals and fertilizers, which enables us to sell FOM at the price of ₹5,565.00 (including GST) per MT.

The utilization of ENA in Indian-made foreign liquor production has also allowed us to forge relationships with customers in the spirits industry such as John Distilleries, InBrew Beverages Private Limited, Amrut Distilleries and Elite Vintage Winery India Private Limited. The production process of ENA is similar to Ethanol, and requires the same raw materials, but the cost of production of ENA is typically slightly lower than Ethanol although the selling price may be higher. (*Source: CRISIL Report*) Therefore, we are able to supply ENA without significant additional expenditure, and without it being our core business. This in turn provides higher realization for us, and creates shorter payment cycles.

As a result of our customer relationships, our revenues have witnessed a consistent increase since we commenced operations. Set forth below is the revenue contribution of our top 10 customers for Fiscal 2023, 2024 and 2025 (top 10 customers for each year are specifically for that relevant year and have been determined based on their contribution to revenue from operations (excluding other operating revenue) for that relevant year):

Fiscal 2023

S. No.	Customer	Revenue contribution (₹ Lakhs)	Revenue contribution as a percentage of total revenue from operations (excluding other operating revenue) (%)
1.	Customer 1 (OMC)	31,589.51	41.42%
2.	Customer 2 (OMC)	21,230.88	27.84%
3.	Customer 3 (OMC)	17,168.92	22.51%
4.	Customer 4	5,271.60	6.91%
5.	Customer 5	204.71	0.27%
6.	Customer 6	91.48	0.12%
7.	Customer 7	76.23	0.10%
8.	Customer 8	27.48	0.04%
9.	Customer 9	12.51	0.02%
10.	Customer 10	11.40	0.01%
	Total	**75,684.71**	**99.24%**

Fiscal 2024

S. No.	Customer	Revenue contribution (₹ Lakhs)	Revenue contribution as a percentage of total revenue from operations (excluding other operating revenue) (%)
1.	Customer 1 (OMC)	33,415.11	27.31%
2.	Customer 2	24,598.03	20.11%
3.	Customer 3 (OMC)	19,137.17	15.64%
4.	Customer 4 (OMC)	17,274.41	14.12%
5.	Customer 5	10,009.60	8.18%
6.	Customer 6	9,336.69	7.63%
7.	Customer 7	4,669.99	3.82%
8.	Customer 8	1,813.84	1.48%
9.	Customer 9 (MRN Cane Power (India) Limited)^	663.51	0.54%
10.	Customer 10	512.94	0.42%
	Total	**1,21,431.29**	**99.26%**

^ As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, MRN Cane Power India Limited stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

Fiscal 2025

S. No.	Customer	Revenue contribution (₹ Lakhs)	Revenue contribution as a percentage of total revenue from operations (excluding other operating revenue) (%)
1.	Customer 1 (OMC)	65,606.90	35.93%
2.	Customer 2 (OMC)	42,252.69	23.14%
3.	Customer 3	28,367.05	15.54%
4.	Customer 4 (OMC)	23,819.13	13.04%
5.	Customer 5	9,171.87	5.02%
6.	Customer 6 (Nirani Sugars Limited)	7,698.95	4.22%
7.	Customer 7	2,182.43	1.20%
8.	Customer 8	1,871.48	1.02%
9.	Customer 9	653.68	0.36%
10.	Customer 10	562.16	0.31%
	Total	**1,82,186.34**	**99.78%**

In addition, the certainty of demand that we enjoy owing to Government of India's push in the sector as well as our long-standing relationships with our customers ensures that we are able to scale our operations rapidly.

Skilled and Experienced Promoters and Management Team, with Committed Employee Base

We possess a qualified senior management team with considerable industry experience. Our Promoter, Founder and Managing Director, Vijaykumar Murugesh Nirani, has nine years of experience as an industrialist holding diverse leadership positions. Our Promoter and Executive Director Vishal Nirani, has six years of as an industrialist holding diverse leadership positions and our Promoter and Director Sushmitha Vijaykumar Nirani has six years of experience as an industrialist holding diverse leadership positions. Vijaykumar Murugesh Nirani, our Promoter, Founder and Managing Director has been associated with certain our erstwhile group entities since 2016, which were engaged in Ethanol production, and which subsequently transferred their Ethanol business to us. Therefore, our Promoters are familiar with our day to day operations. As a result, we rely on their expertise in course of our operations and strategic expansion. Through their years of experience in management roles at sugar producing companies with Ethanol competencies, our Promoters have been able to successfully helm our operations towards rapid but prudent growth in a limited time.

We have an experienced Board of Directors, who actively contribute to and participate in our strategies, operations and development. Our Key Managerial Personnel and Senior Management Personnel have significant expertise in areas of finance, manufacturing and sales, which positions us well to capitalize on future growth opportunities. Our Chief Financial Officer, Anand Kishore, is an experienced banker and has several years of experience in financial management and strategic planning.

Our management and technical personnel are supported by other skilled workers who benefit from regular inhouse and onsite training initiatives. As on, March 31, 2025 our Company had 714 on-roll employees. We have implemented stringent recruitment policies and hire individuals with engineering or management qualifications. We support our employees in their career growth and focus on employee morale.

The quality of our management team is enhanced with specific and extensive industry experience. We believe that the experience, depth and diversity of our Directors and management team have enabled our Company to grow. Their industry experience enables us to anticipate and address market trends, manage and grow our operations, maintain and nurture customer relationships and respond to changes in the renewable energy market. Our management team, with extensive experience in the manufacturing industry, positions us well to capitalize on future growth opportunities. For further information, see "*Our Management*" on page 352.

BUSINESS STRATEGIES

Diversify Sources of Ethanol Production

As part of our strategy to expand our production capabilities and increase the volume of Ethanol that we are able to produce, we intend to focus on diversified raw material such as grain-based Ethanol which will require surplus rice, damaged food grains and maize to produce Ethanol, instead of limiting ourselves to sugarcane juice, sugar syrup and molasses, which have traditionally been used for Ethanol production. We believe this will enable us to scale our operations without increasing our reliance on limited raw materials for Ethanol production. Further, we believe this diversification in raw materials will aid us in mitigating seasonality risks associated with the sugar industry.

Ethanol demand in India is expected to grow at a CAGR of 17.7% till Fiscal 2026. Apart from the advancing of the 20% blending target to 2025 from 2030, the Government has also shifted focus towards 2G Ethanol which will further help the sector. In Fiscal 2023, the overall Ethanol market, including Ethanol for diverse uses, is estimated to be at 828 crore litres and is anticipated to expand significantly, reaching 1,350 crore litres by the year 2026. (*Source: CRISIL Report*)

We are diversifying our feedstock for Ethanol production by adding grains as additional feedstock. Within our existing distillery units, we propose to set up dedicated segments for pre-treatment and dried distillers grain solids production units. These will be utilized to offset the idle capacity during seasons when sugar is available in reduced quantities. By customizing our existing distillery units for both grain-based Ethanol and sugarcane-based Ethanol production, we believe we will be able to optimize our production capacity and efficiencies and mitigate risks associated with seasonal availability of sugarcane, while effectively navigating fluctuation in prices of raw material and finished goods. For further information, see "*Objects of the Offer*" on page 135.

Focus on Increasing our CBG Capabilities

We intend to make use of the SATAT scheme and other financial assistance schemes to expand our CBG capabilities further, including by expansion of our installed capacity.

On August 11, 2025, our Company entered into a share subscription cum shareholders' agreement with GAIL through which our Subsidiary, Leafiniti will commence setting up multiple CBG units across various locations in a phased manner, of which 20 locations have been identified in the subscription cum shareholders' agreement. GAIL is proposing to hold not more than 49% shareholding in Leafiniti. Further, we have signed a non-binding MOU with a strategic partner for setting up a joint venture company to establish additional CBG plants.

While we already operate one CBG unit in Karnataka through our Subsidiary, we have identified proposed locations for additional facilities pursuant to our agreement with GAIL. To the extent of any additional units that we propose to set up under the SATAT scheme, we may enter into other joint ventures or MoUs. We have entered into an MOU dated November 18, 2024 with a globally recognized Japanese trading and investment company and a Japanese gas company to establish a joint venture for setting up multiple CBG plants starting from three to five CBG plants in different parts of India. Additionally, we have signed a non-binding term sheet dated February 18, 2025 and a memorandum of understanding dated October 25, 2024 with Sumitomo Corporation Asia & Oceania Pte. Ltd. for potential collaboration in the bioenergy sector. The initial phase will involve developing four CBG plants (three in Karnataka and one in Maharashtra), followed by future projects in ethanol and sustainable aviation fuel. To procure key raw materials required for CBG production in these additional units across India, we will enter into agreements with sugar companies in adjacent areas to supply press mud and spent wash to the units, once commissioned. We intend to sell the CBG produced to retail outlets for vehicles and industrial use and the excess production will be sold to sugar companies within our Promoter Group for use in their boilers. CBG is progressively also proposed to be used as a cooking fuel, and for household purposes. (*Source: CRISIL Report*) Further, we intend to better utilize by-products from our existing units by producing DDGS in bulk volumes. According to the CRISIL Report, the market for DDGS has seen heightened demand as a result of increased grain-based Ethanol distilleries from both maize and rice DDGS, with current prices being approximately ₹16,000 per MT (maize DDGS) and ₹16,000 per MT (rice DDGS) as of the first week of June 2025.

We are further expanding our CBG production from our current 10.20 TPD plant. This expansion will take place by way of a share subscription cum shareholders' agreement with GAIL, and our association with a strategic partner for additional units. Pursuant to the share subscription cum shareholders' agreement with GAIL, our Subsidiary, Leafiniti will commence setting up multiple CBG units across various locations in a phased manner, of which 20 locations have been identified in the subscription cum shareholders' agreement.

Commence Production of 2G Ethanol

Introduction

Second-generation biofuels are defined as fuels produced from several feedstocks, especially but not limited to non-edible lignocellulosic biomass. 2G Ethanol offers advantages over traditional Ethanol, by utilizing non-food sources like agricultural and forestry residues, addressing waste management by using agricultural and forestry residues, contributing to a circular economy, achieving greater greenhouse gas emission reductions due to the use of advanced feedstocks and conversion technologies, incorporating advanced technologies for more energy-efficient production processes, being part of ongoing research which is leading to cost-effective and scalable production methods, and helping minimize the indirect land-use change impact associated with biofuel production. Majority of India's need for the ethanol feedstock is fulfilled through the 1G feedstock, however, the government is also encouraging the production of 2G ethanol from non-food feedstock and a number of Oil PSUs have started establishing 2G Ethanol bio-refineries in various parts of the country. A 100 kl per day plant can utilize two lakh tonnes per annum of agricultural residue to generate around three crore litres of ethanol per annum. (*Source: CRISIL Report*)

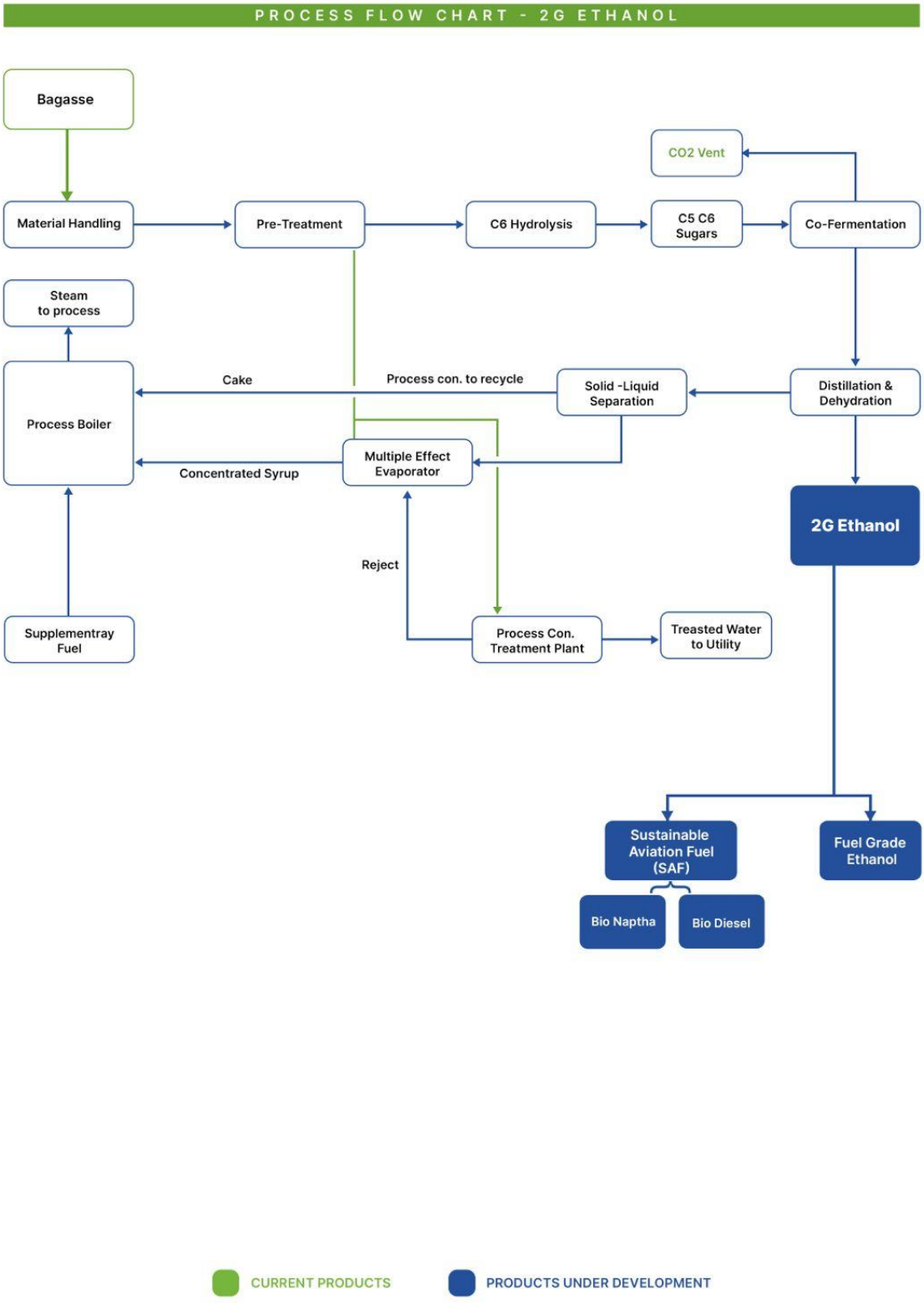
Key Policies (*Source: CRISIL Report*)

- India is at the cusp of transforming to the 2nd Generation of Biofuel, due to recent government mandates and introduction of the policy "Pradhan Mantri JI-VAN (Jaiv Indhan- Vatavaran Anukool fasal awashesh Nivaran) Yojana" ("**PM JI-VAN Yojana**") for funds providing an initial push to the 2G Ethanol capacity in India and attract further investments in the sector. Under the scheme, financial support to twelve integrated 2G Bio-ethanol Projects with a total financial outlay of ₹ 1,969.5 crore for the period 2018 – 2019 to 2023 – 2024 has been provided. The PM JI-VAN Yojana initiative has been introduced, which establishes a maximum financial aid of ₹150 crore for commercial projects and ₹15 crore for demonstration projects, and aims to enhance the economic viability of projects and foster research and development in the realm of 2G Ethanol production technologies. In August 2024, to keep pace with the latest developments in the field of biofuels and to attract

more investment, Government of India modified Pradhan Mantri JI-VAN Yojana. The modified scheme includes advanced biofuels produced from lignocellulosic feedstocks, i.e., agricultural and forestry residues, industrial waste, synthesis gas, algae etc. in its scope. “Bolt on” plants and “brownfield projects” would also now be eligible to leverage their experience and improve their viability. To promote multiple technologies and multiple feedstocks, preference would now be given to project proposals with new technologies and innovations in the sector.

- Apart from the financial assistance granted through the PM JI-VAN Yojana, various measures have been implemented to encourage the growth of Ethanol plants. These include introducing extra excise duty on non-blended fuels, ensuring a guaranteed offtake for 15 years to private stakeholders through Ethanol Purchase Agreements signed by OMCs, diversifying the feedstock for 2G Ethanol production, establishing a distinct price for 2G Ethanol, reducing the GST rate to 5% on Ethanol for the EBP Programme, and more. ‘

Process Chart



Product Applications

Prospective applications of 2G Ethanol include the following: (*Source: CRISIL Report*)

- As a fuel additive, 2G Ethanol improves combustion efficiency, boosts octane ratings, and lowers emissions, making it a valuable component in cleaner gasoline formulations.

- For electricity generation, 2G Ethanol offers a renewable power source that can be utilized in power plants and cogeneration systems, providing both electricity and heat efficiently.

- In the realm of bioplastics and biochemicals, 2G Ethanol acts as a sustainable feedstock, reducing reliance on petroleum-based products. It facilitates the production of biodegradable polymers for packaging, agriculture, and medical applications, and supports green chemistry initiatives by contributing to the synthesis of environmentally friendly products.

- 2G Ethanol can be converted into high-value by-products such as furfural, xylitol, L-arabinose, and high fructose syrup, each finding significant applications in bio-based chemicals, food, and pharmaceutical industries.

- 2G Ethanol further can be applied to produce elastomers, specialty fuels and SAF molecules. The production of MVL from 2G Ethanol opens avenues in biotechnology and pharmaceuticals, serving as a precursor for isoprenoids and cholesterol synthesis. This versatility extends to advanced materials and specialty chemicals. Beyond these applications, 2G Ethanol can be transformed into bio-based elastomers for tires and industrial uses, specialty fuels meeting specific performance criteria, and SAF, contributing to the aviation industry's efforts to reduce its carbon footprint. Overall, the diverse applications of 2G Ethanol underscore its importance in fostering a more sustainable and eco-friendly future.

We plan to leverage the PM JI-VAN Yojana for 2G Ethanol production and any other future initiatives introduced to promote sustainable and renewable energy sources. The PM JI-VAN Yojana provides significant opportunities for us to diversify our bioenergy portfolio and enhance our contributions to a cleaner energy future. Our Company has signed an MOU with Praj Industries Limited on a non-exclusive basis for the production of SAF and 2G ethanol.

Our existing infrastructure provides familiarity with the Ethanol production process. Accordingly, we intend to progressively venture into commercial production of 2G Ethanol, in addition to 1G Ethanol from feedstock that we are presently engaged in producing. We intend to commence 2G Ethanol production at existing units as well by utilizing existing infrastructure for bolt-on technology. 2G ethanol presents distinct value for both existing ethanol producers and new entrants. Existing ethanol producers can improve margins and meet growing demand by integrating 2G ethanol plants through 'bolt-on technology,' which offers a strategic advantage by leveraging the synergies of existing ethanol capacities. Existing producers also benefit from first-mover advantage. (*Source: CRISIL Report*) We intend to commence 2G Ethanol production by setting up a 200 KLPD plant, which will result in capex saving while utilizing excessive feedstock and existing utilities. Our proposal of commencing 2G Ethanol production will increase the fungibility of our production units, and create additional ecological benefits.

Venture Into Sustainable Aviation Fuel Supply

Introduction

SAF is a liquid fuel that can be used in commercial aviation and has the potential to reduce CO_2 emissions by up to 80% compared to traditional jet fuel. SAF represents a crucial innovation in the aviation industry's pursuit of environmental sustainability. The primary advantage of SAF lies in its potential to significantly reduce the aviation sector's carbon footprint, as it emits fewer greenhouse gases during combustion compared to traditional jet fuels – the demand for SAF is expected to begin by 2025 globally, owing to extensive research and Net Zero targets. (*Source: CRISIL Report*)

Product Applications (*Source: CRISIL Report*)

Present Applications	Prospective Applications
SAF is a lower-carbon alternative to normal jet fuel that can be used to fuel existing aircraft without making significant modifications to the aircraft and its engines.	Bio-naphtha is currently used for two major downstream applications – fuel blending and bioplastics production - in major markets such as Europe
Several airlines around the globe have started using SAF blends in their commercial flights as part of their sustainability initiatives.	Biodiesel is used in conjunction with the petroleum-based diesel, i.e., biodiesel is blended with the petro-diesel in different proportions depending on the availability of biodiesel as well as its costing, the engines or equipment in which the blend is to be used as fuel, and the desired performance.

Key Policies

SAF market in India is in nascent stages. In May 2023, Air Asia tested its flight between Pune and Delhi completely on SAF, produced using indigenous feedstock. Indian government has set a target of 1% blending of SAF by 2027 and 2% blending by 2028 both for international flight initially. From 2027, all international flights will be subject to offsetting requirements under the mandatory stage of the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). The Indian Government has also announced a 1% SAF indicative blending target for 2027. (*Source: CRISIL Report*) To meet this requirement, we aim to scale up our existing facility to produce SAF. We intend to set up a facility to produce 10 crore litres of SAF annually, which is intended to place us one of as the world's largest producers of SAF from Ethanol. (*Source: CRISIL Report*) We are evaluating modalities of manufacturing / licensing the technology related to SAF production.

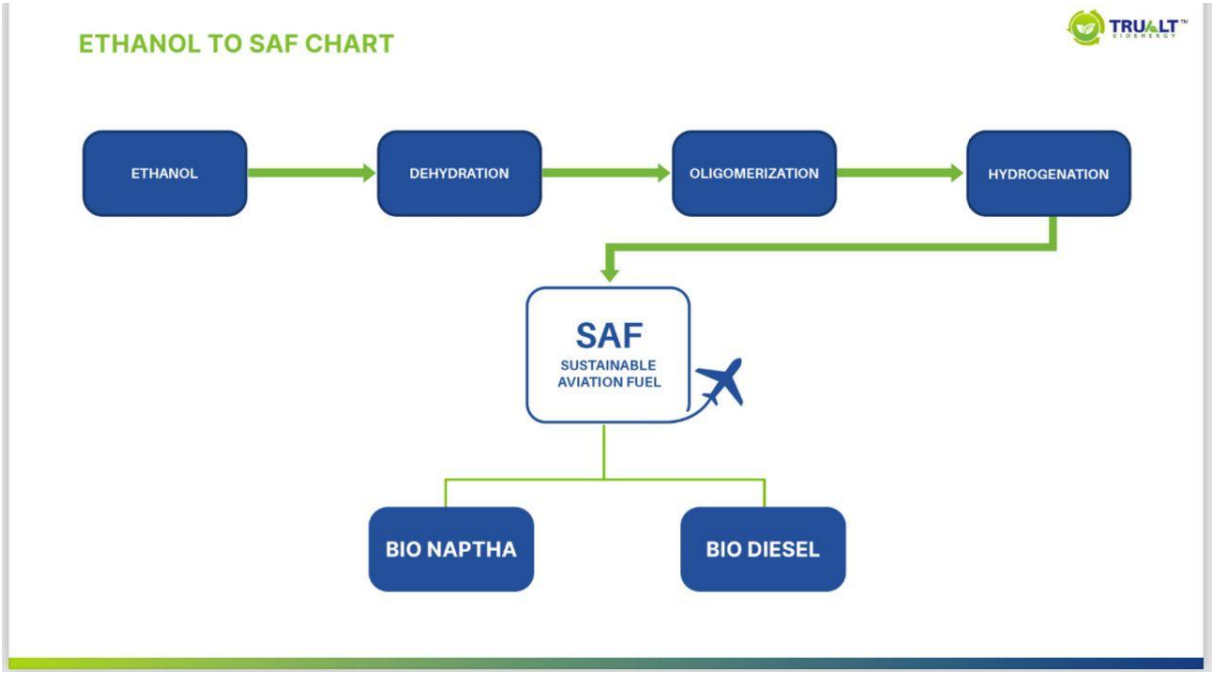
Growth Opportunities (*Source: CRISIL Report*)

The global aviation industry, which presently contributes to approximately 3% of the total global greenhouse gas emissions with the potential to contribute 22% by 2050 if left unchecked, has set an ambitious net-zero carbon emission target by 2050, which is focused on delivering maximum reduction in emissions at source through the use of SAF, innovative new propulsion technologies and other efficiency improvements. While the use of multiple levers is expected to be employed in order to achieve the net-zero targets, SAF is expected to be the major lever by far. International Air Transport Association ("**IATA**") estimates that a 1,000x increase in production is needed by 2050 to be able to produce the required quantities of SAF to achieve the net-zero targets. According to IATA, at least 50 airlines have committed to use SAF with goals ranging from 5% to 30% of their total fuel usage, with most of them committing to 10%. IATA estimates that 20 million tonnes of SAF uptake by 2030 could be possible under industry proposed and committed policies.

The IATA has projected that SAF could contribute to a reduction of around 65% of the emissions required to achieve global Net-Zero by 2050. Notably, several major economies are incentivizing SAF adoption. The USA has introduced legislation proposing up to $2 per gallon of tax credit for SAF producers, while the EU has outlined a mandate to gradually increase SAF blending from 2% by 2025 to 63% by 2050.

USA aims to produce 3 billion gallons (approximately 9 million tons per year) of SAF by 2030, primarily utilizing Low Carbon Intensity 1G Ethanol. The EU is mandating the increased use of SAF at airports (2% by 2025, 20% by 2035 and 70% by 2050), and envisions a demand of around 1.3 million tons per year of SAF, adhering to the proposed 2% blending mandate by 2025, sourced from waste and residues. India has feedstock for potential production of 19 to 24 million tons of SAF per year, whereas the estimated maximum requirement of SAF in India, considering 5.0% blend, is around 8 to 10 million tons per year by 2030. Beyond India, opportunities for SAF projects exist in regions such as Latin America, Asia Pacific, and Africa, where sugar feedstock or Ethanol can be converted into SAF.

Process Chart



We are engaged in research and intend to eventually produce SAF, to derive advantages of being an early entrant in the sector. To this end, we have signed MOUs and NDAs for knowledge transfer and technology transfer, and prospective joint ventures, in connection with SAF. We may, in future, enter into agreements with airline operators for supply of SAF. We expect to benefit from our existing infrastructure in operationalizing SAF production, as we have capacity for Ethanol production which we can leverage to incrementally produce SAF. As the GoI continues to provide its support towards renewable energy products, we intend to optimize the use of our production capabilities and our reputation of our Company to research on and develop SAF for adoption in India, including through the production of MVL.

We have entered into an MOU with Visolis Inc. to enter into a technology collaboration on a non-exclusive basis for SAF production, subject to completion of certain feasibility assessments. We intend to undertake feasibility studies to understand the ability to produce MVL in dual purpose designed fermenters, which can produce both Ethanol and MVL. If mutually agreed, we may enter into an agreement to construct an integrated multi-product demonstration scale facility. We may undertake further collaboration by adopting either a joint development model, where we jointly develop the production unit through technology transfer and capital investment, or by adopting a license model, where our Company will set up the production unit at our own cost, based on technology transferred from Visolis Inc, through a special purpose vehicle, on payment of technology license fees and royalty payment. We may also adopt any other model, as may be mutually agreed upon, pursuant to the MOU. The adoption of the aforementioned models is however, subject to applicable laws and SAF being acceptable to aviation entities in India and abroad. We have also entered into a process license agreement with UOP LLC for Ethanol to Jet process technology to transform Ethanol into high-quality, renewable jet fuel (SAF).

We have also entered into a confidentiality agreement with a SAF technology provider to disclose to each other technical and business information in relation to the potential construction of a renewable fuels facility and application of technology to produce SAF and bio-diesels. We intend to create and strengthen our SAF capabilities through similar undertakings.

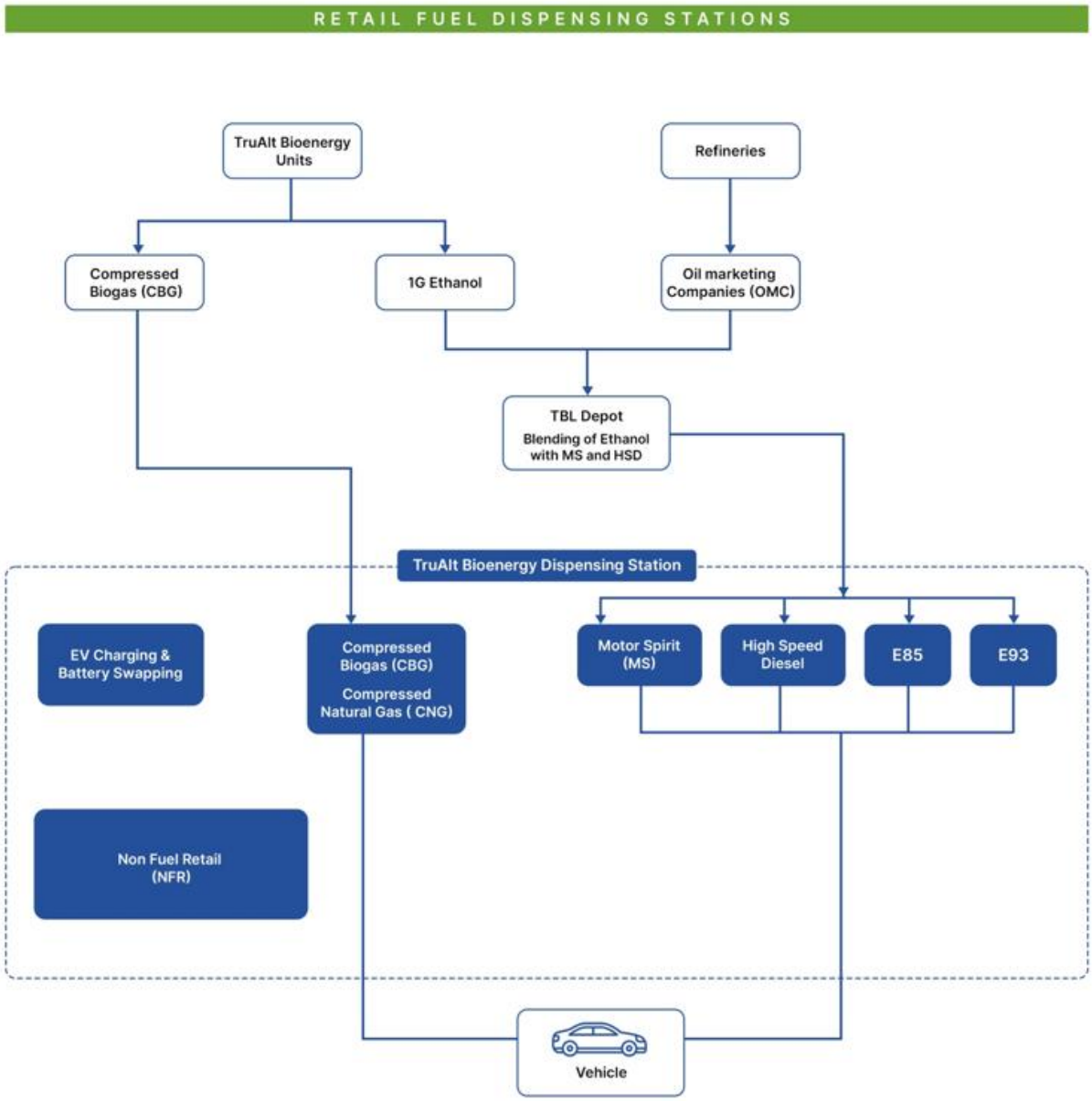
Further, we have entered into an MoU with EKI Energy Services Limited, a global carbon credit developer and supplier for it to (a) conduct feasibility analysis of carbon offset certification in accordance with various international standards and their existing rules and regulations; (b) perform policy and market analysis to evaluate the risks and benefits associated with different international carbon offset standards; and (c) end-to-end management of the carbon offset certification cycle, including the trading of offsets for us.

Establish Biofuel Dispensing Stations to Cater to Retail Energy and Flex-fuel Requirements

Introduction

As of January 2025 the total number of Ethanol fuel dispensing stations across the country dispensing E20 fuel has surged to about 17,400 outlets, and E100 is dispensed at over 400 retail outlets. India is closer to achieving the target of 20% Ethanol blending by 2025-26. This highlights the growing infrastructure to support Ethanol-blended fuels while marking a significant milestone in the country's transition towards more environmentally conscious fuelling options. (*Source: CRISIL Report*)

Process Chart



Key Policies and Growth Opportunities (*Source: CRISIL Report*)

The Indian government has approved the Review of Guidelines for Granting Authorization to market Transportation Fuels. This marks a major reform of the guidelines for marketing of petrol and diesel. The policy for granting authorization to market transportation fuels had not undergone any changes for the last 22 years since 2002, and has now been revised to bring it in line with the changing market dynamics and with a view to encourage investment from private players, including foreign players, in this sector. The new policy will give a fillip to 'Ease of Doing Business', with transparent policy guidelines and will boost direct and indirect employment in the sector. Setting up of more retail outlets will result in better competition and better services for consumers. Salient features and major impact of the revision include the following:

- Much lower entry barrier for private players, the entities seeking authorisation would need to have a minimum net worth of ₹250 crore vis-à-vis the current requirement of ₹2,000 crore prior investment.
- Non – oil companies can also invest in the retail sector. Requirement of prior investment in oil and gas sector, mainly in exploration and production, refining, pipelines/terminals, among others, has been done away with.
- The entities seeking market authorisation for petrol and diesel are allowed to apply for retail and bulk authorisation separately or both.
- The companies have been given flexibility in setting up a joint venture or subsidiary for market authorisation.

- In addition to conventional fuels, the authorized entities are required to install facilities for marketing at least one new generation alternate fuel, like CNG, LNG, biofuels, electric charging, among others, at their proposed retail outlets within 3 years of operationalization of the said outlet.
- More private players, including foreign players, are expected to invest in retail fuel marketing leading to better competition and better services for consumers.
- The new entities will bring in latest technology for marketing of fuels and also encourage digital payments at the retail outlets.
- Entities will also encourage employment of women and ex-servicemen at the retail outlets.
- The authorised entities are required to set up minimum 5% of the total retail outlets in the notified remote areas within 5 years of grant of authorisation. A robust monitoring mechanism has been set up to monitor this obligation.
- An individual may be allowed to obtain dealership of more than one marketing company in case of open dealerships of PSU OMCs but at different sites.

In addition to E85, another notable Ethanol blend gaining traction in India is Ethanol 93 ("**E93**"); this advanced fuel technology offers a blend containing approximately 93% Ethanol and 7% gasoline. Upcoming vehicles equipped with E93 Ethanol flex fuel technology, such as the Toyota Innova, signify a growing trend towards sustainable fuel options in the automotive industry. Additionally, TVS has already made strides in this direction by launching the Apache RTE 200Fi E100 in 2019, which utilizes E93 Ethanol as a primary fuel source.

To cater to the increasing demand for cleaner fuel, we intend to set up biofuel dispensing stations for end consumers across India. These stations will have capacity for dispensing petrol, diesel and CBG, in addition to E93, as well as electric vehicle charging points, battery replacement facilities and non-fuel retail outlets.

We intend to set up these dispensing stations in high-consumption areas, major transportation routes and key urban hubs and equip these dispensing stations with facilities, including fuel quality testing services and vehicle maintenance support. We have received approval from the Ministry of Petroleum and Natural Gas, Government of India, to exercise retail marketing rights to market motor spirit and high-speed diesel. The approval is subject to conditions including net worth criteria, requirement to set up at least 5% retail outlets in notified remote areas, furnishing of bank guarantees, and requirement for permission from the government for expansion of retail outlets beyond the 100 retail outlets proposed in our application form.

In addition to conventional fuels, we are required to install facilities for marketing at least one new generation alternate fuel at our proposed retail outlets within three years of operationalization of the said outlet, subject to us complying with various other statutory guidelines. There shall not be any restriction on an authorized entity such as our Company from utilizing the same retail outlet premises for sales of other new generation transportation fuels by other companies subject to us complying with all statutory guidelines as applicable.

We intend to make our dispensing stations to be capable of dispensing motor spirit, high speed diesel, E85 and E93 blended fuel, bio-CNG, and will also have EV charging points, EV battery swapping and create a non-fuel retail division to cater to fast moving consumer goods and automotive products. These biofuel dispensing stations will allow us to venture into the direct to consumer space as direct retail suppliers. We have set up our first dispensing station in Mudhol, Karnataka. An image of the proposed dispensing station to be operationalised is set forth below:



In order to obtain a retail transfer price and avoid intermediary expenses, we will initially operate such biofuel dispensing station ourselves. We believe our strategy of blending Ethanol with petrol at our stations will provide us a competitive advantage as flex fuel vehicles gain widespread acceptance and the demand for higher level blends of Ethanol increases.

Increase Supply of Products Allied with our Production Processes, such as FOM

In course of our production processes, there is scope for diversification for our product portfolio through offerings such as pharma-chemicals.

Ethanol as a Cooking Fuel. Recently, HPCL, one of the biggest oil companies of India, has partnered with IIT Guwahati, to develop Ethanol cooking stove which is expected to see a pilot soon. HPCL also plans to launch Ethanol ATMs for users to procure Ethanol canisters for the Ethanol stove. (*Source: CRISIL Report*) We intend to capture emerging opportunities in the use of Ethanol for varied purposes, including as a cooking fuel. Several African nations like Ethiopia, Nigeria, Kenya, Mozambique, and Madagascar, are either using or exploring the use of ethanol as a cooking fuel to diversify their options and prevent issues in times of supply disruptions or price increases. (*Source: CRISIL Report*)

FOM and LFOM. Leafiniti presently sells FOM and liquid FOM, which is a by-product of our CBG production process. We intend to build on our FOM capacity, and sell FOM more formally in smaller units. In particular, we produce FOM in course of our operations and we intend to sell this to large fertilizer companies in a systematic manner. As part of our operations, once bagasse is burnt in boilers, ash from the boilers generates high quality potash. We intend to use this potash to produce granulated potash, which is used as a fertilizer. CO_2 captured while producing Ethanol is also proposed to be used for producing methanol and calcium carbonate, which have multiple applications. (*Source: CRISIL Report*)

We intend to augment the scale of sale of such products, while also expanding the brand to include additional products in synergy with our current product portfolio.

Grow Through MoUs, Pilot Projects, Joint Ventures and Strategic Acquisitions

We have entered various MOUs and agreements for different products that we produce and intend to produce. For instance, we have entered into one MOU for CBG production, one share subscription cum shareholders' agreement pertaining to CBG production, one MOU for SAF and 2G Ethanol production, one process license agreement for Ethanol to Jet process technology to transform Ethanol into high-quality, renewable jet fuel (SAF), and one MoU for providing carbon credit consultancy services. We have entered into an MoU dated February 6, 2025 with the Government of Karnataka to establish a project to manufacture CBG, SAF and 2G ethanol within a period of three to five years.

We may similarly enter into agreements for undertaking new business ventures or for expansion of an existing product portfolio. We may also undertake pilot projects and research opportunities to pioneer the use of biofuel and allied products. Further, as part of our current cogeneration capabilities, we source bagasse from our Promoter Group companies which is used for generation of power at our facilities. Going forward, we intend to further

expand and harness our cogeneration capabilities, including entering into partnerships to explore collaboration in the fields of pre-feasibility of carbon credits related projects and giving carbon credit consultancy services.

Further, since farmers utilize tractors for transportation of sugarcane, our Subsidiary, Leafiniti, is attempting to convert these tractors into dual-fuelled vehicles that can run on high speed diesel or CNG. This in turn will create cost savings for farmers while increasing sale of our CBG. Leafiniti has purchased two CNG kits with dual-fuel and has converted two tractors already, as illustrated below:



The National Biofuel Policy aims to increase biofuel usage in different sectors of the economy and make a transition towards a cleaner fuel during the coming decade. This policy categorised bio-CNG as an advanced biofuel *(Source: CRISIL Report)*.

We will continue to undertake opportunities for growth and research in the biofuels arena.

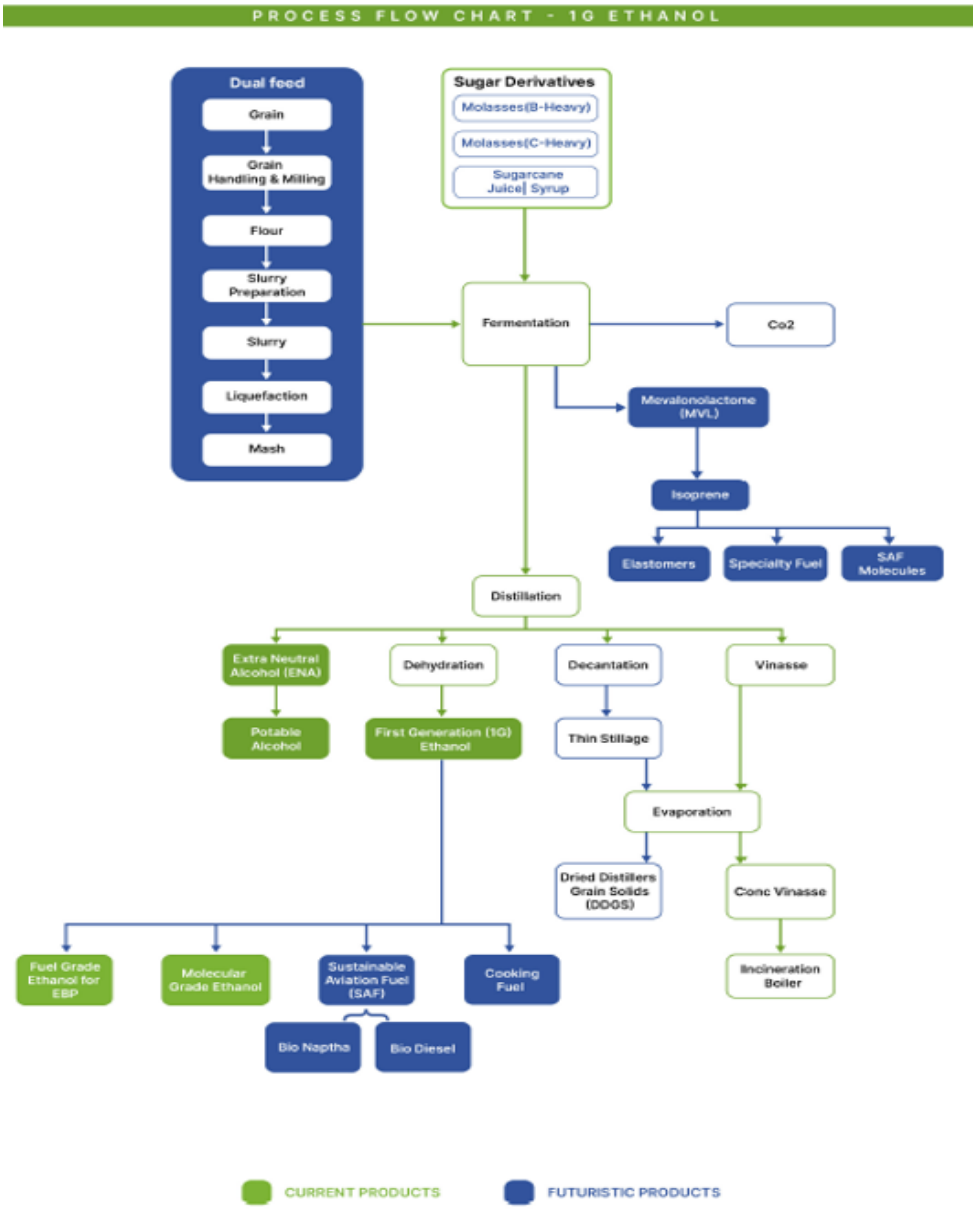
Further, we may pursue inorganic growth opportunities through joint ventures and strategic acquisition to expand our opportunities in other end-markets, acquire new customers and introduce new products. For instance, on August 11, 2025, our Company entered into a share subscription cum shareholders' agreement with GAIL through which our Subsidiary, Leafiniti will commence setting up multiple CBG units across various locations in a phased manner, of which 20 locations have been identified in the subscription cum shareholders' agreement. GAIL is proposing to hold not more than 49% shareholding in Leafiniti. We intend to maintain a disciplined approach while growing inorganically through joint ventures and strategic acquisitions and consider various selection criteria such as skills of the management team, operation scale, technological capability, product portfolio, customer base, end-market exposures, valuation and estimated costs, as well as cultural fit.

BUSINESS OPERATIONS

Manufacturing Process

Ethanol

Process Chart for Dual Feed – Sugar and Grain Based Ethanol



Key Processes for Production of Ethanol:

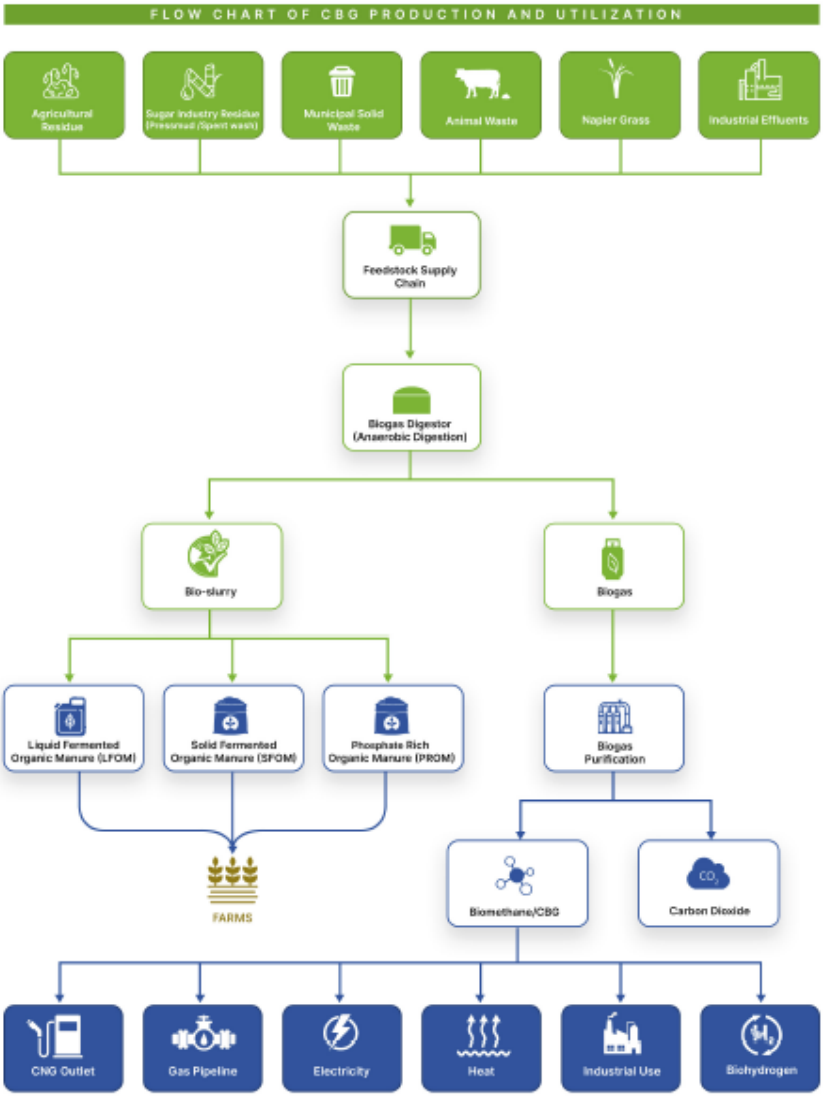
Fermentation: Fermentation is the process by which complex organic substances are converted into simple organic substances by the action of enzymes secreted by microorganisms. Alcoholic fermentation is the process by which sucrose and reducing sugars i.e. glucose and fructose, are converted into ethyl alcohol and CO_2 by the action of enzymes invertage and zymase secreted by the microorganism, yeast. During the fermentation, yeast strains converts sugar present in the molasses, such as sucrose or glucose to Ethanol. Optimum parameters like pH and temperature control and substrate concentration are required for fermentation.

Alcohol will be distilled out from fermented wash to produce rectified spirit, ENA and Ethanol as a finished product. CO_2 gas is collected and sent to the CO_2 procuring unit to produce liquefied CO_2 and solid CO_2 which is used for beverages, pharmaceuticals and for cold storage.

Distillation: Distillation serves to remove impurities based on the principle of hydro extraction. Dilution water to the distillation column is fed in such a way that it selects the higher alcohols and other impurities to move upwards and extracts Ethanol down. The distillation column operates under vacuum. The column is heated using pre-rectifier cum exhaust column and alcohol vapours are condensed on the shell side of the distillation column reboiler. As the process continues, there is an inversion in relative volatilities of higher alcohols as compared to Ethanol and these alcohols are separated in the top distillate.

CBG

Process Chart for CBG



Capacity and Capacity Utilization

The information relating to the installed capacity, average actual production and capacity utilization below and elsewhere in this Red Herring Prospectus are based on various assumptions and estimates of our management that have been taken into account in the calculation of our capacity and the same has been certified by Anudeep Krishna B, independent chartered engineer. These assumptions and estimates include standard capacity calculation practice in the Indian biofuel industry and capacity of other ancillary equipment installed at the relevant units. See "*Risk Factors – Information relating to the installed production capacity and capacity utilization of our Units included in this Red Herring Prospectus are based on various assumptions and estimates and future production and capacity may vary*" on page 66.

Ethanol and ENA

The following table sets forth certain information relating to the installed capacity, average actual production and capacity utilization in connection with Ethanol and ENA for the years indicated:

Particulars	As of/ For the Year Ended March 31, 2023**			As of/ For the Year Ended March 31, 2024			As of/ For the Year Ended March 31, 2025[7]		
	Installed Capacity (KLPD)[1][4]	Average Actual Production (KLPD)[2][4]	Capacity Utilization (%)[3]	Installed Capacity (KLPD)[1][4]	Average Actual Production (KLPD)[2][4]	Capacity Utilization (%)[3]	Installed Capacity (KLPD)[1][4]	Average Actual Production (KLPD)[2][4]	Capacity Utilization (%)[3]
TBL Unit 1	700[5]	106	53.96%[5]	700	232	33.05%	700	254	36.33%
TBL Unit 2	500[6]	197	79.32%[6]	500	230	45.96%	500	249	49.89%
TBL Unit 3	200	100	100.69%	200	136	67.72%	400	193	66.45%
TBL Unit 4[8]	-	-	-	-	-	-	200	40	19.76%
TBL Unit 5[9]	-	-	-	-	-	-	200	-	-
Total	**1,400**	**403**	**74.06%**	**1,400**	**598**	**42.63%**	**2,000**	**628**	**45.08%**

**As certified by Anudeep Krishna B, independent chartered engineer, by certificate dated September 6, 2025.*

***Production numbers for capacity utlilization have been considered for operations starting from October 2022 upon execution of the BTA to March 2023.*

Notes:

(1) Installed capacity represents the installed capacity as of the last date of the relevant period. The installed capacity is based on various assumptions and estimates, including standard capacity calculation practice in the Indian ethanol industry and capacity of other machinery installed at the relevant distillery unit. Assumptions and estimates taken into account for measuring installed capacities include 300 operational days in a year at three shifts per day operating for 24 hours a day.

(2) Average actual production in KLPD is calculated as the quantum of ethanol produced in the relevant period at a particular distillery unit, divided by the number of days the relevant distillery unit was operational in the same period.

(3) Capacity utilization has been calculated on the basis of average actual production in the relevant period divided by the installed capacity in the period. See notes (5) and (6) below.

(4) KLPD represents kilolitres per day.

(5) In Fiscal 2023 the installed capacity of TBL Unit 1 increased from 150 KLPD to 700 KLPD from February 2023. Accordingly, our capacity utilization is the weighted average of the capacity utilization in the eleven months of Fiscal 2023 ended February 2023 (which is calculated on the basis of installed capacity being 150 KLPD from April 2022 to January 2023) and the capacity utilization in two months, being February and March 2023 (which is calculated on the basis of installed capacity being 700 KLPD in February and March 2023).

(6) In Fiscal 2023, the installed capacity of TBL Unit 2 has increased from 240 KLPD to 500 KLPD from November 2022. Accordingly, our capacity utilization for Fiscal 2023 is the weighted average of the capacity utilization in the seven months of Fiscal 2023 ended October 2022 (which is calculated on the basis of installed capacity being 240 KLPD from April 2022 to October 2022) and the capacity utilization in the five months ended March 2023 (which is calculated on the basis of installed capacity being 500 KLPD from November 2022 to March 2023).

(7) In Fiscal 2025, the installed capacity of TBL Unit 3 has increased from 200 KLPD to 400 KLPD from November 1, 2024. Accordingly, our capacity utilization is calculated on the basis of installed capacity being 200 KLPD from April 2024 to October 31, 2024 and 400 KLPD from November 1, 2024 till March 31, 2025.

(8) TBL Unit 4 has an installed operational capacity of 200 KLPD from March 30, 2025, production in the month of February 2025 and March 2025 was on a trial basis.

(9) TBL Unit 5 has an installed capacity of 200 KLPD as of the date of this Red Herring Prospectus and is not operational.

CBG

The following table sets forth certain information relating to the installed capacity, actual production and capacity utilization in connection with CBG for the years indicated:

Particulars	As of March 31, 2023			As of March 31, 2024			As of March 31, 2025		
	Installed Capacity (Kg per annum)[1]	Actual Production (Kg per annum)[2]	Capacity Utilization (%)[3]	Installed Capacity (Kg per annum)[1]	Actual Production (Kg per annum)[2]	Capacity Utilization (%)[3]	Installed Capacity (Kg per annum)[1]	Actual Production (Kg per annum)[2]	Capacity Utilization (%)[3]
CBG Unit	34,17,000	14,50,697	42.46%	34,17,000	11,03,122	32.28%	34,17,000	29,29,463	85.73%

Notes:

(1) *Installed capacity represents the installed capacity as of the last date of the relevant period. The installed capacity is based on various assumptions and estimates, including standard capacity calculation practice in the Indian CBG industry and capacity of other machinery installed at the distillery unit. Assumptions and estimates taken into account for measuring installed capacities include 335 operational days in a year at 3 shifts per days operating for 24 hours a day.*

(2) *Actual production represents quantum of production in the relevant period.*

(3) *Capacity utilization has been calculated on the basis of actual production in the relevant period divided by the capacity calculated for 335 days at 10,200 TPD.*

Customers

Ethanol – We have been able to build firm relationships with OMCs such as Hindustan Petroleum Corporation Limited and Nayara Energy Limited.

We have been able to become Ethanol suppliers pursuant to tenders which have been floated by OMCs specifying criteria for selection. For public sector OMCs, we submit our bids once tenders are floated for Ethanol supply. These tenders specify criteria for the Ethanol to be supplied, such as industry specifications of denatured anhydrous Ethanol based on IS 15464:2022 and revision from the Bureau of Indian Standards from time to time. The letters of intent thereafter issued if our bid is successful, specify the rates at which Ethanol will be procured for the supply period, which is typically a year, based on the raw material used for production. The transportation cost and GST as per actuals for one way supply of products is typically borne by the OMCs, as per the letters of intent. Further, the Department of Food and Public Distribution has provided a mechanism to identify the quantity of Ethanol produced from various feedstocks. As per the terms of the letters of intent, OMCs shall typically pay the rate fixed for Ethanol derived from the relevant raw materials only if the tank truck delivering Ethanol from such feedstock is carrying an excise certification or certification as per the methodology suggested by the Department of Food and Public Distribution for the particular feedstock. Pursuant to the letters of intent issued, the OMCs issue purchase orders to us for supply of their required quantities of Ethanol, based on which we supply Ethanol to the necessary locations of the OMCs. Individual OMC may procure additional quantity up to 10% over and above the total allocated quantity across feedstock categories across locations, as per the letters of intent, from us on a mutual consent basis. We are required to provide security deposits, of a percentage of the value of the letters of intent, for the quantity of Ethanol that we are required to supply. The letters of intent may also specify conditions, under which there may be a reduction in the price at which we will supply Ethanol. For instance, if we are unable to achieve supply performance of a minimum specified monthly or quarterly quantity, we may be subject to price reduction.

CBG – For CBG, we have entered into offtake agreements under the SATAT scheme with two OMCs, with a tenure of 10 years and 15 years respectively. We believe that our experience of working with a diverse set of well-reputed customers is a testament to our ability to evolve our capabilities to meet our customers' requirements.

ENA – The utilization of ENA in Indian-made foreign liquor production has also allowed us to have relationships with customers in the food and beverages industry such as John Distilleries, InBrew Beverages Private Limited, Amrut Distilleries and Elite Vintage Winery India Private Limited, who comprise our ENA customers.

FOM – We have received a purchase order on May 12, 2025 effective from April 24, 2025 to March 31, 2026 from an Indian public sector undertaking which produces chemicals and fertilizers, which enables us to sell FOM at the price of ₹5,565.00 (including GST) per MT.

Raw Materials

For the process to produce ethanol we currently utilize sugarcane juice/syrup/molasses as a raw material. We utilize bagasse to fuel our boilers. We utilize press mud a residue of sugarcane as a raw material for producing compressed biogas. We source a significant portion of such raw materials from sugar manufacturing facilities owned by one of our Promoter Group entities and third parties. We have supply agreements with one of our Promoter Group entities and third parties for supply of raw materials for Ethanol production such as bagasse, press mud, power, steam, molasses, sugar syrup and sugarcane juice. For further information, please see "*History and Certain Corporate Matters – Other Agreements*" and *"Material Contracts and Documents for Inspection – Material Documents in relation to the Offer"* on pages 333 and 664. In Fiscal 2023, 2024 and 2025, the cost of material consumed was ₹56,733.13 lakhs, ₹77,150.73 lakhs and 1,04,157.66 lakhs which represented 74.42%, 63.06% and 54.60%, respectively, of our revenue from operations as per the Restated Financial Information in the respective years. We also progressively intend to operate dual-feed plants, which utilize grain, in order to reduce our dependence on sugar syrup and molasses.

See "*Risk Factors – Our Ethanol production depends on the availability of raw material such as sugar syrup and molasses, and any alternatives we may require in future, such as grains and biomass. Any shortage of sugarcane, the underlying raw material, which is subject to seasonal vagaries, adverse weather conditions, crop disease and pest attacks, may impact the availability and quality of our key raw materials, which may have an adverse impact on our business, financial condition and results of operations*" on page 51 and "*Risk Factors - We have entered into supply contracts with one member of our Promoter Group, and MRN Bhima Sugar and Power Private Limited and MRN Canepower and Biorefineries Private Limited for supply of a significant portion of our raw material*

requirements. Any termination of such contracts, failure to renew such contracts on favourable terms or at all, or non-performance of obligations under such contracts, may impact our business, financial condition, cash flows and results of operations" on page 46.

Quality Control and Quality Assurance

We believe that maintaining a high standard of quality of our products and our units is critical to our growth and continued success. Our Company has a dedicated quality control and assurance team, comprising 62 employees as of March 31, 2025, that is responsible for maintaining our required quality standards. We have put in place quality systems that cover all areas of our business processes from manufacturing to product delivery for ensuring consistent quality of our products. Various in-process quality checks are performed to monitor product quality during the production process.

Sales, Marketing and Distribution

As at March 31, 2025, our Company has 24 employees dedicated to the sales, marketing and distribution of our products, which helps us maintain direct contact with majority of our customers and their future requirements.

Utilities

We have been able to source our steam and power requirements from members of the Promoter Group, in addition to our cogeneration units for captive consumption of steam and power. Each of our units also has cogeneration plants, with a boiler and turbines. We currently source our water for our units from Krishna and Ghataprabha rivers, through irrigation channels. We have applied for transfer of water lifting license issued by the Department of Water Resources of the Government of Karnataka, in our name by way of applications dated August 16, 2022 and June 3, 2023. For further details, please see *'Government and Other Approvals – Material Approvals Applied for but not yet Received'* on page 578. In Fiscal 2023, 2024 and 2025, our power and fuel expenses were ₹6,039.51 lakhs, ₹8,703.75 lakhs and ₹9,608.59 lakhs, representing 7.92%, 7.11% and 5.04% of our revenue from operations, respectively, as per the Restated Financial Information. As per the Proforma Condensed Combined Financial Information, in Fiscals 2021, 2022 and 2023, power and fuel expenses were ₹2,952.51 lakhs, ₹6,625.33 lakhs and ₹10,636.29 lakhs, representing 5.61%, 9.52% and 9.17% of revenue from operations, respectively.

See, "*Risk Factors - Our production Units are dependent on adequate and uninterrupted supply of water, fuel, steam and electricity. While we have captive cogeneration units that cater to our electricity, steam and fuel requirements, any disruption in these captive cogeneration units may lead to disruption in operations, higher operating cost and consequent decline in our operating margins*" on page 57.

Transportation

We transport our raw materials and our finished products by road. We rely significantly on third party logistic companies and freight forwarders to deliver our products. The cost of freight for one way transportation of Ethanol is borne by our OMC customers. See, "*Risk Factors – We are dependent on third party transportation providers for the supply of raw materials and delivery of our products. Any disruptions in logistics and transportation or significant increase in freight charges could adversely affect our business, financial condition and results of operations.*" on page 57.

Regulatory and Environmental Matters

We are subject to environmental laws and regulations, including regulations relating to the prevention and control of water pollution and air pollution, environmental protection, hazardous waste management and noise pollution, in relation to our units. These laws and regulations govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from our operations. For further details see "*Key Regulations and Policies in India*" and "*Government and Other Approvals*" on pages 321 and 571, respectively.

Further, we seek to implement sustainable practices in our manufacturing process. For instance, (i) we have installed zero discharge facilities at our units for the treatment of all liquid effluents; (ii) 100% of the water that we use in the distillation process is condensed and reused further; (iii) we have established effluent treatment plants at our distillery units, to reduce fresh water usage, and mitigate disruptions to the ecology of the areas; (iv) Leafiniti utilizes the effluents being ejected as a result of the distillation process, called 'spent wash', for CBG

production; and (v) we have cogeneration units, with boilers and turbines, at each of our units, which generate steam and power for captive consumption, and reduce external power requirements.

Health and Employee Safety

We endeavour to adhere to laws and regulations relating to protection of health and employee safety. We carry out our activities while following appropriate standards of work safety and our working conditions seek to promote a healthy and safe work environment. We have taken initiatives to reduce the risk of accidents and prevent environmental pollution at our units, including: (i) ensuring that employee safety manuals covering employee safety and environmental procedures, are in place and that safety observations at molasses storage tank of distillery section, loading station of Ethanol at distillery section, Ethanol storage tank area, ENA receiver storage tank area, fermentation area, store room area, among others, are carried out; (ii) providing training and awareness programs on employee safety and environment to our employees, including the use of first aid and other procedures to deal with emergencies; (iii) implementing employee safety audits, management review meetings; and (iv) conducting emergency mock drills at our units.

Human Resources

As of March 31, 2025, our Company had 714 on-roll employees. The following table provides information about our Company's on-roll employees, as of March 31, 2025:

Particulars	Number of Employees
Accounts, Legal and Secretarial	30
Admin Department	11
CBG Station	2
Civil	3
Co-Gen	159
Corporate Communications	9
Effluent Treatment Plant Department	9
Electrical	72
Environment	19
HR Department	13
Instrument	35
Information Technology	1
Management	2
Marketing	5
Mechanical	80
Process Department	101
Purchase	2
Quality assurance and quality control	62
R&D	18
Safety	2
Security	1
Sales	19
Store	13
Water Treatment Plant Department	42
Weighbridge	4
Total	**714**

Our Company also appoints independent contractors who in turn engage on-site contract labour for performance of certain of our ancillary operations. As of March 31, 2025, we had 62 contract labourers.

We have not experienced any major work stoppages due to labour disputes or cessation of work in Fiscal 2023, 2024 and 2025. Further, the attrition rate for our Company’s employees for Fiscal 2023, 2024 and 2025, were 4.30%, 2.00% and 1.70%, respectively.

For information on statutory dues payable by us, see “*Risk Factors - There have been delays in payment of statutory dues by our Company and our Subsidiary in Fiscals 2023, 2024 and 2025. Inability to make timely payment/ default in payment of statutory dues may attract penalties and in turn have a material adverse impact on our business, results of operations and financial condition*” on page 72.

Competitors

We face competition with numerous players including sugar mills, distilleries, and Ethanol manufacturers in relation to our products. In India, some of our peers are as follows: Bajaj Hindustan Sugar Limited, Dhampur Sugar Mills Limited, Triveni Engineering & Industries Limited, Balrampur Chini Mills Limited, Shree Renuka Sugars Limited, Dalmia Bharat Sugar and Industries, Dwarikesh Sugar Indus Limited and EID Parry India Limited. Our global peers are Valero Energy Corporation, Raizen Brazil, Wilmar – Australia, Petrobas and Sao Martinho. (*Source: CRISIL Report*)

For more information on operational benchmarking, see "*Industry Overview – Ethanol Plant – Operational Benchmark (Indian Players)*" and "*Industry Overview - Ethanol Plant – Operational Benchmark (Global Players)*" on pages 264 and 269, respectively, and on financial benchmarking, see "*Industry Overview – Financial Benchmarking – Domestic Players*" and *Industry Overview – Financial Benchmarking – Global Players"* on pages 270 and 277, respectively.

See, "*Risk Factors – We operate in a competitive business environment. Competition from existing players and new entrants could have a material adverse effect on our business, financial condition and results of operations*" on page 67.

Corporate Social Responsibility ("CSR")

In Fiscal 2023, we were not required to undertake CSR expenses, as per the Restated Financial Information. During Fiscal 2024 and 2025, we undertook CSR activities, including, medical expenditure for organisation of health checkup camps, provision of skills training for sanitary pad making and apiculture, and supply of drinking water in Mudhol, Karnataka; and tree plantation drives in Mudhol, Jamakhandi and Bilagi districts of Karnataka. We incurred an expenditure of ₹49.00 lakhs and ₹65.45 lakhs on CSR activities during Fiscal 2024 and 2025, respectively, as per the Restated Financial Information.

Intellectual property

As on the date of this Red Herring Prospectus, our Company has obtained one registered trademark under the Trade Marks Act, 1999 under Class 4 in relation to the word "*Trualt Bioenergy*" and our logo, and one trademark under the Trade Marks Act, 1999 under Class 1 in relation to Leafiniti's name and logo. See, "*Risk Factors – We may be unable to adequately protect our intellectual property and may be subject to risks of infringement claims*" on page 71.

Insurance

We maintain various insurance policies including industrial all risks policy, standard fire and special perils policy, burglary insurance policy to cover risks associated with our properties, marine open policy to cover various risks during the transit of products, group personal accident policy, commercial general liability policy and directors and officers liability insurance. We believe that our insurance coverage is in accordance with industry custom, including the terms of and the scope of the coverage provided by such insurance. However, our policies are subject to standard limitations, including with respect to the maximum amount that can be claimed. See "*Risk Factors – We may incur uninsured losses or losses in excess of our insurance coverage which could adversely affect our results of operations and financial condition*." on page 69.

Properties

Our Registered Office is located at Survey No. 166, Kulali Cross, Jamkhandi Mudhol Road, Bagalkot – 587313, Karnataka, India which is leased by us from Nirani Sugars Limited **(**formerly known as MRN Chamundi Canepower and Biorefineries Limited) for a period of 11 months, up to August 31, 2024. The said lease had been renewed for a period of 11 months commencing on September 1, 2024 and has been renewed further for another 11 months commencing on August 1, 2025. Our Corporate Office is located at S 904 – A, 9th Floor, World Trade Centre, Brigade Gateway Campus, Rajajinagar, Bangalore 560055, Karnataka, India, admeasuring 130 square feet and has been leased by us from Nirani Sugars Limited **(**formerly known as MRN Chamundi Canepower and Biorefineries Limited) for a period of 11 months, commencing from June 1, 2025. We have further leased unit number N-1501 on the 15th Floor, admeasuring 9,590 square feet from K. Ullas Kamath and Arksun Systems Solutions Private Limited in World Trade Centre at Brigade Gateway Rajkumar Road, Malleswaram - Rajajinagar,

Bangalore - 560055, Karnataka India, for a period of five years commencing from June 1, 2024. Premises admeasuring 230 square feet forming a part of our Corporate Office admeasuring 9,590 square feet have been sub-leased by us in favour of Leafiniti from October 17, 2024 for a period of 11 months which has been further renewed pursuant to sub-lease deed dated September 5, 2025, with effect from September 17, 2025 for a period of 11 months. The following table sets forth the details of our properties, including our manufacturing units, which are located on land parcels owned by us:

Property		Area	Owned
TBL Unit 1	Kulali Cross, Jamkhandi Road, Mudhol, District Bagalkot, Karnataka.	45 Acres, 38 Guntas	Owned
TBL Unit 2	Hippargi-Maigur, Jamkhandi Taluk, Bagalkot District, Karnataka.	26 Acres, 23 Guntas	Owned
TBL Unit 3	Kallapur- S. K. Post: Kulageri, Badami Talulk, Bagalkot District, Karnataka.	17 Acres, 26 Guntas	Owned
TBL Unit 4	Jalageri and Ganganaboodhihala, Tal, Badami in the Bagalkot district of Karnataka	22 Acres, 22 Guntas	Owned
TBL Unit 5	Muttalgeri, Tal, Badami in the Bagalkot district of Karnataka	15 Acres, 2 Guntas	Owned

See "*Risk Factors – Our Registered Office and Corporate Office are located on property leased by us. Failure to renew leasehold rights for our Registered and Corporate Office could adversely affect our business, and operations*" on page 67.

KEY REGULATIONS AND POLICIES

The following description is a summary of certain key statutes, rules, regulations, notifications, memorandums, circulars and policies which are applicable to our Company and the business undertaken by our Company.

Taxation statutes such as the Income Tax Act, 1961, the Customs Act, 1962, professional tax legislations, wherever applicable and the relevant goods and service tax legislation apply to us as they do to any Indian company. For details of government approvals obtained by our Company, see "Government and Other Approvals" beginning on page 571.

The information detailed in this chapter, is based on the current provisions of key statutes, rules, regulations, notifications, memorandums, circulars and policies which are subject to amendments, changes and/or modifications. The information in this section has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been provided in a manner to provide general information to the investors and may not be exhaustive and is neither designed nor intended to be a substitute for professional legal advice. The indicative summary is based on the current provisions of applicable law, which are subject to change or modification or amended subsequent legislative, regulatory, administrative or judicial decisions.

Laws in relation to our business

The National Policy on Biofuels - 2018 ("Biofuel Policy")

The Biofuel Policy categorises biofuels as "basic biofuels" and expands the scope of raw material for ethanol production by allowing use of sugarcane juice, sugar containing materials like sugar beet, sweet sorghum, starch containing materials like corn, cassava, damaged food grains like wheat, broken rice, rotten potatoes, unfit for human consumption for ethanol production. With a thrust on advanced biofuels, the Biofuel Policy indicates a viability gap funding scheme for 2G ethanol bio refineries of ₹ 5000 crore in 6 years in addition to additional tax incentives, higher purchase price as compared to 1G biofuel. The Biofuel Policy encourages setting up of supply chain mechanisms for biodiesel production from non-edible oilseeds, used cooking oil, short gestation crops.

Molasses Control Order, 1966 ("Molasses Order")

The Molasses Order includes various provisions for regulation of the storage, grading, sale and removal of molasses. It empowers the Central Government to fix maximum prices of molasses.

The Petroleum Act, 1934 ("Petroleum Act") and Petroleum Rules, 2002

The Petroleum Act was passed to consolidate and amend the laws relating to the import, transport, storage, production, refining and blending of petroleum. Under the Petroleum Rules, 2002, any person intending to store furnace oil/petroleum, of such class and in such quantities, otherwise than under a license shall take the approval of the Chief Controller before commencing storage.

The Indian Boilers Act, 1923 ("Boilers Act") and the Indian Boiler Regulations, 1950 ("Boiler Regulations")

The Boilers Act seeks to regulate *inter alia*, the manufacture, possession and use of boilers. In terms of the provisions of the Boilers Act, an owner of a boiler is required to get the boiler registered and certified for its use, by an inspector appointed by the relevant State Government.The Boiler Regulations have been framed under the Boilers Act. The Boiler Regulations deal with the materials, procedure and inspection techniques to be adopted for the manufacture of boilers and boiler mountings and fittings.

The Legal Metrology Act, 2009 (the "Legal Metrology Act") and The Legal Metrology (Packaged Commodities) Rules, 2011 (the "Legal Metrology Rules")

The Legal Metrology Act, along with the Legal Metrology Rules, establishes and enforces standards of weights and measures, regulates trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or numbers. Any transaction relating to goods or a class of goods shall be as per the weight, measurements or numbers prescribed by the Legal Metrology Act. The Legal Metrology Act prohibits the manufacture, packing, selling, importing, distributing, delivering, offer for sale of any pre-packaged commodity if such does not adhere to the standard regulations set out.

The Legal Metrology Rules are ancillary to the Legal Metrology Act and set out to define various manufacturing and packing terminology. It lays out specific prohibitions where manufacturing, packing, selling, importing, distributing, delivering, offering for sale would be illegal and requires that any form of advertisement where the retail sale price is given must contain a net quantity declaration. Circumstances which are punishable are also laid out in the Legal Metrology Rules.

The Factories Act, 1948 (*"Factories Act"*)

The term '*factory*', as defined under the Factories Act, includes any premises which employs or has employed on any day in the previous 12 months, 10 or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 or more workmen are employed at any day during the preceding 12 months and in which any manufacturing process is carried on without the aid of power. State Governments have issued rules in respect of the prior submission of plans and their approval for the establishment of factories and registration and licensing of factories. The Factories Act mandates the '*occupier*' of a factory to ensure the health, safety and welfare of all workers in the factory premises. Further, the "*occupier*" of a factory is also required to ensure (i) the safety and proper maintenance of the factory such that it does not pose health risks to persons in the factory premises; (ii) the safe use, handling, storage and transport of factory articles and substances; (iii) provision of adequate instruction, training and supervision to ensure workers' health and safety; and (iv) cleanliness and safe working conditions in the factory premises. If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment or with a fine or with both.

The Public Liability Insurance Act, 1991 ("PLI Act")

The PLI Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the government by way of a notification. Under the law, the owner or handler is also required to take out an insurance policy insuring against liability. The rules made under the PLI Act mandates the employer to contribute towards the Environmental Relief Fund a sum equal to the premium paid on the insurance policies.

Foreign Trade (Development and Regulation) Act, 1992 ("FTA")

The FTA seeks to increase foreign trade by regulating imports and exports to and from India. It authorizes the government to formulate as well as announce the export and import policy and to keep amending the same on a timely basis. The government has also been given a wide power to prohibit, restrict and regulate the exports and imports in general as well as specified cases of foreign trade. The FTA read with the Indian Foreign Trade Policy, 2015-20 (extended till September 30, 2021) provides that no person or company can make exports or imports without having obtained an importer exporter code ("**IEC**") number unless such person or company is specifically exempted. An application for an importer exporter code number has to be made to the Office of the Director General of Foreign Trade, Ministry of Commerce ("**DGFT**"). An importer-exporter code number allotted to an applicant is valid for all its branches, divisions, units and factories. Failure to obtain the IEC number shall attract penalty under the FTA.

The DGFT by way of a notification dated May 24, 2019 (the "**Ethyl Alcohol Notification**"), has amended the import policy of biofuels under chapter 22, 27 and 38 of ITC(HS), 2017, Schedule -I. Pursuant to the Ethyl Alcohol Notification, the import of ethyl alcohol and other spirits, which are denatured is "restricted" for all purposes. Any import of ethyl alcohol, in a denatured form will require an import license from the DGFT.

The Explosives Act, 1884 ("***Explosives Act***")

The Explosives Act is a comprehensive law which regulates by licensing for the manufacturing possession, sale, transportation, export and import of explosives. As per the definition of 'explosives' under the Explosives Act, any substance, whether a single chemical compound or a mixture of substances, whether solid or liquid or gaseous, used or manufactured with a view to produce a practical effect by explosion or pyrotechnic effect shall fall under the Explosives Act. The Central Government may, for any part of India, make rules consistent with this act to regulate or prohibit, except under and in accordance with the conditions of a license granted as provided by those rules, the manufacture, possession, use sale, transport, import and export of explosives, or any specified class of explosives. Extensive penalty provisions have been provided for manufacture, import or export, possession, usage, selling or transportation of explosives in contravention of the Explosives Act.

The Static and Mobile Pressure Vessels (Unfired) Rules 2016 ("SMPV Rules")

The SMPV Rules regulate the manufacture, filling, delivery, import, modification and repair of pressure vessels. Under the SMPV Rules, licenses are required to be obtained for storage and transportation of compressed gas. The SMPV Rules also prescribe conditions under which the licenses can be amended, renewed, suspended or cancelled.

Essential Commodities Act, 1955

Sugar is a commodity covered under the Essential Commodities Act, 1955 and is subject to various controls in terms of the provisions of the said Act and the Rules made thereunder. The objective of the EC Act is to control the production, supply, distribution of and trade and commerce in the essential commodity.

The definition of "sugar" occurring in sub-section (e) of Section 2 of the Act, inter alia, sugar or any sugar in crystalline or powdered form". However, all the controls which are applicable to sugar produced through vacuum pan process by sugar mills, are not enforced in entirety on khandsari sugar at present.

Section 3(3C) of the EC Act makes specific provision with regard to the payment to be made for sugar sold by the producer in compliance of an order made under Section 3(2) (f) of the Act by the Central Government for supply of Levy Sugar. This Section lays down the guidelines for determination of price payable to the producer for Levy Sugar supplied by him. Under this sub-section, Levy Sugar price is required to be fixed by the Central Government having regard to –

a) the minimum price fixed for sugarcane by the Central Government;
b) the manufacturing cost of sugar;
c) the duty or tax payable thereon; and
d) the securing of a reasonable return on the capital employed in the business of manufacturing sugar.

It is also provided that different prices may be determined from time to time for different areas or factories or for different kinds of sugar.

Section 3 of the Act confers wide powers on the Central Government to make orders to provide for achieving the primary objective of exercising effective control to check inflationary trend in prices and to ensure equitable distribution of the essential commodity.
Under Section 5, various powers of the Central Government under this Act have been delegated to the State Governments. Section 6 of the Act provisions for seizure/confiscation of the commodity by the District Collector. Section 7 deals with penalties for contravention of the provisions of any order made under Section 3 and Section 7A deals with the power to recover certain amounts as arrears of land revenue. Section 10 makes every offence punishable under the Act as cognizable and non-bailable.

The above powers include, inter alia, powers to control production, supply, distribution etc of essential commodities. Food stuffs (which include sugar) and food crops (which include sugarcane) are essential commodities. Without prejudice to the generality, the powers conferred provide for, *inter alia*:

- for regulating by licenses, permits or otherwise the production or manufacture of any essential commodity;
- for controlling the price at which any essential commodity may be bought or sold.
- for requiring any person holding in stock or engaged in production, of any essential commodity to sell the whole or a specified part of the quantity held in stock are produced.
- to direct a producer, importer or exporter of any kind of sugar to sell or otherwise dispose of or deliver from the godowns only under and in accordance with the direction issued by the Government (sugar includes plantation white sugar, raw sugar and refined sugar – whether indigenously produced or imported)

Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010

The Central Electricity Authority (Measures relating to Safety and Electric Supply) Regulations, 2010 ("CEAR") lay down regulations for safety requirements for electric supply lines and accessories (meters, switchgears, switches and cables). It requires all relevant specifications prescribed by the Bureau of Indian Standards or the International Electro-Technical Commission to be adhered to. These include requiring all electric supply lines and apparatus to:

1. have sufficient rating for power, insulation and estimated fault current;

2. be of sufficient mechanical strength for the duty cycle which they may be required to perform under the environmental conditions of installation;

The supplier is also required to provide a suitable switchgear installation in each conductor of every service line other than an earthed or earthed neutral conductor or the earthed external conductor of a concentric cable within a consumer's premises and such switchgear is required to be encased in a fireproof receptacle. The construction, installation, working and maintenance of such supply lines must be in a method which will ensure the safety of human beings, animals and property. Additionally, the CEAR also lays down a requirement for an inspection by the electrical inspector prior to the commissioning of generating units above the capacity prescribed by the appropriate government.

Excise Laws

State governments are empowered to regulate, among other things, manufacture, import, export, transport, possession, purchase and sale of ethanol. State governments also regulate excise and countervailing duties imposed on ethanol. Our facilities in Karnataka are governed by the Karnataka Excise Act, 1965, respectively, and the rules, regulations and orders made thereunder under which we are required to obtain appropriate licences/approvals/permissions, among other thing, for the manufacture of ethanol.

The Food Safety and Standards Act, 2006

The Food Safety and Standards Act, 2006 ("**FSS Act**") was enacted with a view to consolidate the laws relating to food and to establish the Food Safety and Standards Authority of India ("**FSSAI**"), for laying down science-based standards for articles of food and to regulate their manufacture, storage, distribution, sale and import, to ensure availability of safe and wholesome food for human consumption. The FSS Act also sets out requirements for licensing and registration of food businesses, general principles of food safety, and responsibilities of the food business operator and liability of manufacturers and sellers, and adjudication by Food Safety Appellate Tribunal. For enforcement, the 'commissioner of food safety', 'food safety officer' and 'food analyst' have been granted with detailed powers of seizure, sampling, taking extracts and analysis. Further, The Food Safety and Standards Rules, 2011 ("**FSSR**") which have been operative since August 5, 2011, provide the procedure for registration and licensing process for food business and lay down detailed standards for various food products. The standards include specifications for ingredients, limit of quantities of contaminants, tolerance limits of pesticide drugs residue, biological hazards and labels.

The FSSAI has also framed the following food safety and standards regulations in relation to various food products and additives:

- Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011;
- Food Safety and Standards (Packaging) Regulation, 2018;
- Food Safety and Standards (Labelling and Display) Regulation, 2020;
- Food Safety and Standards (Food Product Standards and Food Additives) Regulations, 2011;
- Food Safety and Standards (Prohibition and Restriction on Sales) Regulations, 2011;
- Food Safety and Standards (Contaminates, Toxins and Residues) Regulations, 2011; and
- Food Safety and Standards (Laboratory and Sampling Analysis) Regulations, 2011.

National Tariff Policy

The GoI notified the revised National Tariff Policy effective from January 28, 2016. Among others, the National Tariff Policy seeks to ensure availability of electricity to different categories of consumers at reasonable and competitive rates, ensure financial viability of the sector and attract adequate investments and ensure creation of adequate capacity including reserves in generation, transmission and distribution in advance, for reliability of supply of electricity to consumers.

Environmental laws

Environment Protection Act, 1986 (the "EP Act"), Environment Protection Rules, 1986 (the "EP Rules") and Environmental Impact Assessment Notification, 2006 ("EIA Notification")

The EP Act has been enacted for the protection and improvement of the environment. The EP Act empowers the government to take all measures to protect and improve the quality of environment, such as by laying down standards for emission and discharge of pollutants, providing for restrictions regarding areas where industries may operate and laying down safeguards for handling hazardous substances, amongst others. It is in the form of an umbrella legislation designed to provide a framework for Central Government to coordinate the activities of various central and state authorities established under previous laws. It is also in the form of an enabling law, which delegates wide powers to the executive to enable bureaucrats to frame necessary rules and regulations. Further, the EP Rules specifies, inter alia, the standards for emission or discharge of environmental pollutants, restrictions on the location of industries and restrictions on the handling of hazardous substances in different areas. For contravention of any of the provisions of the EP Act or the rules framed thereunder, the punishment includes either imprisonment or fine or both. Additionally, under the EIA Notification and its subsequent amendments, projects are required to mandatorily obtain environmental clearance from the concerned authorities depending on the potential impact on human health and resources.

Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act aims to prevent and control water pollution and to maintain or restore wholesomeness of water. The Water Act provides for one Central Pollution Control Board, as well as state pollution control boards, to be formed to implement its provisions, including enforcement of standards for factories discharging pollutants into water bodies. Any person intending to establish any industry, operation or process or any treatment and disposal system likely to discharge sewage or other pollution into a water body, is required to obtain the consent of the relevant state pollution control board by making an application.

Air (Prevention and Control of Pollution) Act, 1981 ("Air Act")

The Air Act aims to prevent, control and abate air pollution, and stipulates that no person shall, without prior consent of the relevant state pollution control board, establish or operate any industrial plant which emits air pollutants in an air pollution control area. They also cannot discharge or cause or permit to be discharged the emission of any air pollutant in excess of the standards laid down by the State Boards. The Central Pollution Control Board and the state pollution control boards constituted under the Water Act perform similar functions under the Air Act as well.

Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 ("Hazardous Waste Rules") and the Bio Medical Waste Management Rules 2016 ("Bio Medical Waste Rules")

The Hazardous Waste Rules regulate the management, treatment, storage and disposal of hazardous waste by imposing an obligation on every occupier and operator of a facility generating hazardous waste to dispose of such waste without harming the environment. The term "*hazardous waste*" has been defined in the Hazardous Waste Rules and any person who has, control over the affairs of the factory or the premises or any person in possession of the hazardous waste has been defined as an "*occupier*". Every occupier and operator of a facility generating hazardous waste must obtain authorization from the relevant state pollution control board. Further, the occupier, importer or exporter is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste and must pay any financial penalty that may be levied by the respective state pollution control board.

These Bio Medical Waste Rules regulate the generation, collection, storage, transportation, treatment, disposing, or handling bio medical waste in any form including hospitals, nursing homes, clinics, dispensaries, veterinary institutions, animal houses, pathological laboratories, blood banks, Ayush hospitals, clinical establishments, research or educational institutions, health camps, medical or surgical camps, vaccination camps, blood donation camps, first aid rooms of schools, forensic laboratories and research labs.

The Chemical Accidents (Emergency Planning, Preparedness and Response) Rules, 1996 ("Chemical Accidents Rules")

The Chemical Accidents Rules, formulated pursuant to the provisions of the EPA, seek to manage the occurrence of chemical accidents, by *inter alia*, setting up a central crisis group and a crisis alert system. The functions of the

central crisis group *inter alia* include, (i) conducting post-accident analysis of major chemical accidents; (ii) rendering infrastructural help in the event of a chemical accident; and (iii) review district off site emergency plans.

The Manufacture, Storage and Import of Hazardous Chemical Rules, 1989 ("HCR Rules")

The HCR Rules are formulated under the EPA. The HCR Rules are applicable to an industrial activity in which a hazardous chemical which satisfies certain criteria as listed in the schedule thereto, and to an industrial activity in which there is involved a threshold quantity of hazardous chemicals as specified in the schedule thereto. The occupier of a facility where such industrial activity is undertaken has to provide evidence to the prescribed authorities that he has identified the major accident hazards and that he has taken steps to prevent the occurrence of such accident and to provide to the persons working on the site with the information, training and equipment including antidotes necessary to ensure their safety. Where a major accident occurs on a site or in a pipeline, the occupier shall forthwith notify the concerned authority and submit reports of the accident to the said authority. Furthermore, an occupier shall not undertake any industrial activity unless he has submitted a written report to the concerned authority containing the particulars specified in the schedule to the HCR Rules at least three months before commencing that activity or before such shorter time as the concerned authority may agree.

Intellectual Property laws

The Trade Marks Act, 1999 ("Trademarks Act")

The Trademarks Act provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement. The Trademarks Act also prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for infringement, falsifying and falsely applying for trademarks.

The Copyright Act, 1957

The Copyright Act, 1957, along with the Copyright Rules, 2013 ("**Copyright Laws**") governs copyright protection in India. Even while copyright registration is not a prerequisite for acquiring or enforcing a copyright in an otherwise copyrightable work, registration under the Copyright Laws acts as a *prima facie* evidence of the particulars entered therein and helps expedite infringement proceedings and reduce delay caused due to evidentiary considerations. The Copyright Laws prescribe a fine, imprisonment or both for violations, with enhanced penalty on second or subsequent convictions.

Labour law legislations

The employment of workers, depending on the nature of activity, is regulated by a wide variety of generally applicable labour laws, including the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Payment of Gratuity Act, 1972, the Payment of Bonus Act, 1965, Contract Labour (Regulation and Abolition) Act, 1970, the Shops and Establishments Act, 1953, the Maternity Benefit Act, 1961 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
In order to rationalize and reform labour laws in India, the Government has enacted the following codes:

(a) **Code on Wages, 2019**, which regulates and amalgamates wage and bonus payments and subsumes four existing laws namely – the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976. It regulates, *inter alia*, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees.

(b) **Industrial Relations Code, 2020**, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. It subsumes the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.

(c) **Code on Social Security, 2020**, which amends and consolidates laws relating to social security, and subsumes various social security related legislations, *inter alia* including the Employee's State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit

Act,1961 and the Payment of Gratuity Act, 1972. It governs the constitution and functioning of social security organisations such as the Employee's Provident Fund and the Employee's State Insurance Corporation, regulates the payment of gratuity, the provision of maternity benefits and compensation in the event of accidents that employees may suffer, among others.

(d) **The Occupational Safety, Health and Working Conditions Code, 2020**, consolidates and amends the laws regulating the occupational safety and health and working conditions of the persons employed in an establishment. It replaces 13 old central labour laws including the Contract Labour (Regulation and Abolition) Act, 1970 and received the presidential assent on September 28, 2020.

These provisions of these codes shall become effective on the day that the Government shall notify for this purpose.

Other labour law legislations

The various other labour and employment-related legislations (and rules issued thereunder) that may apply to our operations, from the perspective of protecting the workers' rights and specifying registration, reporting and other compliances, and the requirements that may apply to us as an employer, would include the following:

i. Minimum Wages Act, 1948
ii. Payment of Wages Act, 1936
iii. Child Labour (Prohibition and Regulation) Act, 1986
iv. Transgender Persons (Protection of Rights) Act, 2019
v. Equal Remuneration Act, 1976
vi. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
vii. Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959
viii. Various state shops and establishments legislations

Biodiversity Act 2002 ("Biodiversity Act")

The Central Government released the Biodiversity Act to provide for conservation of biological diversity, sustainable use of its components and fair and equitable sharing of the benefits arising out of the use of biological resources, knowledge and for matters connected therewith or incidental thereto.

Motor Spirit and High Speed Diesel (Regulation of Supply and Distribution and Prevention of Malpractices), Order, 2005 ("Motor Spirit and High Speed Diesel Order")

The Central Government released the Motor Spirit and High Speed Diesel Order which regulates the supply and distribution of motor spirit to prevent malpractices as provided under the Motor Spirit and High Speed Diesel Order. It prohibits any person, except as otherwise authorized by the Central Government, to market and sell motor spirit or high speed diesel to consumers or dealers. It sets out guidelines for supply, transportation and sale of these petroleum products to ensure fair practices in the industry.

Other laws

In addition to the above, our Company is also required to comply with the provisions of the Companies Act and other applicable statutes imposed by the Centre or the State Government and authorities for our day to day business and operations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as "*TruAlt Energy Limited*" as a public company under the Companies Act, 2013, pursuant to a certificate of incorporation dated on March 31, 2021, by the Registrar of Companies, Karnataka at Bangalore ("**RoC**"). The name of our Company was subsequently changed to "*TruAlt Bioenergy Limited*", to reflect the nature of business of our Company, pursuant to a special resolution passed in the extra-ordinary general meeting of the Shareholders held on June 1, 2022, pursuant to which a fresh certificate of incorporation consequent upon change of name was issued by the RoC on July 1, 2022.

Changes in the registered office

There has been no change in the registered office of our Company since the date of incorporation.

Main objects of our Company

The main objects contained in our Memorandum of Association are as follows:

1. *To carry on the business of production, processing of bio-diesel, ethanol from sugar syrup, molasses, whole grains or from any other plants, or from agricultural, commercial, domestic, and/or industrial wastes, including the by-products of our Company or any other raw material for captive consumption or otherwise and to meet the requirements of raw material all kinds of fuel ethanol, and to deal in the by-products and joint products of fuel ethanol in India or elsewhere in the world.*

2. *To carry on the business as manufacturers, buyers, sellers, distributors, importers, exporters, traders, agents, stockists and to market, supply and produce biofuels such as bio-diesel, ethanol from Sugar syrup, molasses, whole grains or from any other plants, or from agricultural, commercial, domestic, and/or industrial wastes.*

3. *To purchase or otherwise acquire any and all types of starch content agro based product and to manufacture, process, refine, treat, reduce, distill, blend, fractionate, convert, smelt, produce, purify, pump, store, hold, compress, bottle, pack, use, experiment with, buy, exchange, trade, transport, import, export, sell, market, supply, distribute or otherwise dispose of or deal in sugarcane, molasses, sugarcane juice, agriculture based products, spirit, energy related and power related products of any nature and kind whatsoever including those referred to in (1) herein above and including:*

    a. *All organic and inorganic chemicals and synthetic chemical derived from fermented high starch juice of any nature and kind whatsoever including bye product, derivatives, and mixture thereof, and*
    b. *Special types of ethanol and products, including specifically, gases, effluent gases, power, steam and bio fertilizers.*

4. *To carry on the business of producers, refiners, processors, buyers, sellers, distributors, importers, exporters, traders, agents, stockists and to market and supply all types of crude oils, petroleum and petroleum products including crude oil, oil, lubricating oils, lubes, base oil stocks, additives, gas and other volatile substances, aromatics, asphalt, bitumen, bituminous substances, carbon, carbon black, petroleum coke, hydrocarbon and mineral substances and the products or the bye-products feed stocks for petrochemicals which may be derived, produced, prepared, developed, compounded, made or manufactured there from and substances obtained by mixing any of the foregoing with other substances and any and all kinds, types, purposes, grades, forms and formulations of petrochemical products in all its branches including ethylene, propylene, butadiene and to put to commercial use and otherwise deal in any manner in all or any of them and their allied products and materials, and for this purpose establish, purchase, acquire, own, design, engineer, fabricate, build, alter, improve, operate, manage, maintain, repair, buy and sell refineries, pipelines, buildings, plants, equipment, facilities and outlets for the production, refining, processing, storage, supply, transportation and distribution of all types of crude oils, petroleum and petroleum products including those referred to hereinabove and derivatives thereof, whether liquid, solid or gaseous, and petrochemicals of all kinds and to provide consultancy in respect of all or any of the aforesaid.*

5. *To carry on the business of processing of municipal solid waste, press mud, natural gas, manufacturing of compress bio gas and to carry on the business of manufacturers of, importers and dealers in fuel and other oils, petroleum of every kind and the business of refineries of such oils and all accessories required for petroleum and the manufacture of lubricating oils and all accessories required for the equipment and operation of the said oil wells and refineries and to manufacture, sell, deal, import and export the by-product of petroleum and lubricating oils including to reduce, re-use, recycle and recover waste; achieve integrated waste management reporting and planning, promote the effective delivery of waste services.*

In accordance with the provisions of the objects clause of our Memorandum of Association, our Company is permitted to carry out our present business activities.

Amendments to the Memorandum of Association

Set out below are the amendments to our Memorandum of Association in the last 10 years:

Date of amendment	Details of the modifications
June 1, 2022	Clause I of the MoA was amended to reflect the change in the name of our Company from "*TruAlt Energy Limited*" to "*TruAlt Bioenergy Limited*".
June 24, 2022	Clause III(A) of the MoA containing the main objects to be pursued by our Company, was substituted to reflect the changes to the main objects of our Company.
June 24, 2022	Clause V of the MoA was amended to reflect the increase in our authorised share capital from ₹10,00,000 divided into 1,00,000 Equity Shares of ₹10 each to ₹70,00,00,000 divided into 7,00,00,000 Equity Shares of ₹10 each.
September 10, 2022	Clause V of the MoA was amended to reflect the increase in and reclassification of our authorised share capital from ₹70,00,00,000 divided into 7,00,00,000 equity shares of ₹10 each to ₹5,40,00,00,000 comprising of (i) ₹2,35,00,00,000 divided into 23,50,00,000 equity shares of ₹10 each, and (ii) ₹3,05,00,00,000 divided into 3,05,00,000 optionally convertible redeemable non – cumulative preference shares of ₹100 each.
October 7, 2022	Clause V of the MoA was amended to reflect the reclassification of the authorised share capital of our Company from ₹5,40,00,00,000 comprising of (i) ₹2,35,00,00,000 divided into 23,50,00,000 equity shares of ₹10 each, and (ii) ₹3,05,00,00,000 divided into 3,05,00,000 optionally convertible redeemable non – cumulative preference shares of ₹100 each to ₹5,40,00,00,000 comprising of (i) ₹1,30,00,00,000 divided into 13,00,00,000 equity shares of ₹10 each, and (ii) ₹4,10,00,00,000 divided into 4,10,00,000 optionally convertible redeemable non-cumulative preference shares of ₹100 each.
October 17, 2022	Clause V of the MoA was amended to reflect the reclassification of the authorised share capital of our Company from ₹5,40,00,00,000 comprising of (i) ₹1,30,00,00,000 divided into 13,00,00,000 equity shares of ₹10 each, and (ii) ₹4,10,00,00,000 divided into 4,10,00,000 optionally convertible redeemable non-cumulative preference shares of ₹100 each to ₹5,40,00,00,000 comprising of (i) ₹70,00,00,000 divided into 7,00,00,000 equity shares of ₹10 each, and (ii) ₹4,70,00,00,000 divided into 4,70,00,000 preference shares of ₹100 each
November 28, 2022	Clause III(A) of the MoA containing the main objects to be pursued by our Company, was altered to include the following new object as Clause III(A)(5): "5. *To carry on business of processing of municipal solid waste, press mud, natural gas, manufacturing of compress bio gas and to carry on the business of manufacturers of, importers and dealers in fuel and other oils, petroleum of every kind and the business of refineries of such oils and all accessories required for petroleum and the manufacture of lubricating oils and all accessories required for the equipment and operation of the said oil wells and refineries and to manufacture, sell, deal, import and export the by-product of petroleum and lubricating oils including to reduce, re-use, recycle and recover waste; achieve integrated waste management reporting and planning, promote the effective delivery of waste services."*
January 31, 2024	Clause V of the MoA was amended to reflect the increase in our authorised share capital from ₹5,40,00,00,000 comprising of (i) ₹70,00,00,000 divided into 7,00,00,000 equity shares of ₹10 each, and (ii) ₹4,70,00,00,000 divided into 4,70,00,000 preference shares of ₹100 each to ₹5,70,00,00,000 comprising of (i) ₹1,00,00,00,000 divided into 10,00,00,000 equity shares of ₹10 each, and (ii) ₹4,70,00,00,000 divided into 4,70,00,000 preference shares of ₹100 each

Major events and milestones of our Company

Calendar Year	Event
2021	Incorporation of our Company
2022	Acquired distillery facilities, TBL Unit 1, TBL Unit 2 and TBL Unit 3 having installed ethanol production capacities of 150 KLPD, 240 KLPD and 200 KLPD, respectively (as of March 31, 2022), by way of business transfer agreements each dated September 26, 2022
2022	The installed ethanol production capacity of TBL Unit 2 increased from 240 KLPD to 500 KLPD
2023	The installed ethanol production capacity of TBL Unit 1 increased from 150 KLPD to 700 KLPD
2023	Acquisition of majority shareholding in Leafiniti Bioenergy Private Limited
2024	On January 2, 2024, our Company entered into a non-binding term sheet with GAIL (India) Limited for investing in the share capital of Leafiniti Bioenergy Private Limited, the wholly owned Subsidiary of our Company, such that GAIL (India) Limited shall hold 49% of the shareholding of Leafiniti, for setting up nine additional compressed bio-gas projects, subject to due diligence and receipt of requisite approvals.
2024	On October 25, 2024, our Company entered into a memorandum of association with Sumitomo Corporation Asia & Oceania Pte. Ltd. for potential collaboration in the bioenergy sector
2024	On November 18, 2024, our Company entered into a non-binding memorandum of understanding with a Japanese trading and investment company and a Japanese gas company to establish a joint venture for setting up multiple CBG plants starting from three to five CBG plants in different parts of India
2025	On February 18, 2025, our Company entered into a non-binding term sheet with Sumitomo Corporation Asia & Oceania Pte. Ltd. for potential collaboration in the bioenergy sector
2025	On August 11, 2025, our Company entered into a share subscription cum shareholders' agreement with GAIL (India) Limited and Leafiniti, pursuant to which GAIL (India) Limited shall subscribe to 49% of the equity share capital of Leafiniti

Awards, accreditations and recognitions received by our Company:

As of the date of this Red Herring Prospectus, there have not been any awards, accreditations and recognitions received by our Company.

Time and cost over-runs

There have been no time and cost over-runs in respect of our business operations.

Defaults or re-scheduling, restructuring of borrowings with financial institutions/banks

There have been no defaults or re-scheduling/ re-structuring in relation to borrowings availed by our Company from any financial institutions or banks.

Significant financial or strategic partners

As of the date of this Red Herring Prospectus, our Company does not have any significant financial or strategic partners.

Launch of key products or services, entry into new geographies or exit from existing markets

For details of key products or services launched by our Company, entry into new geographies or exit from existing markets, see "*Our Business*" on page 282.

Capacity/ facility creation or location of plants

For details regarding our manufacturing units, see "*Our Business – Properties"* on page 319.

Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations or any revaluation of assets, since inception

Acquisition of our Subsidiary, Leafiniti Bioenergy Private Limited

*Share purchase agreement dated October 4, 2023, executed by and amongst, our Company, Vijaykumar Murugesh Nirani, Subhransu Sekhar Biswal and Leafiniti Bioenergy Private Limited ("**SPA-1**")*

Pursuant to the share purchase agreement dated October 4, 2023, executed by and amongst, our Company, one of our Promoters, Vijaykumar Murugesh Nirani, Subhransu Sekhar Biswal and Leafiniti Bioenergy Private Limited ("**Leafiniti**"), our Company acquired 70,48,000 equity shares of ₹ 10 each of Leafiniti from Vijaykumar Murugesh Nirani and 1,71,494 equity shares of ₹ 10 each of Leafiniti from Subhransu Sekhar Biswal, constituting 50.00% and 1.22%, respectively, of Leafiniti's equity share capital for a purchase consideration of ₹ 845.76 lakhs and ₹ 20.58 lakhs, respectively, resulting in acquisition of 72,19,494 equity shares of ₹ 10 each of Leafiniti constituting 51.22% of Leafiniti's equity share capital for an aggregate purchase consideration of ₹ 866.34 lakhs.

*Share purchase agreement dated December 27, 2023, executed by and amongst, our Company, SS Biswal Ventures Private Limited and Leafiniti Bioenergy Private Limited ("**SPA-2**")*

Pursuant to the share purchase agreement dated December 27, 2023, executed by and amongst, our Company, SS Biswal Ventures Private Limited and Leafiniti, our Company acquired 5,32,829 equity shares of ₹ 10 each of Leafiniti from SS Biswal Ventures Private Limited constituting 3.78% of Leafiniti's equity share capital for an aggregate purchase consideration of ₹ 63.94 lakhs. Pursuant to the SPA-2, our Company's aggregate shareholding in Leafiniti was 77,52,323 equity shares constituting 55.00% of Leafiniti's equity share capital.

*Share purchase agreement dated February 24, 2024, executed by and amongst, our Company, SS Biswal Ventures Private Limited and Leafiniti Bioenergy Private Limited ("**SPA-3**")*

Pursuant to the share purchase agreement dated February 24, 2024, executed by and amongst our Company, SS Biswal Ventures Private Limited and Leafiniti, our Company acquired 6,343,677 equity shares of ₹ 10 each of Leafiniti from SS Biswal Ventures Private Limited constituting 45.00% of Leafiniti's equity share capital for an aggregate purchase consideration of ₹ 761.24 lakhs. Pursuant to the SPA-3, the aggregate shareholding of our Company and its nominees in Leafiniti was 1,40,96,000 equity shares constituting 100.00% of Leafiniti's equity share capital, subsequent to which, Leafiniti became a wholly owned subsidiary of our Company.

Holding Company

As of the date of this Red Herring Prospectus, our Company does not have a holding company.

Our subsidiaries

As on the date of this Red Herring Prospectus, our Company has one Subsidiary, details of which are provided below:

Leafiniti Bioenergy Private Limited

Corporate information

Leafiniti was incorporated as a private limited company under the Companies Act, 2013 on February 7, 2020 as "Leafiniti Bioenergy Private Limited" with the Registrar of Companies, Maharashtra at Mumbai. Its registered office is located at Unit No. N-1501/A, 15th floor, World Trade Centre, Brigade Gateway, No. 26/1, Dr. Rajkumar Road, Malleswaram, Rajajinagar, Malleswaram West, Bengaluru – 560 055, Karnataka, India. Leafiniti is currently engaged in the business of processing of municipal solid waste, press mud, natural gas and manufacturing of compress bio-gas, and to carry on the business of manufacturers of, importers and dealers in, fuel and other oils, petroleum of every kind and the business of refineries of such oils and all accessories required for petroleum and the manufacture of lubricating oils and all accessories required for the equipment and operation of the said oil wells and refineries and to manufacture, sell, deal, import and export the by-product of petroleum and lubricating

oils. In accordance with the provisions of the objects clause of its memorandum of association, Leafiniti is permitted to carry out its present business activities.

Capital structure

As on the date of this Red Herring Prospectus, the authorised share capital of Leafiniti is ₹ 15,00,00,000 divided into 1,50,00,000 equity shares of ₹ 10 each and the paid-up share capital of Leafiniti is ₹ 14,09,60,000 divided into 1,40,96,000 equity shares of ₹ 10 each.

Shareholding pattern

The following table sets forth the details of the shareholding pattern of Leafiniti as on the date of this Red Herring Prospectus:

Sr. No.	Name of the shareholder	Number of equity shares	Percentage of total shareholding (%)
1.	TruAlt Bioenergy Limited	1,40,95,994	100%
2.	Vishal Nirani*	1	Negligible
3.	Sushmitha Vijaykumar Nirani*	1	Negligible
4.	Sangamesh Rudrappa Nirani*	1	Negligible
5.	Dhraksayani Sangamesh Nirani*	1	Negligible
6.	Kamala Murigeppa Nirani*	1	Negligible
7.	Murugesh Rudrappa Nirani*	1	Negligible
Total		1,40,96,000	100%

** Equity shares are held as a nominee of TruAlt Bioenergy Limited.*

***Note**: Pursuant to the GAIL SSSA, GAIL (India) Limited will subscribe to 1,35,43,215 equity shares of face value of ₹10 each of Leafiniti, which is yet to be completed.*

Financial information

The following table sets forth the brief financial information of Leafiniti for Fiscals 2023, 2024 and 2025:

(₹ in lakhs, except per share data)

Sr. No.	Particulars	Fiscal 2023	Fiscal 2024	Fiscal 2025
1.	Equity Share Capital	1,409.60	1,409.60	1,409.60
2.	Reserves and surplus	(811.96)	(1,096.27)	(463.19)
3.	Revenue from operations	928.62	960.89	2,760.74
4.	Profit/(loss) after tax	(449.27)	(283.16)	633.04
5.	Basic earnings per equity share (₹)	(3.31)	(2.01)	4.49
6.	Diluted earnings per equity share (₹)	(3.31)	(2.01)	4.49

Amount of accumulated profits or losses

As on the date of this Red Herring Prospectus, there are no accumulated profits or losses of Leafiniti which have not been accounted for by our Company.

Other confirmations

Except as disclosed below, as on the date of this Red Herring Prospectus, there is no conflict of interest between the suppliers of raw materials and third party service providers (crucial for operations of the Company) and Leafiniti and its directors:

Vijaykumar Murugesh Nirani and Vishal Nirani, directors of our Subsidiary, Leafiniti, are also directors and/or shareholders of Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), one of the suppliers of raw materials and third party service providers of our Subsidiary, Leafiniti, by virtue of supply agreement dated July 13, 2020, between Shri Sai Priya Sugars Limited, and Leafiniti. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Shri Sai Priya Sugars Limited stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN

Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

As on the date of this Red Herring Prospectus, there is no conflict of interest between the lessors of immovable properties (crucial for operations of the Company) and Leafiniti and its directors.

Joint venture

As of the date of this Red Herring Prospectus, our Company does not have any joint venture.

Shareholders' agreements and other agreements

Other Agreements

Share subscription cum shareholders' agreement dated August 11, 2025 amongst our Company, GAIL (India) Limited and Leafiniti ("GAIL SSSA")

In furtherance to the non-binding term sheet dated January 2, 2024, entered into by our Company with GAIL (India) Limited for the proposed investment in the share capital of our Subsidiary, Leafiniti, on August 11, 2025, our Company entered into the GAIL SSSA with GAIL (India) Limited and Leafiniti, pursuant to which GAIL (India) Limited will subscribe to 1,35,43,215 equity shares of face value of ₹10 each of Leafiniti for an aggregate consideration of ₹13,54,32,150 at a subscription price of ₹10 per equity share, constituting 49% of the equity share capital of Leafiniti. The investment proceeds are proposed to be utilised towards setting up new compressed biogas projects.

In accordance with the GAIL SSSA, our Company and GAIL (India) Limited have, *inter alia*, (i) the right to nominate directors on the board of directors of Leafiniti; (ii) pre-emptive right in relation to issuance of securities; (iii) information rights; (iv) right of first refusal on sale of equity shares of Leafiniti held by our Company and GAIL (India) Limited; (v) tag along rights in the event of transfer of equity shares; and (vi) affirmative voting rights on certain reserved matters including but not limited to, any investment in a new project by Leafiniti, raising if any debt by Leafiniti, and related party transactions to be entered into by Leafiniti, amongst others.

The GAIL SSSA has been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Memorandum of understanding dated August 14, 2025 amongst our Company and Visolis, Inc., for proposed technology collaboration ("Visolis MOU")

On August 14, 2025, our Company entered into a memorandum of understanding with Visolis, Inc., which is, inter alia, engaged in the development of technology for the production of SAF and specialty chemicals, to enter into a proposed technology collaboration on a non-exclusive basis for the production of sustainable aviation fuel ("**SAF**") subject to completion of certain feasibility assessments. We intend to undertake feasibility studies to understand the ability to produce MVL in dual purpose designed fermenters, which can produce both ethanol and MVL. If mutually agreed, our Company and Visolis, Inc. may enter into an agreement to construct an integrated multi-product demonstration scale facility. The Visolis MOU has been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Business Transfer Agreement dated September 26, 2022 amongst our Company and Erstwhile Nirani Sugars Limited ("Erstwhile NSL BTA")

On September 26, 2022, our Company entered into a business transfer agreement with Erstwhile Nirani Sugars Limited ("**Erstwhile NSL**") to acquire Erstwhile NSL's right, title and interest in its distillery facilities located in Mudhol located in Bagalkote district of Karnataka, now named as TBL Unit 1, including the land on which the said distillery facility is located ("**Sale Properties – TBL Unit 1**") for a total consideration of ₹55,000.00 lakhs, where ₹40,906.00 lakhs were paid in cash, which was paid by our Company on March 27, 2023 and compulsorily convertible preference shares worth face value of ₹100 each were allotted to Erstwhile NSL on October 20, 2022 for the remaining value of ₹14,094.00 lakhs, as per the terms of the Erstwhile NSL BTA. The Sale Properties included, amongst others, Erstwhile NSL's fixed assets including the distillery facility forming part of **TBL Unit 1** of our Company, raw materials, trade accounts, permits, approvals, licenses, continuing employees, books and

records, were required to be transferred within 30 (thirty) business days from the date of execution of the Erstwhile NSL BTA. The date of the occurrence of the actual transfer of the Sale Properties – TBL Unit 1 is referred to as the closing date which was September 30, 2022. The transaction pursuant to the Erstwhile NSL BTA comprised of the sale and purchase of the Sale Properties – TBL Unit 1 on a going concern basis by way of a slump sale.

The valuation in relation to the Erstwhile NSL BTA was undertaken by N.V. Subbarao Kesavarapu, Chartered Accountant, a registered valuer. As per the valuation report dated September 25, 2022, issued by N.V. Subbarao Kesavarapu, Chartered Accountant ("**Erstwhile NSL Valuation Report**"), the fair value of the Erstwhile NSL's assets as of September 15, 2022 available for sale to our Company under the Erstwhile NSL BTA was ₹ 55,000.00 lakhs. In terms of the Erstwhile NSL BTA, 1,40,94,000 CCPS were allotted to Erstwhile NSL on October 20, 2022. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Erstwhile NSL stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) transferred the CCPS held by it in favour of certain individuals and entities. Prior to the filing of this Red Herring Prospectus, these CCPS were converted into fully paid-up Equity Shares of the Company on May 3, 2024. For details, see "*Capital Structure*" on page 117.

Further, Vijaykumar Murugesh Nirani, one of our Promoters and Directors, was also the director and a shareholder of Erstwhile NSL, and Vishal Nirani and Sushmitha Vijaykumar Nirani, two of our Promoters and Directors, were also the shareholders of Erstwhile NSL.

The Erstwhile NSL BTA and the Erstwhile NSL Valuation Report have been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Business Transfer Agreement dated September 26, 2022 amongst our Company and Shri Sai Priya Sugars Limited ("SSPSL BTA")

On September 26, 2022, our Company entered into a business transfer agreement with Shri Sai Priya Sugars Limited ("**SSPSL**") to acquire SSPSL's right, title and interest in its distillery facilities located in the Maigura village located in the Bagalkote district of Karnataka, now named as TBL Unit 2, including the land on which the said distillery facility is located ("**Sale Properties – TBL Unit 2**") for a total consideration of ₹51,325.00 lakhs, where ₹28,800.00 lakhs were paid in cash, which was paid by our Company between March 21-28, 2023 and compulsorily convertible preference shares worth face value of ₹100 each were allotted to SSPSL on October 20, 2022 for the remaining value of ₹22,525.00 lakhs, as per the terms of the SSPSL BTA. The Sale Properties included, amongst others, SSPSL's fixed assets including the distillery facility forming part of **TBL Unit 2** of our Company, raw materials, trade accounts, permits, approvals, licenses, continuing employees, books and records, were required to be transferred within 30 (thirty) business days from the date of execution of the SSPSL BTA. The date of the occurrence of actual transfer of the Sale Properties – TBL Unit 2 is referred to as the closing date which was September 30, 2022. The transaction pursuant to the SSPSL BTA comprised of the sale and purchase of the Sale Properties – TBL Unit 2 on a going concern basis by way of a slump sale.

The valuation in relation to the SSPSL BTA was undertaken by N.V. Subbarao Kesavarapu, Chartered Accountant, a registered valuer. As per the valuation report dated September 25, 2022, issued by N.V. Subbarao Kesavarapu, Chartered Accountant ("**SSPSL Valuation Report**"), the fair value of the SSPSL's assets as of September 15, 2022 available for sale to our Company under the SSPSL BTA was ₹ 51,325.00 lakhs. In terms of the SSPSL BTA, 2,25,25,000 CCPS were allotted to SSPSL on October 20, 2022. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, SSPSL stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) transferred the CCPS held by it in favour of certain individuals and entities. Prior to the filing of this Red Herring Prospectus, these CCPS were converted into fully paid-up Equity Shares of the Company on May 3, 2024. For details, see "*Capital Structure*" on page 117.

Further, Vishal Nirani and Sushmitha Vijaykumar Nirani, two of our Promoters and Directors, were also the directors and shareholders of SSPSL, and Vijaykumar Murugesh Nirani, one of our Promoters and Directors, was also the shareholder of SSPSL.

The SSPSL BTA and the SSPSL Valuation Report have been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Business Transfer Agreement dated September 26, 2022 amongst our Company and MRN Cane Power (India) Limited ("MRN BTA")

On September 26, 2022, our Company entered into a business transfer agreement with MRN Cane Power (India) Limited ("**MRN**"), to acquire MRN's right, title and interest in its distillery facility located in the Kallapura SK village of the Bagalkote district of Karnataka, now named as TBL Unit 3, including the land on which the said distillery facility is located ("**Sale Properties – TBL Unit 3**") for a total consideration of ₹29,000.00 lakhs, where ₹18,700.00 lakhs were paid in cash, which was paid by our Company between March 21-28, 2023 and compulsorily convertible preference shares worth face value of ₹100 each were allotted to MRN on October 20, 2022 for the remaining value of ₹10,300.00 lakhs, as per the terms of the MRN BTA. The Sale Properties included, amongst others, MRN's fixed assets including the distillery facility forming part of **TBL Unit 3** of our Company, raw materials, trade accounts, permits, approvals, licenses, continuing employees, books and records, were required to be transferred within 30 (thirty) business days from the date of execution of the MRN BTA. The date of the occurrence of the actual transfer of the Sale Properties – TBL Unit 3 is referred to as the closing date which was September 30, 2022. The transaction pursuant to the MRN BTA comprised of the sale and purchase of the Sale Properties – TBL Unit 3 on a going concern basis by way of a slump sale.

The valuation in relation to the MRN BTA was undertaken by N.V. Subbarao Kesavarapu, Chartered Accountant, a registered valuer. As per the valuation report dated September 25, 2022, issued by N.V. Subbarao Kesavarapu, Chartered Accountant ("**MRN Valuation Report**"), the fair value of the MRN's assets as of September 15, 2022 available for sale to our Company under the MRN BTA was ₹ 29,000.00 lakhs. In terms of the MRN BTA, 1,03,00,000 CCPS were allotted to MRN on October 20, 2022. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, MRN stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) transferred the CCPS held by it in favour of certain individuals and entities. Prior to the filing of this Red Herring Prospectus, these CCPS were converted into fully paid-up Equity Shares of the Company on May 3, 2024. For details, see "*Capital Structure*" on page 117.

Further, Vijaykumar Murugesh Nirani, Vishal Nirani and Sushmitha Vijaykumar Nirani, our Promoters and Directors, were also the shareholders of MRN.

The MRN BTA and the MRN Valuation Report have been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Set out below is a brief summary of the consideration paid pursuant to the Erstwhile NSL BTA, SSPSL BTA and MRN BTA:

(in ₹ lakhs)

	Erstwhile Nirani Sugars Limited	**Shri Sai Priya Sugars Limited**	**MRN Cane Power (India) Limited**	**Total**
Total consideration	55,000.00	51,325.00	29,000.00	1,35,325.00
Paid in the form of:				
Cash	40,906.00	28,800.00	18,700.00	88,406.00

	Erstwhile Nirani Sugars Limited	Shri Sai Priya Sugars Limited	MRN Cane Power (India) Limited	Total
CCPS	14,094.00	22,525.00	10,300.00	46,919.00

Transition services agreements

Pursuant to the Erstwhile NSL BTA, SSPSL BTA and MRN BTA, the respective certain fixed assets including the distillery facilities, raw materials, trade accounts, permits, approvals, licenses, continuing employees, books and records, of Erstwhile NSL, SSPSL and MRN were transferred to our Company on a going concern basis by way of a slump sale. However, in order to ensure an orderly and smooth transition of the aforementioned business activities, our Company entered into certain agreements with Erstwhile NSL, SSPSL and MRN to provide certain services to our Company on a transitional basis, while the transfer of licenses pursuant to the Erstwhile NSL BTA, SSPSL BTA and MRN BTA was ongoing. The details of such agreements are set forth below:

Transition Services Agreement dated October 1, 2022 amongst our Company and Erstwhile Nirani Sugars Limited ("Erstwhile NSL TSA")

Our Company entered into a transition services agreement dated October 1, 2022 with Erstwhile Nirani Sugars Limited ("**Erstwhile NSL**") for supply of certain services pertaining to procurement, manufacturing, sale services and other services as may be required by the Company, on a transitional basis by Erstwhile NSL to our Company, in order to ensure an orderly and smooth transition of the business activities of Erstwhile NSL pursuant to the Erstwhile NSL BTA, while the transfer of licenses pursuant to the Erstwhile NSL BTA was ongoing. The consideration payable by our Company to Erstwhile NSL pursuant to the Erstwhile NSL TSA was a service fee of ₹ 1.10 per litre of ethanol / ENE produced from Erstwhile NSL's distillery facility (inclusive of all applicable taxes). The Erstwhile NSL TSA came into effect on October 1, 2022 with a term of, earlier of (i) June 30, 2023, or (ii) the date of transfer of all the licenses and permits related to the business and assignment and novation of the contracts, or (iii) such other date as may be mutually agreed to between the Company and Erstwhile NSL.

Upon completion of transfer of the licenses pursuant to the Erstwhile NSL BTA, Erstwhile NSL TSA was terminated by the Company with effect from the close of business on April 24, 2023, through letter dated April 25, 2023. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Erstwhile NSL stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

The Erstwhile NSL TSA has been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Transition Services Agreement dated October 1, 2022 amongst our Company and Shri Sai Priya Sugars Limited ("SSPSL TSA")

Our Company entered into a transition services agreement dated October 1, 2022 with Shri Sai Priya Sugars Limited ("**SSPSL**") for supply of certain services pertaining to procurement, manufacturing, sale services and other services as may be required by the Company, on a transitional basis by SSPSL to our Company, in order to ensure an orderly and smooth transition of the business activities of SSPSL pursuant to the SSPSL BTA, while the transfer of licenses pursuant to the SSPSL BTA was ongoing. The consideration payable by our Company to SSPSL pursuant to the SSPSL TSA was a service fee of ₹ 1.10 per litre of ethanol / ENE produced from SSPSL's distillery facility (inclusive of all applicable taxes). The SSPSL TSA came into effect on October 1, 2022 with a term of, earlier of (i) June 30, 2023, or (ii) the date of transfer of all the licenses and permits related to the business and assignment and novation of the contracts, or (iii) such other date as may be mutually agreed to between the Company and SSPSL.

Upon completion of transfer of the licenses pursuant to the SSPSL BTA, SSPSL TSA was terminated by the Company with effect from the close of business on April 24, 2023, through letter dated April 25, 2023. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, SSPSL stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited

was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

The SSPSL TSA has been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Transition Services Agreement dated October 1, 2022 amongst our Company and MRN Cane Power (India) Limited ("MRN TSA")

Our Company entered into a transition services agreement dated October 1, 2022 with MRN Cane Power (India) Limited ("**MRN**") for supply of certain services pertaining to procurement, manufacturing, sale services, and other services as may be required by the Company, on a transitional basis by MRN to our Company, in order to ensure an orderly and smooth transition of the business activities of MRN pursuant to the MRN BTA, while the transfer of licenses pursuant to the MRN BTA was ongoing. The consideration payable by our Company to MRN pursuant to the MRN TSA was a service fee of ₹ 1.10 per litre of ethanol / ENE produced from MRN's distillery facility (inclusive of all applicable taxes). The MRN TSA came into effect on October 1, 2022 with a term of, earlier of (i) June 30, 2023, or (ii) the date of transfer of all the licenses and permits related to the business and assignment and novation of the contracts, or (iii) such other date as may be mutually agreed to between the Company and MRN.

Upon completion of transfer of the licenses pursuant to the MRN BTA, MRN TSA was terminated by the Company with effect from the close of business on April 24, 2023, through letter dated April 25, 2023. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, MRN stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

The MRN TSA has been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Master supply agreements

Our Company entered into certain agreements for supply of certain goods and services to our Company in order to ensure continuous supply of raw material for our business operations. The details of such agreements are set forth below:

Master Supply Agreement dated April 25, 2024 amongst our Company and MRN Bhima Sugar and Power Private Limited ("MRN Bhima MSA"), read with the statement of work dated April 25, 2024 ("MRN Bhima SOW"), addendum to the MRN Bhima SOW dated April 25, 2024 ("Addendum to MRN Bhima SOW") and the amendment to the MRN Bhima MSA dated May 22, 2024 ("Amendment to the MRN Bhima MSA")

Our Company entered into a master supply agreement dated April 25, 2024 with MRN Bhima Sugar and Power Private Limited ("**MRN Bhima**") for supply of certain goods and services by MRN Bhima to our Company on an exclusive basis. The MRN Bhima MSA came into effect on April 25, 2024, with a tenure of seven years ending March 31, 2031, unless terminated earlier in accordance with the MRN Bhima MSA, wherein it may be terminated by our Company, without cause, at any time, by giving MRN Bhima 30 days prior written notice, and either party can terminate the MRN Bhima MSA in the event of a breach by the other party which is not cured within 15 days of receipt of notice by the breaching party. As per the MRN Bhima MSA, our Company has no obligation to order or purchase any goods and services or to engage or compensate MRN Bhima for any goods and services until a statement of work acceptable to both parties is executed.

Pursuant to the MRN Bhima MSA, our Company and MRN Bhima entered into a statement of work dated April 25, 2024 ("**MRN Bhima SOW**"), along with an addendum to the MRN Bhima SOW dated April 25, 2024 ("**Addendum to MRN Bhima SOW**"), for supply of certain goods, such as bagasse, molasses, back-up power, raw water, syrup, steam and water, and lease of immovable property, by MRN Bhima to our Company. While the MRN Bhima SOW provides a list of raw materials and services to be provided by MRN Bhima to our Company, our Company has been procuring syrup, molasses and bagasse from MRN Bhima, regularly. Additionally, our

Company also avails steam and water, as and when required. Our Company procures: (i) bagasse at a price linked to the basic fair and remunerative price fixed by the Government of India for cane; (ii) molasses at a price linked to the government-derived ethanol rate; and (iii) syrup at a price linked to the basic fair and remunerative price fixed by the Government of India for cane. The MRN Bhima SOW may be terminated by our Company, without terminating the MRN Bhima MSA, at any time, in the event of a breach by MRN Bhima which is not cured to the satisfaction of our Company, within 30 days of receipt of notice by MRN Bhima from our Company.

Further, pursuant to the MRN Bhima MSA, MRN Bhima SOW, Addendum to the MRN Bhima SOW and Amendment to the MRN Bhima MSA, (i) our Company has the right to purchase the goods and services, (ii) our Company does not have an obligation to purchase the goods and services, (iii) MRN Bhima has an obligation to supply the goods and services to our Company, (iv) MRN Bhima shall first offer the Goods and Services to our Company, (v) our Company can unilaterally terminate the MRN Bhima MSA, and/or MRN Bhima SOW and the Addendum to the MRN Bhima SOW, and (vi) MRN Bhima cannot unilaterally terminate the MRN Bhima MSA and/or the, MRN Bhima SOW and the Addendum to the MRN Bhima SOW.

Except as disclosed below, MRN Bhima and its promoters, connected persons and relatives are not related (as per the definition of relative as defined under the Companies Act, 2013) to our Company, our Promoters, members of the Promoter Group, Directors and KMPs:

MRN Bhima is a wholly owned subsidiary of Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), one of the members of our Promoter Group.

The MRN Bhima MSA, MRN Bhima SOW, the Addendum to MRN Bhima SOW and the Amendment to the MRN Bhima MSA have been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Master Supply Agreement dated April 25, 2024 amongst our Company and MRN Canepower and Biorefineries Private Limited ("MRN Canepower MSA"), read with the statement of work dated April 25, 2024 ("MRN Canepower SOW"), addendum to the MRN Canepower SOW dated April 25, 2024 ("Addendum to MRN Canepower SOW") and the amendment to the MRN Canepower MSA dated May 22, 2024 ("Amendment to the MRN Canepower MSA")

Our Company entered into a master supply agreement dated April 25, 2024 with MRN Canepower and Biorefineries Private Limited ("**MRN Canepower**") for supply of certain goods and services by MRN Canepower to our Company on an exclusive basis. The MRN Canepower MSA came into effect on April 25, 2024, with a tenure of seven years ending March 31, 2031, unless terminated earlier in accordance with the MRN Canepower MSA, wherein it may be terminated by our Company, without cause, at any time, by giving MRN Canepower 30 days prior written notice, and either party can terminate the MRN Canepower MSA in the event of a breach by the other party which is not cured within 15 days of receipt of notice by the breaching party. As per the MRN Canepower MSA, our Company has no obligation to order or purchase any goods and services or to engage or compensate MRN Canepower for any goods and services until a statement of work acceptable to both parties is executed.

Pursuant to the MRN Canepower MSA, our Company and MRN Canepower entered into a statement of work dated April 25, 2024 ("**MRN Canepower SOW**"), along with an addendum to the MRN Canepower SOW dated April 25, 2024 ("**Addendum to MRN Canepower SOW**"), for supply of certain goods, such as bagasse, molasses, back-up power, raw water, syrup, steam and water, and lease of immovable property, by MRN Canepower to our Company. While the MRN Canepower SOW provides a list of raw materials and services to be provided by MRN Canepower to our Company, our Company has been procuring syrup, molasses and bagasse from MRN Canepower, regularly. Additionally, our Company also avails steam and water, as and when required. Our Company procures: (i) bagasse at a price linked to the basic fair and remunerative price fixed by the Government of India for cane; (ii) molasses at a price linked to the government-derived ethanol rate; and (iii) syrup at a price linked to the basic fair and remunerative price fixed by the Government of India for cane. The MRN Canepower SOW may be terminated by our Company, without terminating the MRN Canepower MSA, at any time, in the event of a breach by MRN Canepower which is not cured to the satisfaction of our Company, within 30 days of receipt of notice by MRN Canepower from our Company.

Further, pursuant to the MRN Canepower MSA, MRN Canepower SOW, Addendum to the MRN Canepower SOW and Amendment to the MRN Canepower MSA, (i) our Company has the right to purchase the goods and services, (ii) our Company does not have an obligation to purchase the goods and services, (iii) MRN Canepower

has an obligation to supply the goods and services to our Company, (iv) MRN Canepower shall first offer the Goods and Services to our Company, (v) our Company can unilaterally terminate the MRN Canepower MSA, and/or MRN Canepower SOW and the Addendum to the MRN Canepower SOW, and (vi) MRN Canepower cannot unilaterally terminate the MRN Canepower MSA and/or the, MRN Canepower SOW and the Addendum to the MRN Canepower SOW.

Except as disclosed below, MRN Canepower and its promoters, connected persons and relatives are not related (as per the definition of relative as defined under the Companies Act, 2013) to our Company, our Promoters, members of the Promoter Group, Directors and KMPs:

MRN Canepower is a wholly owned subsidiary of Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), one of the members of our Promoter Group.

The MRN Canepower MSA, MRN Canepower SOW, Addendum to MRN Canepower SOW and Amendment to MRN Canepower MSA have been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Master Supply Agreement dated April 25, 2024 amongst our Company and Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) ("NSL MSA"), read with the statement of work dated April 25, 2024 ("NSL SOW"), addendum to the NSL SOW dated April 25, 2024 ("Addendum to NSL SOW"), the amendment to the NSL MSA dated May 22, 2024 ("Amendment to the NSL MSA") and the novation agreement dated July 26, 2024 ("NSL Novation Agreement")

Our Company had entered into master supply agreements each dated August 31, 2023, with MRN Cane Power (India) Limited ("**MRN MSA**"), Erstwhile Nirani Sugars Limited ("**Erstwhile NSL MSA**") and Shri Sai Priya Sugars Limited ("**SSPSL MSA**"). As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, MRN, Erstwhile NSL and SSPSL, are not separate legal entities and stand merged with MRN Chamundi Canepower and Biorefineries Private Limited with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024. Further, the MRN MSA, Erstwhile NSL MSA, and SSPSL MSA stand terminated pursuant to letter of termination dated April 25, 2024.

Thereafter, our Company entered into a master supply agreement dated April 25, 2024 with Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) for supply of certain goods and services by Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) to our Company on an exclusive basis. The NSL MSA came into effect on April 25, 2024, with a tenure of seven years ending March 31, 2031, unless terminated earlier in accordance with the NSL MSA, wherein it may be terminated by our Company, without cause, at any time, by giving Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) 30 days prior written notice, and either party can terminate the NSL MSA in the event of a breach by the other party which is not cured within 15 days of receipt of notice by the breaching party. As per the NSL MSA, our Company has no obligation to order or purchase any goods and services or to engage or compensate Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) for any goods and services until a statement of work acceptable to both parties is executed.

Pursuant to the NSL MSA, our Company and Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) entered into a statement of work dated April 25, 2024 ("**NSL SOW**"), along with an addendum to the NSL SOW dated April 25, 2024 ("**Addendum to NSL SOW**"), for supply of certain goods, such as bagasse, molasses, back-up power, raw water, syrup, steam and water, and lease of immovable property, by Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) to our Company. While the NSL SOW provides a list of raw materials and services to be provided by Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) to our Company, our Company has been procuring syrup, molasses and bagasse from Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), regularly. Additionally, our Company also avails steam and water, as and when required. Our Company procures: (i) bagasse at a price linked to the basic fair and remunerative price fixed by the Government of India for cane; (ii) molasses at a price linked to the government-derived ethanol rate; and (iii) syrup at a price linked to the basic fair and remunerative price fixed by the Government of India for cane. The arm's length nature of the transactions in Fiscal 2024 entered into by our

Company with NSL, MRN, SSPSL, Badami Sugars Limited, Shree Kedarnath Sugar and Agro Products Limited, now amalgamated into Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), was reviewed basis information / data provided by the Company from a perspective of Indian transfer pricing regulations (as stated under Income Tax Act, 1961) by B S R & Co. LLP and a report titled 'Benchmarking Analysis for Inter-company transactions' was issued on May 6, 2024, which mentioned that upon certain conditions being met, it may be considered that the group of inter-related transactions undertaken by our Company have been conducted at arm's length.

The NSL SOW may be terminated by our Company, without terminating the NSL MSA, at any time, in the event of a breach by Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) which is not cured to the satisfaction of our Company, within 30 days of receipt of notice by Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) from our Company.

Further, pursuant to the NSL MSA, NSL SOW, Addendum to NSL SOW and Amendment to NSL MSA, (i) our Company has the right to purchase the goods and services, (ii) our Company does not have an obligation to purchase the goods and services, (iii) Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) has an obligation to supply the goods and services to our Company, (iv) Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) shall first offer the Goods and Services to our Company, (v) our Company can unilaterally terminate the NSL MSA, and/or NSL SOW and Addendum to NSL SOW, and (vi) Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) cannot unilaterally terminate the NSL MSA and/or the NSL SOW and Addendum to NSL SOW.

Further, pursuant to the novation agreement dated July 26, 2024, Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) intimated the change of its name to our Company and indicated that all references to 'MRN Chamundi Canepower and Biorefineries Private Limited' in the NSL MSA, NSL SOW, Addendum to NSL MSA and Amendment to NSL MSA shall stand replaced with 'Nirani Sugars Limited'.

The NSL MSA, NSL SOW, Addendum to NSL SOW, Amendment to NSL MSA and NSL Novation Agreement have been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Shareholders' agreements

As on the date of this Red Herring Prospectus, except as disclosed below, there are no subsisting shareholders' agreements amongst our Shareholders vis-a-vis our Company, which our Company is aware of.

Share purchase agreement dated May 31, 2024 amongst our Company, Nirani Holdings Private Limited and Dhruv Khush Business Ventures ("Dhruv Khush SPA")

Nirani Holdings Private Limited, Dhruv Khush Business Ventures and our Company entered into a share purchase agreement dated May 31, 2024, in relation to sale of 32,79,022 Equity Shares of face value of ₹ 10 each held by Nirani Holdings Private Limited in our Company to Dhruv Khush Business Ventures, at a price of ₹ 491.00 per Equity Share, representing 4.64% of the issued and paid-up share capital of the Company, for an aggregate consideration of ₹ 16,100.00 lakhs. The Dhruv Khush SPA has been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Share purchase agreement dated June 11, 2024 amongst our Company, Nirani Holdings Private Limited and Vikasa India EIF I Fund – Incube Global Opportunities ("Vikasa Incube SPA")

Nirani Holdings Private Limited, Vikasa India EIF I Fund – Incube Global Opportunities and our Company entered into a share purchase agreement dated June 11, 2024, in relation to sale of 3,05,499 Equity Shares of face value of ₹ 10 each held by Nirani Holdings Private Limited in our Company to Vikasa India EIF I Fund – Incube Global Opportunities, at a price of ₹ 491.00 per Equity Share, representing 0.43% of the issued and paid-up share capital of the Company, for an aggregate consideration of ₹1,500.00 lakhs. The Vikasa Incube SPA has been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Share purchase agreement dated August 8, 2024 amongst our Company, Nirani Holdings Private Limited and Vikasa India EIF I Fund ("Vikasa SPA")

Nirani Holdings Private Limited, Vikasa India EIF I Fund and our Company entered into a share purchase agreement dated August 8, 2024, in relation to sale of 8,53,360 Equity Shares of face value of ₹ 10 each held by Nirani Holdings Private Limited in our Company to Vikasa India EIF I Fund, at a price of ₹ 491.00 per Equity Share, representing 1.21% of the issued and paid-up share capital of the Company, for an aggregate consideration of ₹ 4,190.00 lakhs. The Vikasa SPA has been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Share purchase agreement dated August 8, 2024 amongst our Company, Nirani Holdings Private Limited and Minerva Ventures Fund ("Minerva SPA")

Nirani Holdings Private Limited, Minerva Ventures Fund and our Company entered into a share purchase agreement dated August 8, 2024, in relation to sale of 2,03,666 Equity Shares of face value of ₹ 10 each held by Nirani Holdings Private Limited in our Company to Minerva Ventures Fund, at a price of ₹ 491.00 per Equity Share, representing 0.29% of the issued and paid-up share capital of the Company, for an aggregate consideration of ₹ 1,000.00 lakhs. The Minerva SPA has been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Investment Agreement dated March 15, 2024 amongst our Company, Erstwhile Nirani Sugars Limited and Chirag D Lakhi ("Chirag D Lakhi Investment Agreement"), read with the amendment agreement dated May 14, 2024 to the Chirag D Lakhi Investment Agreement ("Chirag D Lakhi Amendment Agreement")

Our Company entered into an investment agreement dated March 15, 2024 with Erstwhile Nirani Sugars Limited ("**Erstwhile NSL**") and Chirag D Lakhi, in relation to sale of 12,50,000 compulsorily convertible preference shares of face value of ₹ 100 each ("**CCPS**") held by Erstwhile NSL in our Company to Chirag D Lakhi, representing 0.36% of the issued and paid-up share capital of the Company on a fully diluted basis, for an aggregate consideration of ₹ 1,250.00 lakhs. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Erstwhile NSL stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

The Chirag D Lakhi Investment Agreement conferred certain rights to Chirag D Lakhi, including amongst others, right to receive the annual audited financial statements of the Company as and when they become available for the concerned financial year. Our Company, Chirag D Lakhi and Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) entered into an amendment agreement dated May 14, 2024 to the Chirag D Lakhi Investment Agreement ("**Chirag D Lakhi Amendment Agreement**"), pursuant to which, certain amendments were made to the Chirag D Lakhi Investment Agreement including *inter alia,* the right to receive the annual audited financial statements available to Chirag D Lakhi have been terminated, and certain covenants that may get triggered under the Chirag D Lakhi Investment Agreement as a result of our Company undertaking the Offer have been amended.

Further, the Chirag D Lakhi Amendment Agreement shall stand automatically terminated without any further action or deed required on part of any party, upon the earlier of: (i) the Offer not being consummated within 12 months from the date of receipt of the final observations from SEBI on the Draft Red Herring Prospectus, or (ii) the date on which the Board (through itself or its duly constituted committee) decides to not undertake the Offer or to withdraw any Offer Documents. Such termination shall be without prejudice to the accrued rights and obligations under the Chirag D Lakhi Amendment Agreement prior to the termination. In case of termination of the Chirag D Lakhi Amendment Agreement, in accordance with (i) or (ii) above, the provisions of the Chirag D Lakhi Investment Agreement (as existing prior to the execution of the Chirag D Lakhi Amendment Agreement) shall: (i) immediately and automatically stand reinstated, with full force and effect, without any further action or deed required on the part of any party to the Chirag D Lakhi Amendment Agreement; and (ii) be deemed to have been in force during the period between date of execution of the Chirag D Lakhi Amendment Agreement and the date of termination of the Chirag D Lakhi Amendment Agreement, without any break or interruption whatsoever, except for actions undertaken in compliance with the Chirag D Lakhi Amendment Agreement.

The Chirag D Lakhi Investment Agreement and the Chirag D Lakhi Amendment Agreement have been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Investment Agreement dated March 15, 2024 amongst our Company, Erstwhile Nirani Sugars Limited and Ritesh G Lakhi ("Ritesh G Lakhi Investment Agreement"), read with the amendment agreement dated May 14, 2024 to the Ritesh G Lakhi Investment Agreement ("Ritesh G Lakhi Amendment Agreement")

Our Company entered into an investment agreement dated March 15, 2024 with Erstwhile Nirani Sugars Limited ("**Erstwhile NSL**") and Ritesh G Lakhi, in relation to sale of 12,50,000 compulsorily convertible preference shares of the face value of ₹ 100 each ("**CCPS**") held by Erstwhile NSL in our Company to Ritesh G Lakhi, representing 0.36% of the issued and paid-up share capital of the Company on a fully diluted basis, for an aggregate consideration of ₹ 1,250.00 lakhs. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Erstwhile NSL stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

The Ritesh G Lakhi Investment Agreement conferred certain rights to Ritesh G Lakhi, including amongst others, right to receive the annual audited financial statements of the Company as and when they become available for the concerned financial year. Our Company, Ritesh G Lakhi and Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) entered into an amendment agreement dated May 14, 2024 to the Ritesh G Lakhi Investment Agreement ("**Ritesh G Lakhi Amendment Agreement**"), pursuant to which, certain amendments were made to the Ritesh G Lakhi Investment Agreement including *inter alia*, the right to receive the annual audited financial statements available to Ritesh G Lakhi have been terminated, and certain covenants that may get triggered under the Ritesh G Lakhi Investment Agreement as a result of our Company undertaking the Offer have been amended.

Further, the Ritesh G Lakhi Amendment Agreement shall stand automatically terminated without any further action or deed required on part of any party, upon the earlier of: (i) the Offer not being consummated within 12 months from the date of receipt of the final observations from SEBI on the Draft Red Herring Prospectus, or (ii) the date on which the Board (through itself or its duly constituted committee) decides to not undertake the Offer or to withdraw any Offer Documents. Such termination shall be without prejudice to the accrued rights and obligations under the Ritesh G Lakhi Amendment Agreement prior to the termination. In case of termination of the Ritesh G Lakhi Amendment Agreement, in accordance with (i) or (ii) above, the provisions of the Ritesh G Lakhi Investment Agreement (as existing prior to the execution of the Ritesh G Lakhi Amendment Agreement) shall: (i) immediately and automatically stand reinstated, with full force and effect, without any further action or deed required on the part of any party to the Ritesh G Lakhi Amendment Agreement; and (ii) be deemed to have been in force during the period between date of execution of the Ritesh G Lakhi Amendment Agreement and the date of termination of the Ritesh G Lakhi Amendment Agreement, without any break or interruption whatsoever, except for actions undertaken in compliance with the Ritesh G Lakhi Amendment Agreement.

The Ritesh G Lakhi Investment Agreement and the Ritesh G Lakhi Amendment Agreement have been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Investment Agreement dated April 5, 2024 amongst our Company, Erstwhile Nirani Sugars Limited and Mayank Bajaj ("Mayank Bajaj Investment Agreement"), read with the amendment agreement dated May 14, 2024 to the Mayak Bajaj Investment Agreement ("Mayank Bajaj Amendment Agreement")

Our Company entered into an investment agreement dated April 5, 2024 with Erstwhile Nirani Sugars Limited ("**Erstwhile NSL**") and Mayank Bajaj, in relation to sale of 10,00,000 compulsorily convertible preference shares of the face value of ₹ 100 each ("**CCPS**") held by Erstwhile NSL in our Company to Mayank Bajaj, representing 0.29% of the issued and paid-up share capital of the Company on a fully diluted basis, for an aggregate consideration of ₹ 1,000.00 lakhs. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Erstwhile NSL stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

The Mayank Bajaj Investment Agreement conferred certain rights to Mayank Bajaj, including amongst others, right to receive the annual audited financial statements of the Company as and when they become available for the concerned financial year. Our Company, Mayank Bajaj and Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) entered into an amendment agreement dated May 14, 2024 to the Mayank Bajaj Investment Agreement ("**Mayank Bajaj Amendment Agreement**"), pursuant to which, certain amendments were made to the Mayank Bajaj Investment Agreement including *inter alia*, the right to receive the annual audited financial statements available to Mayank Bajaj have been terminated, and certain covenants that may get triggered under the Mayank Bajaj Investment Agreement as a result of our Company undertaking the Offer have been amended.

Further, the Mayank Bajaj Amendment Agreement shall stand automatically terminated without any further action or deed required on part of any party, upon the earlier of: (i) the Offer not being consummated within 12 months from the date of receipt of the final observations from SEBI on the Draft Red Herring Prospectus, or (ii) the date on which the Board (through itself or its duly constituted committee) decides to not undertake the Offer or to withdraw any Offer Documents. Such termination shall be without prejudice to the accrued rights and obligations under the Mayank Bajaj Amendment Agreement prior to the termination. In case of termination of the Mayank Bajaj Amendment Agreement, in accordance with (i) or (ii) above, the provisions of the Mayank Bajaj Investment Agreement (as existing prior to the execution of the Mayank Bajaj Amendment Agreement) shall: (i) immediately and automatically stand reinstated, with full force and effect, without any further action or deed required on the part of any party to the Mayank Bajaj Amendment Agreement; and (ii) be deemed to have been in force during the period between date of execution of the Mayank Bajaj Amendment Agreement and the date of termination of the Mayank Bajaj Amendment Agreement, without any break or interruption whatsoever, except for actions undertaken in compliance with the Mayank Bajaj Amendment Agreement.

The Mayank Bajaj Investment Agreement and the Mayank Bajaj Amendment Agreement have been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Investment Agreement dated April 8, 2024 amongst our Company, Erstwhile Nirani Sugars Limited and Narendra Goel (on behalf of Shri. Bajrang Commodity) ("Bajrang Commodity Investment Agreement"), read with the amendment agreement dated May 14, 2024 to the Bajrang Commodity Investment Agreement ("Bajrang Commodity Amendment Agreement")

Our Company entered into an investment agreement dated April 8, 2024 with Erstwhile Nirani Sugars Limited ("**Erstwhile NSL**") and Narendra Goel (on behalf of Shri. Bajrang Commodity), in relation to sale of 16,20,000 compulsorily convertible preference shares of the face value of ₹ 100 each ("**CCPS**") held by Erstwhile NSL in our Company to Narendra Goel (on behalf of Shri. Bajrang Commodity), representing 0.47% of the issued and paid-up share capital of the Company on a fully diluted basis, for an aggregate consideration of ₹ 1,620.00 lakhs. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Erstwhile NSL stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

The Bajrang Commodity Investment Agreement conferred certain rights to Shri. Bajrang Commodity, including amongst others, right to receive the annual audited financial statements of the Company as and when they become available for the concerned financial year. Our Company, Narendra Goel (on behalf of Shri. Bajrang Commodity and Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) entered into an amendment agreement dated May 14, 2024 to the Bajrang Commodity Investment Agreement ("**Bajrang Commodity Amendment Agreement**"), pursuant to which, certain amendments were made to the Bajrang Commodity Amendment Agreement including *inter alia*, the right to receive the annual audited financial statements available to Shri. Bajrang Commodity have been terminated, and certain covenants that may get triggered under the Bajrang Commodity Investment Agreement as a result of our Company undertaking the Offer have been amended.

Further, the Bajrang Commodity Amendment Agreement shall stand automatically terminated without any further action or deed required on part of any party, upon the earlier of: (i) the Offer not being consummated within 12 months from the date of receipt of the final observations from SEBI on the Draft Red Herring Prospectus, or (ii) the date on which the Board (through itself or its duly constituted committee) decides to not undertake the Offer

or to withdraw any Offer Documents. Such termination shall be without prejudice to the accrued rights and obligations under the Bajrang Commodity Amendment Agreement prior to the termination. In case of termination of the Bajrang Commodity Amendment Agreement, in accordance with (i) or (ii) above, the provisions of the Bajrang Commodity Investment Agreement (as existing prior to the execution of the Bajrang Commodity Amendment Agreement) shall: (i) immediately and automatically stand reinstated, with full force and effect, without any further action or deed required on the part of any party to the Bajrang Commodity Amendment Agreement; and (ii) be deemed to have been in force during the period between date of execution of the Bajrang Commodity Amendment Agreement and the date of termination of the Bajrang Commodity Amendment Agreement, without any break or interruption whatsoever, except for actions undertaken in compliance with the Bajrang Commodity Amendment Agreement.

The Bajrang Commodity Investment Agreement and the Bajrang Commodity Amendment Agreement have been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Investment Agreement dated April 16, 2024 amongst our Company, MRN Cane Power (India) Limited and Chartered Finance & Leasing Limited ("Chartered Finance & Leasing Limited Investment Agreement - 1"), read with the amendment agreement dated May 14, 2024 to the Chartered Finance & Leasing Limited Investment Agreement - 1 ("Chartered Finance & Leasing Limited Amendment Agreement - 1")

Our Company entered into an investment agreement dated April 16, 2024 with MRN Cane Power (India) Limited ("**MRN**") and Chartered Finance & Leasing Limited, in relation to sale of 30,00,000 compulsorily convertible preference shares of the face value of ₹ 100 each ("**CCPS**") held by MRN in our Company to Chartered Finance & Leasing Limited, representing 0.87% of the issued and paid-up share capital of the Company on a fully diluted basis, for an aggregate consideration of ₹ 3,000.00 lakhs. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, MRN stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

The Chartered Finance & Leasing Limited Investment Agreement – 1 conferred certain rights to Chartered Finance & Leasing Limited, including amongst others, right to receive the annual audited financial statements of the Company as and when they become available for the concerned financial year. Our Company, Chartered Finance & Leasing Limited and Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) entered into an amendment agreement dated May 14, 2024 to the Chartered Finance & Leasing Limited Investment Agreement – 1 ("**Chartered Finance & Leasing Limited Amendment Agreement - 1**"), pursuant to which, certain amendments were made to the Chartered Finance & Leasing Limited Investment Agreement – 1, including *inter alia*, the right to receive the annual audited financial statements available to Chartered Finance & Leasing Limited have been terminated, and certain covenants that may get triggered under the Chartered Finance & Leasing Limited Investment Agreement – 1 as a result of our Company undertaking the Offer have been amended.

Further, the Chartered Finance & Leasing Limited Amendment Agreement – 1 shall stand automatically terminated without any further action or deed required on part of any party, upon the earlier of: (i) the Offer not being consummated within 12 months from the date of receipt of the final observations from SEBI on the Draft Red Herring Prospectus, or (ii) the date on which the Board (through itself or its duly constituted committee) decides to not undertake the Offer or to withdraw any Offer Documents. Such termination shall be without prejudice to the accrued rights and obligations under the Chartered Finance & Leasing Limited Amendment Agreement - 1 prior to the termination. In case of termination of the Chartered Finance & Leasing Limited Amendment Agreement – 1, in accordance with (i) or (ii) above, the provisions of the Chartered Finance & Leasing Limited Investment Agreement – 1 (as existing prior to the execution of the Chartered Finance & Leasing Limited Amendment Agreement – 1) shall: (i) immediately and automatically stand reinstated, with full force and effect, without any further action or deed required on the part of any party to the Chartered Finance & Leasing Limited Amendment Agreement – 1; and (ii) be deemed to have been in force during the period between date of execution of the Chartered Finance & Leasing Limited Amendment Agreement – 1 and the date of termination of the Chartered Finance & Leasing Limited Amendment Agreement – 1, without any break or interruption whatsoever, except for actions undertaken in compliance with the Chartered Finance & Leasing Limited Amendment Agreement - 1.

The Chartered Finance & Leasing Limited Investment Agreement - 1 and the Chartered Finance & Leasing Limited Amendment Agreement – 1 have been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Investment Agreement dated April 16, 2024 amongst our Company, Shri Sai Priya Sugars Limited and Chartered Finance & Leasing Limited ("Chartered Finance & Leasing Limited Investment Agreement - 2"), read with the amendment agreement dated May 14, 2024 to the Chartered Finance & Leasing Limited Investment Agreement - 2 ("Chartered Finance & Leasing Limited Amendment Agreement - 2")

Our Company entered into an investment agreement dated April 16, 2024 with Shri Sai Priya Sugars Limited ("**SSPSL**") and Chartered Finance & Leasing Limited, in relation to sale of 30,00,000 compulsorily convertible preference shares of the face value of ₹ 100 each ("**CCPS**") held by SSPSL in our Company to Chartered Finance & Leasing Limited, representing 0.87% of the issued and paid-up share capital of the Company on a fully diluted basis, for an aggregate consideration of ₹ 3,000.00 lakhs. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, SSPSL stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

The Chartered Finance & Leasing Limited Investment Agreement – 2 conferred certain rights to Chartered Finance & Leasing Limited, including amongst others right to receive the annual audited financial statements of the Company as and when they become available for the concerned financial year. Our Company, Chartered Finance & Leasing Limited and Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) entered into an amendment agreement dated May 14, 2024 to the Chartered Finance & Leasing Limited Investment Agreement – 2 ("**Chartered Finance & Leasing Limited Amendment Agreement – 2**"), pursuant to which, certain amendments were made to the Chartered Finance & Leasing Limited Investment Agreement – 2, including *inter alia*, the right to receive the annual audited financial statements available to Chartered Finance & Leasing Limited have been terminated, and certain covenants that may get triggered under the Chartered Finance & Leasing Limited Investment Agreement – 2 as a result of our Company undertaking the Offer have been amended.

Further, the Chartered Finance & Leasing Limited Amendment Agreement – 2 shall stand automatically terminated without any further action or deed required on part of any party, upon the earlier of: (i) the Offer not being consummated within 12 months from the date of receipt of the final observations from SEBI on the Draft Red Herring Prospectus, or (ii) the date on which the Board (through itself or its duly constituted committee) decides to not undertake the Offer or to withdraw any Offer Documents. Such termination shall be without prejudice to the accrued rights and obligations under the Chartered Finance & Leasing Limited Amendment Agreement – 2 prior to the termination. In case of termination of the Chartered Finance & Leasing Limited Amendment Agreement – 2, in accordance with (i) or (ii) above, the provisions of the Chartered Finance & Leasing Limited Investment Agreement – 2 (as existing prior to the execution of the Chartered Finance & Leasing Limited Amendment Agreement – 2) shall: (i) immediately and automatically stand reinstated, with full force and effect, without any further action or deed required on the part of any party to the Chartered Finance & Leasing Limited Amendment Agreement – 2; and (ii) be deemed to have been in force during the period between date of execution of the Chartered Finance & Leasing Limited Amendment Agreement – 1 and the date of termination of the Chartered Finance & Leasing Limited Amendment Agreement – 2, without any break or interruption whatsoever, except for actions undertaken in compliance with the Chartered Finance & Leasing Limited Amendment Agreement – 2.

The Chartered Finance & Leasing Limited Investment Agreement - 2 and the Chartered Finance & Leasing Limited Amendment Agreement - 2 have been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Investment Agreement dated April 16, 2024 amongst our Company, Erstwhile Nirani Sugars Limited and Praj Engineering and Infra Limited ("Praj Investment Agreement"), read with the amendment agreement dated May 23, 2024 to the Praj Investment Agreement ("Praj Amendment Agreement")

Our Company entered into an investment agreement dated April 16, 2024 with Erstwhile Nirani Sugars Limited ("**Erstwhile NSL**") and Praj Engineering and Infra Limited, in relation to sale of 10,00,000 compulsorily convertible preference shares of the face value of ₹ 100 each ("**CCPS**") held by Erstwhile NSL in our Company to Praj Engineering and Infra Limited, representing 0.29% of the issued and paid-up share capital of the Company on a fully diluted basis, for an aggregate consideration of ₹ 1,000.00 lakhs. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Erstwhile NSL stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

The Praj Investment Agreement conferred certain rights to Praj Engineering and Infra Limited, including amongst others, right to receive the annual audited financial statements of the Company as and when they become available for the concerned financial year. Our Company, Praj Engineering and Infra Limited and Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) entered into an amendment agreement dated May 23, 2024 to the Praj Investment Agreement ("**Praj Amendment Agreement**"), pursuant to which, certain amendments were made to the Praj Investment Agreement including *inter alia*, the right to receive the annual audited financial statements available to Praj Engineering and Infra Limited have been terminated, and certain covenants that may get triggered under the Praj Investment Agreement as a result of our Company undertaking the Offer have been amended.

Further, the Praj Amendment Agreement shall stand automatically terminated without any further action or deed required on part of any party, upon the earlier of: (i) the Offer not being consummated within 12 months from the date of receipt of the final observations from SEBI on the Draft Red Herring Prospectus, or (ii) the date on which the Board (through itself or its duly constituted committee) decides to not undertake the Offer or to withdraw any Offer Documents. Such termination shall be without prejudice to the accrued rights and obligations under the Praj Amendment Agreement prior to the termination. In case of termination of the Praj Amendment Agreement, in accordance with (i) or (ii) above, the provisions of the Praj Investment Agreement (as existing prior to the execution of the Praj Amendment Agreement) shall: (i) immediately and automatically stand reinstated, with full force and effect, without any further action or deed required on the part of any party to the Praj Amendment Agreement; and (ii) be deemed to have been in force during the period between date of execution of the Praj Amendment Agreement and the date of termination of the Praj Amendment Agreement, without any break or interruption whatsoever, except for actions undertaken in compliance with the Praj Amendment Agreement.

The Praj Investment Agreement and the Praj Amendment Agreement have been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Investment Agreement dated April 18, 2024 amongst our Company, MRN Cane Power (India) Limited and Nirani Holdings Private Limited ("Nirani Holdings Investment Agreement - 1"), read with the amendment agreement dated May 14, 2024 to the Nirani Holdings Investment Agreement - 1 ("Nirani Holdings Amendment Agreement - 1")

Our Company entered into an investment agreement dated April 18, 2024 with MRN Cane Power (India) Limited ("**MRN**") and Nirani Holdings Private Limited, in relation to sale of 43,00,000 compulsorily convertible preference shares of the face value of ₹ 100 each ("**CCPS**") held by MRN in our Company to Nirani Holdings Private Limited, representing 1.24% of the issued and paid-up share capital of the Company on a fully diluted basis, for an aggregate consideration of ₹ 4,300.00 lakhs. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, MRN stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

The Nirani Holdings Investment Agreement – 1 conferred certain rights to Nirani Holdings Private Limited, including amongst others, right to receive the annual audited financial statements of the Company as and when they become available for the concerned financial year. Our Company, Nirani Holdings Private Limited and Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) entered into an amendment agreement dated May 14, 2024 to the Nirani Holdings Investment Agreement – 1 ("**Nirani Holdings**

Amendment Agreement - 1"), pursuant to which, certain amendments were made to the Nirani Holdings Amendment Agreement - 1 including *inter alia*, the right to receive the annual audited financial statements available to Nirani Holdings Private Limited have been terminated, and certain covenants that may get triggered under the Nirani Holdings Investment Agreement – 1 as a result of our Company undertaking the Offer have been amended.

Further, the Nirani Holdings Amendment Agreement – 1 shall stand automatically terminated without any further action or deed required on part of any party, upon the earlier of: (i) the Offer not being consummated within 12 months from the date of receipt of the final observations from SEBI on the Draft Red Herring Prospectus, or (ii) the date on which the Board(through itself or its duly constituted committee) decides to not undertake the Offer or to withdraw any Offer Documents. Such termination shall be without prejudice to the accrued rights and obligations under the Nirani Holdings Amendment Agreement - 1 prior to the termination. In case of termination of the Nirani Holdings Amendment Agreement – 1, in accordance with (i) or (ii) above, the provisions of the Nirani Holdings Investment Agreement – 1 (as existing prior to the execution of the Nirani Holdings Amendment Agreement – 1) shall: (i) immediately and automatically stand reinstated, with full force and effect, without any further action or deed required on the part of any party to the Nirani Holdings Amendment Agreement – 1; and (ii) be deemed to have been in force during the period between date of execution of the Nirani Holdings Amendment Agreement – 1 and the date of termination of the Nirani Holdings Amendment Agreement – 1, without any break or interruption whatsoever, except for actions undertaken in compliance with the Nirani Holdings Amendment Agreement - 1.

The Nirani Holdings Investment Agreement - 1 and the Nirani Holdings Amendment Agreement - 1 have been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Investment Agreement dated April 20, 2024 amongst our Company, MRN Cane Power (India) Limited and Siddhartha Sacheti ("Siddhartha Sacheti Investment Agreement"), read with the amendment agreement dated May 14, 2024 to the Siddhartha Sacheti Investment Agreement ("Siddhartha Sacheti Amendment Agreement")

Our Company entered into an investment agreement dated April 20, 2024 with MRN Cane Power (India) Limited ("**MRN**") and Siddhartha Sacheti, in relation to sale of 30,00,000 compulsorily convertible preference shares of the face value of ₹ 100 each ("**CCPS**") held by MRN in our Company to Siddhartha Sacheti, representing 0.87% of the issued and paid-up share capital of the Company on a fully diluted basis, for an aggregate consideration of ₹ 3,000.00 lakhs. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, MRN stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

The Siddhartha Sacheti Investment Agreement conferred certain rights to Siddhartha Sacheti, including amongst others right to receive the annual audited financial statements of the Company as and when they become available for the concerned financial year. Our Company, Siddhartha Sacheti and Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) entered into an amendment agreement dated May 14, 2024 to the Siddhartha Sacheti Investment Agreement ("**Siddhartha Sacheti Amendment Agreement**"), pursuant to which, certain amendments were made to the Siddhartha Sacheti Investment Agreement including *inter alia*, the right to receive the annual audited financial statements available to Siddhartha Sacheti have been terminated, and certain covenants that may get triggered under the Siddhartha Sacheti Investment Agreement as a result of our Company undertaking the Offer have been amended.

Further, the Siddhartha Sacheti Amendment Agreement shall stand automatically terminated without any further action or deed required on part of any party, upon the earlier of: (i) the Offer not being consummated within 12 months from the date of receipt of the final observations from SEBI on the Draft Red Herring Prospectus, or (ii) the date on which the Board (through itself or its duly constituted committee) decides to not undertake the Offer or to withdraw any Offer Documents. Such termination shall be without prejudice to the accrued rights and obligations under the Siddhartha Sacheti Amendment Agreement prior to the termination. In case of termination of the Siddhartha Sacheti Amendment Agreement, in accordance with (i) or (ii) above, the provisions of the Siddhartha Sacheti Investment Agreement (as existing prior to the execution of the Siddhartha Sacheti Amendment Agreement) shall: (i) immediately and automatically stand reinstated, with full force and effect, without any

further action or deed required on the part of any party to the Siddhartha Sacheti Amendment Agreement; and (ii) be deemed to have been in force during the period between date of execution of the Siddhartha Sacheti Amendment Agreement and the date of termination of the Siddhartha Sacheti Amendment Agreement, without any break or interruption whatsoever, except for actions undertaken in compliance with the Siddhartha Sacheti Amendment Agreement.

The Siddhartha Sacheti Investment Agreement and Siddhartha Sacheti Amendment Agreement have been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Investment Agreement dated April 20, 2024 amongst our Company, Shri Sai Priya Sugars Limited and Mithun Padam Sacheti ("Mithun Padam Sacheti Investment Agreement"), read with the amendment agreement dated May 14, 2024 to the Mithun Padam Sacheti Investment Agreement ("Mithun Padam Sacheti Amendment Agreement")

Our Company entered into an investment agreement dated April 20, 2024 with Shri Sai Priya Sugars Limited ("**SSPSL**") and Mithun Padam Sacheti, in relation to sale of 30,00,000 compulsorily convertible preference shares of the face value of ₹ 100 each ("**CCPS**") held by SSPSL in our Company to Mithun Padam Sacheti, representing 0.87% of the issued and paid-up share capital of the Company on a fully diluted basis, for an aggregate consideration of ₹ 3,000.00 lakhs. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, SSPSL stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

The Mithun Padam Sacheti Investment Agreement conferred certain rights to Mithun Padam Sacheti, including amongst others right to receive the annual audited financial statements of the Company as and when they become available for the concerned financial year. Our Company, Mithun Padam Sacheti and Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) entered into an amendment agreement dated May 14, 2024 to the Mithun Padam Sacheti Investment Agreement ("**Mithun Padam Sacheti Amendment Agreement**"), pursuant to which, certain amendments were made to the Mithun Padam Sacheti Investment Agreement including *inter alia*, the right to receive the annual audited financial statements available to Mithun Padam Sacheti have been terminated, and certain covenants that may get triggered under the Mithun Padam Sacheti Investment Agreement as a result of our Company undertaking the Offer have been amended.

Further, the Mithun Padam Sacheti Amendment Agreement shall stand automatically terminated without any further action or deed required on part of any party, upon the earlier of: (i) the Offer not being consummated within 12 months from the date of receipt of the final observations from SEBI on the Draft Red Herring Prospectus, or (ii) the date on which the Board (through itself or its duly constituted committee) decides to not undertake the Offer or to withdraw any Offer Documents. Such termination shall be without prejudice to the accrued rights and obligations under the Mithun Padam Sacheti Amendment Agreement prior to the termination. In case of termination of the Mithun Padam Sacheti Amendment Agreement, in accordance with (i) or (ii) above, the provisions of the Mithun Padam Sacheti Investment Agreement (as existing prior to the execution of the Mithun Padam Sacheti Amendment Agreement) shall: (i) immediately and automatically stand reinstated, with full force and effect, without any further action or deed required on the part of any party to the Mithun Padam Sacheti Amendment Agreement; and (ii) be deemed to have been in force during the period between date of execution of the Mithun Padam Sacheti Amendment Agreement and the date of termination of the Mithun Padam Sacheti Amendment Agreement, without any break or interruption whatsoever, except for actions undertaken in compliance with the Mithun Padam Sacheti Amendment Agreement.

The Mithun Padam Sacheti Investment Agreement and the Mithun Padam Sacheti Amendment Agreement have been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Investment Agreement dated April 23, 2024 amongst our Company, Erstwhile Nirani Sugars Limited and Nirani Holdings Private Limited ("Nirani Holdings Investment Agreement - 2"), read with the amendment agreement dated May 14, 2024 to the Nirani Holdings Investment Agreement - 2 ("Nirani Holdings Amendment Agreement - 2")

Our Company entered into an investment agreement dated April 23, 2024 with Erstwhile Nirani Sugars Limited ("**Erstwhile NSL**") and Nirani Holdings Private Limited, in relation to sale of 79,74,000 compulsorily convertible preference shares of the face value of ₹ 100 each ("**CCPS**") held by Erstwhile NSL in our Company to Nirani Holdings Private Limited, representing 2.30% of the issued and paid-up share capital of the Company on a fully diluted basis, for an aggregate consideration of ₹ 7,974.00 lakhs. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Erstwhile NSL stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

The Nirani Holdings Investment Agreement – 2 conferred certain rights to Nirani Holdings Private Limited, including amongst others, right to receive the annual audited financial statements of the Company as and when they become available for the concerned financial year. Our Company, Nirani Holdings Private Limited and Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) entered into an amendment agreement dated May 14, 2024 to the Nirani Holdings Investment Agreement – 2 ("**Nirani Holdings Amendment Agreement - 2**"), pursuant to which, certain amendments were made to the Nirani Holdings Amendment Agreement - 2 including *inter alia*, the right to receive the annual audited financial statements available to Nirani Holdings Private Limited have been terminated, and certain covenants that may get triggered under the Nirani Holdings Investment Agreement – 2 as a result of our Company undertaking the Offer have been amended.

Further, the Nirani Holdings Amendment Agreement – 2 shall stand automatically terminated without any further action or deed required on part of any party, upon the earlier of: (i) the Offer not being consummated within 12 months from the date of receipt of the final observations from SEBI on the Draft Red Herring Prospectus, or (ii) the date on which the Board(through itself or its duly constituted committee) decides to not undertake the Offer or to withdraw any Offer Documents. Such termination shall be without prejudice to the accrued rights and obligations under the Nirani Holdings Amendment Agreement - 2 prior to the termination. In case of termination of the Nirani Holdings Amendment Agreement – 2, in accordance with (i) or (ii) above, the provisions of the Nirani Holdings Investment Agreement – 2 (as existing prior to the execution of the Nirani Holdings Amendment Agreement – 2) shall: (i) immediately and automatically stand reinstated, with full force and effect, without any further action or deed required on the part of any party to the Nirani Holdings Amendment Agreement – 2; and (ii) be deemed to have been in force during the period between date of execution of the Nirani Holdings Amendment Agreement – 2 and the date of termination of the Nirani Holdings Amendment Agreement – 2, without any break or interruption whatsoever, except for actions undertaken in compliance with the Nirani Holdings Amendment Agreement - 2.

The Nirani Holdings Investment Agreement - 2 and the Nirani Holdings Amendment Agreement - 2 have been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Investment Agreement dated April 23, 2024 amongst our Company, Shri Sai Priya Sugars Limited and Nirani Holdings Private Limited ("Nirani Holdings Investment Agreement - 3"), read with the amendment agreement dated May 14, 2024 to the Nirani Holdings Investment Agreement - 3 ("Nirani Holdings Amendment Agreement - 3")

Our Company entered into an investment agreement dated April 23, 2024 with Shri Sai Priya Sugars Limited ("**SSPSL**") and Nirani Holdings Private Limited, in relation to sale of 1,65,25,000 compulsorily convertible preference shares of the face value of ₹ 100 each ("**CCPS**") held by SSPSL in our Company to Nirani Holdings Private Limited, representing 4.76% of the issued and paid-up share capital of the Company on a fully diluted basis, for an aggregate consideration of ₹ 16,525.00 lakhs. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, SSPSL stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

The Nirani Holdings Investment Agreement – 3 conferred certain rights to Nirani Holdings Private Limited, including amongst others right to receive the annual audited financial statements of the Company as and when they become available for the concerned financial year. Our Company, Nirani Holdings Private Limited and Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) entered into an amendment agreement dated May 14, 2024 to the Nirani Holdings Investment Agreement – 3 ("**Nirani Holdings Amendment Agreement - 3**"), pursuant to which, certain amendments were made to the Nirani Holdings Amendment Agreement - 3 including *inter alia*, the right to receive the annual audited financial statements available to Nirani Holdings Private Limited have been terminated, and certain covenants that may get triggered under the Nirani Holdings Investment Agreement – 3 as a result of our Company undertaking the Offer have been amended.

Further, the Nirani Holdings Amendment Agreement – 3 shall stand automatically terminated without any further action or deed required on part of any party, upon the earlier of: (i) the Offer not being consummated within 12 months from the date of receipt of the final observations from SEBI on the Draft Red Herring Prospectus, or (ii) the date on which the Board (through itself or its duly constituted committee) decides to not undertake the Offer or to withdraw any Offer Documents. Such termination shall be without prejudice to the accrued rights and obligations under the Nirani Holdings Amendment Agreement - 3 prior to the termination. In case of termination of the Nirani Holdings Amendment Agreement – 3, in accordance with (i) or (ii) above, the provisions of the Nirani Holdings Investment Agreement – 3 (as existing prior to the execution of the Nirani Holdings Amendment Agreement – 3) shall: (i) immediately and automatically stand reinstated, with full force and effect, without any further action or deed required on the part of any party to the Nirani Holdings Amendment Agreement – 3; and (ii) be deemed to have been in force during the period between date of execution of the Nirani Holdings Amendment Agreement – 3 and the date of termination of the Nirani Holdings Amendment Agreement – 3, without any break or interruption whatsoever, except for actions undertaken in compliance with the Nirani Holdings Investment Agreement – 3.

The Nirani Holdings Investment Agreement - 3 and the Nirani Holdings Amendment Agreement - 3 have been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Agreements with Key Managerial Personnel, Senior Management Personnel, Directors, Promoters or any other employees

As on the date of this Red Herring Prospectus, there are no agreements entered into by our Key Managerial Personnel or Senior Management Personnel or Directors or Promoters or any other employees of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

Other subsisting arrangements

As on the date of this Red Herring Prospectus, except as disclosed in "*– Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations or any revaluation of assets, since inception*" and *"– Shareholders' agreements and other agreements – Other Agreements*" above, our Company has not entered into any other subsisting material agreement, including with strategic partners or financial partners, other than in the ordinary course of business.

Further, we confirm that except as disclosed in this Red Herring Prospectus, there are no other inter-se agreements or arrangements entered into by and amongst any of the Promoters or Shareholders to which the Company is a party, or agreements of like nature, or agreements comprising material clauses/covenants that are required to be disclosed in this Red Herring Prospectus or non-disclosure of which may have bearing on the investment decision or containing clauses/covenants that are adverse/prejudicial to the interest of minority/public shareholders.

Further, we confirm that except as disclosed in "*– Details regarding material acquisitions or divestments of business/ undertakings, mergers, amalgamations or any revaluation of assets, since inception*" and *"– Shareholders' agreements and other agreements – Other Agreements*" above, there are no material covenants in any of the agreements related to the primary and secondary transactions of securities of the Company and except as disclosed in "*Financial Indebtedness – Principal terms of the borrowings availed by us*" on page 559, there are no material covenants in any of the agreements related to the financing arrangements of the Company.

Further, we confirm that other than as disclosed in "*– Details regarding material acquisitions or divestments of*

business/ undertakings, mergers, amalgamations or any revaluation of assets, since inception" and *"– Shareholders' agreements and other agreements*" above and "*Our Management – Terms of appointment of our Executive Directors*" on page 355, there are no other agreements, including any recission, amendment or alteration of such agreements, entered into by the Shareholders, Promoters, members of the Promoter Group, related parties, Directors, KMPs, SMPs, employees of our Company or of our Subsidiary, among themselves or with our Company or with a third party, solely or jointly, which either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of our Company or impose any restriction or create any liability upon our Company.

Material clauses of the AoA

Except as disclosed under the "*Description of Equity Shares and Terms of Articles of Association*" on page 631, there are no material clauses of the AoA which have not been disclosed in this Red Herring Prospectus, which has a bearing on the Offer.

Rights available to Shareholders

As on the date of this Red Herring Prospectus, there are no special rights available to the Shareholders of the Company.

Guarantees given by Promoters offering their shares in the Offer for Sale

None of our Promoters are offering their shares in the Offer for Sale.

OUR MANAGEMENT

In accordance with the Companies Act and our Articles of Association, our Company is required to have not less than 3 Directors and not more than 15 Directors.

As on the date of this Red Herring Prospectus, we have 7 Directors on our Board, of whom 3 are Executive Directors, of whom 4 are Non-Executive Directors, of whom 3 are Independent Directors and one Non-Executive woman director. Our Company is in compliance with the corporate governance requirements prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

Board of Directors

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

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Yagati Badarinarayana Ramakrishna *Designation*: Chairman and Independent Director *Date of birth*: February 12, 1956 *Address*: A3, 46, Krishna Apartment, 18th cross, Malleswaram, Bengaluru – 560 055, Karnataka, India *Occupation*: Self employed *Current term*: From May 13, 2025 to March 31, 2026, and shall not be liable to retire by rotation. *Period of directorship*: Since December 26, 2023 *DIN*: 10426269	69	*Indian companies:* Nil *Foreign companies:* Nil
Vijaykumar Murugesh Nirani *Designation*: Managing Director *Date of birth*: July 15, 1993 *Address*: Nirani Sugars Limited, Mudhol, 587313, Karnataka, India *Occupation*: Business *Current term*: For a period of five years effective from December 1, 2022, and shall not be liable to retire by rotation. *Period of directorship*: Since incorporation, i.e. March 31, 2021 *DIN*: 07413777	32	*Indian companies:* • Leafiniti Bioenergy Private Limited; • Trualt Gas Private Limited; • Swarnim Merchants Private Limited; and • Nirani Holdings Private Limited. *Foreign companies:* Nil
Vishal Nirani *Designation*: Executive Director *Date of birth*: October 7, 1997 *Address*: Ward no. 5, Vijay Nagar, Kulali Cross, Mudhol, 587313, Karnataka, India *Occupation*: Business	27	*Indian companies:* • Leafiniti Bioenergy Private Limited; • Trualt Gas Private Limited; • Nirani Sugars Limited (f*ormerly known as MRN Chamundi Canepower and Biorefineries Limited*); and

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Current term: With effect from July 26, 2025, and shall be liable to retire by rotation. *Period of directorship*: Since incorporation, i.e. March 31, 2021 *DIN*: 08434032		• Nirani Holdings Private Limited. *Foreign companies:* Nil
Anand Murugan Jakkampati Durairaj *Designation*: Executive Director *Date of birth*: May 11, 1970 *Address*: 5/3, White House 2nd street, N.R.T main Road, Theni, Allinagaram, 625531, Tamil Nadu, India *Occupation*: Employment *Current term*: With effect from December 6, 2023 and shall be liable to retire by rotation *Period of directorship*: Since December 6, 2023 *DIN*: 10411449	55	*Indian companies:* Nil *Foreign companies:* Nil
Sushmitha Vijaykumar Nirani *Designation*: Non-Executive Director *Date of birth*: October 18, 1994 *Address*: Vijay Vishal Palace, #166 Kulali Cross, Jamkhandi Road, Mudhol, Bagalkot, 587313, Karnataka, India. *Occupation*: Business *Current term*: With effect from September 18, 2023 and shall be liable to retire by rotation. *Period of directorship*: Since September 18, 2023 *DIN*: 08356858	30	*Indian companies:* Trualt Gas Private Limited. *Foreign companies:* Nil
Mallikarjun Bhimappa Dyaberi *Designation*: Non- Executive Independent Director *Date of birth*: March 20, 1954 *Address*: C/o. 263, Parvati, Hig Colony, RMV Club House, RMV 2nd Stage, Bangalore North, Bengaluru, 560094, Karnataka, India *Occupation*: Retd. IAS Officer *Current term*: For a period of 5 years effective from December 6, 2023 and shall not be liable to retire by rotation *Period of directorship*: Since December 6, 2023 *DIN*: 02474471	71	*Indian companies:* • Sadbhavana Energy Private Limited. *Foreign companies:* Nil

Name, designation, date of birth, address, occupation, current term, period of directorship and DIN	Age (years)	Other directorships
Kanekal Chandrasekhar *Designation*: Non-Executive Independent Director *Date of birth*: August 18, 1956 *Address*: #6, Shree, 9th Cross, Besides Reliance Fresh, Bhuvaneshwari Nagar, Hebbal Kempapura, Bengaluru, 560024, Karnataka, India *Occupation*: Business *Current term*: For a period of five years effective from November 13, 2023, and shall not be liable to retire by rotation. *Period of directorship*: Since September 18, 2023 *DIN*: 06861358	68	*Indian companies:* • 63 Moons Technologies Limited; and • Dhankraft Global Resolutions Private Limited. *Foreign companies:* Nil

Brief profiles of our Directors

Yagati Badarinarayana Ramakrishna, aged 69 years, is currently the Chairman and Non-Executive Independent Director of our Company. He holds a bachelor's degree in electronics and communication engineering from the University of Mysore. He is currently a member of the working group on biofuels constituted by the Ministry of Petroleum and Natural Gas, Government of India. He is currently associated with BEST Associates in his capacity as a partner. He has chaired the task force on biofuels in Karnataka and has held the position of chairman of Karnataka State Bio-Fuel Development Board. He has 10 years of experience as a resource person in the biofuel industry.

Vijaykumar Murugesh Nirani, aged 32 years, is one of the Promoters and is currently the Managing Director of our Company. He holds a bachelor's degree in business (finance and accounting) from the James Cook University, Singapore. He has been associated with our Company since its incorporation. He has 9 years of experience as an industrialist holding diverse leadership positions.

Vishal Nirani, aged 27 years, is one of the Promoters and is currently the Executive Director of our Company. He has completed his senior school certificate examination (class XII) conducted by the Central Board of Secondary Education, New Delhi and has been associated with our Company since its incorporation. He has 6 years of experience as an industrialist holding diverse management positions.

Anand Murugan Jakkampati Durairaj, aged 55 years, is an Executive Director of our Company. He holds a bachelor's degree in science from the American College, Madurai Kamaraj University and a post graduate diploma programme in industrial fermentation and alcohol technology from Vasantdada Sagar Institute, Pune. He was previously associated with Piccadily Agro Industries Limited as a general manager and as a unit head with Sovereign Distilleries Limited. He has 27 years of experience holding diverse management positions.

Sushmita Vijaykumar Nirani, aged 30 years, is one of the Promoters and currently a Non-Executive Director of our Company. She holds a bachelor's degree in engineering from Visvesvaraya Technological University, Belagavi. She has been associated with our Company since September 18, 2023. She has 6 years of experience as an industrialist holding diverse management positions.

Mallikarjun Bhimappa Dyaberi, aged 71 years, is a Non-Executive Independent Director of our Company. He holds a master's degree in science (physics) from Karnatak University, Dharwad. He has served as a civil servant for a period of 35 years. Initially, as a Karnataka State Civil Services Officer and subsequently as an Indian Administration Services officer, holding diverse administrative positions.

Kanekal Chandrasekhar, aged 68 years, is a Non-Executive Independent Director of our Company. He holds a bachelor's degree in science (agriculture) from the Andhra Pradesh Agricultural University and holds a certificate programme in management from the Union Bank School of Management. He is a certificated associate of the Indian Institute of Bankers, Mumbai and is also an insolvency professional. He was previously associated with

the Union Bank of India as a general manager. Presently, he is a Non-Executive Director on the board of 63 Moon Technologies Limited. He has 35 years of experience as a banker holding diverse positions and also has experience as an insolvency professional.

Confirmations

None of our Directors is or was a director of any company listed on any stock exchange, whose shares have been or were suspended from being traded during the five years preceding the date of this Red Herring Prospectus, during the term of his/her directorship in such company.

None of our Directors is, or was a director of any company, which has been or was delisted from any stock exchange, during the term of his/her directorship in such company.

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

Further, none of our Directors have been identified as Wilful Defaulters or Fraudulent Borrowers as defined under the SEBI ICDR Regulations.

Arrangement or understanding with major Shareholders, customers, suppliers, or others

None of our Directors have been appointed pursuant to any arrangement or understanding with our major Shareholders, customers, suppliers or others.

Service contracts with Directors

Other than applicable statutory benefits, our Company has not entered into any service contracts with any Director, which provide for benefits upon termination of employment.

Terms of appointment of our Executive Directors

1. Vijaykumar Murugesh Nirani was appointed as the Managing Director of our Company with effect from December 1, 2022, pursuant to a resolution passed by our Board of Directors at their meeting held on November 1, 2022 and a resolution passed by our Shareholders at their EGM held on November 28, 2022. He was appointed for a term of 5 years on such terms and remuneration, as provided in the service contract dated May 14, 2024. The details of the remuneration and perquisites payable to him during the term of his office, include the following:
    a. salary per month aggregating to ₹ 11.00 lakhs;
    b. gratuity as per statutory guidelines applicable to the Company;
    c. allowances, benefits and perquisites as the Board may from time to time decide; and
    d. reimbursement of expenses incurred by him in or about the business of our Company, including conveyance expense.

    The said remuneration is subject to annual increment as determined by the Board on the recommendation of the Nomination and Remuneration Committee subject to the maximum limit prescribed under Section 197 read with Schedule V of the Companies Act, 2013 and subject to approval of our Shareholders.

2. Vishal Nirani was appointed as the Executive Director of our Company with effect from July 26, 2025, pursuant to a resolution passed by our Board of Directors at their meeting held on July 26, 2025. He is liable to retire by rotation on such terms as provided in the board resolution dated July 26, 2025. Our Company has not entered into any service contract with him. The remuneration payable to him during the term of his office will be in the form of profit related commission, as may be determined by Vijaykumar Murugesh Nirani in consultation with the Board.

3. Anand Murugan Jakkampati Durairaj was appointed as an Additional Director of our Company with effect from December 6, 2023, pursuant to a resolution passed by our Board of Directors at their meeting held on December 6, 2023. The Shareholders regularised his appointment as an Executive Director in the EGM held on January 31, 2024. He is liable to retire by rotation on such terms as provided in the appointment letter dated December 6, 2023. The remuneration, allowances and perquisites payable to him during the term of his office per month is aggregating to ₹1.20 lakhs. Our Company has not entered into any service contract with him.

   The said remuneration is subject to annual increment as determined by the Board on the recommendation of the Nomination and Remuneration Committee subject to the maximum limit prescribed under Section 197 read with Schedule V of the Companies Act, 2013 and subject to approval of our Shareholders.

Payment or benefits to Directors

Except as mentioned above, our Company has not entered into any contract appointing or fixing the remuneration of any Director in the two years preceding the date of this Red Herring Prospectus.

In Fiscal 2025, our Company has not paid any compensation or granted any benefit on an individual basis to any of our Directors (including contingent or deferred compensation payable) other than the remuneration and sitting fees paid to them as disclosed below for such period. The remuneration that was paid to our Directors in Fiscal 2025 is as follows:

Remuneration paid to Executive Directors

Except as disclosed below, none of our executive directors were paid remuneration in Fiscal 2025:

Name of directors	Remuneration (in ₹ lakhs)
Vijaykumar Murugesh Nirani	261.03
Vishal Nirani	261.03
Anand Murugan Jakkampati Durairaj	57.06

Sitting fees paid to Non- Executive Directors and Independent Directors

Pursuant to Board resolution dated December 6, 2023, Non-Executive Directors receive ₹0.50 lakhs for each meeting of our Board and such fees as maybe mutually agreed upon between the Board and committee members, for attending each meeting of any committee of our Board on a given day.

Sushmitha Vijaykumar Nirani, Non-Executive Director, was paid sitting fees of ₹3.55 lakhs in Fiscal 2025.

Our Independent Directors were paid the following sitting fee in Fiscal 2025:

Name of directors	Sitting fee (in ₹ lakhs)
Kanekal Chandrasekhar	6.25
Mallikarjun Bhimappa Dyaberi	4.45
Yagati Badarinarayana Ramakrishna	3.50

Remuneration paid or payable to our Directors by our Subsidiary

None of our Directors were paid any remuneration by our Subsidiary in Fiscal 2025 (including contingent or deferred compensation payable).

Shareholding of Directors in our Company

Except as disclosed below, none of our Directors hold any Equity Shares as on date of this Red Herring Prospectus.

S. No.	Name of Director	Number of Equity Shares of face value of ₹10 each held	Percentage of pre-Offer Equity Share capital on a fully diluted basis (%)
1.	Vijaykumar Murugesh Nirani	1,53,36,841	21.71
2.	Vishal Nirani	1,53,25,071	21.70

S. No.	Name of Director	Number of Equity Shares of face value of ₹10 each held	Percentage of pre-Offer Equity Share capital on a fully diluted basis (%)
3.	Sushmita Vijaykumar Nirani	1,45,74,868	20.64
Total		**4,52,36,780**	**64.05**

For further details, see the section titled "*Capital Structure*" on page 117.

Bonus or profit-sharing plan for our Directors

As on date of this Red Herring Prospectus, our Company does not have any performance linked bonus or a profit-sharing plan for our Directors.

Interest of Directors

All our Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and/or committees thereof as approved by our Board, the reimbursement of expenses payable to them as approved by our Board.

Our Directors may be deemed to be interested to the extent of the remuneration and reimbursements payable to each of them by our Company and remuneration payable to them by our Subsidiaries.

Our Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners. Three of our Directors, Vijaykumar Murugesh Nirani, Vishal Nirani and Sushmitha Vijaykumar Nirani, in their capacity as directors or shareholders of Erstwhile NSL, MRN and SSPSL, were interested in (i) master supply agreement dated August 31, 2023 among our Company and NSL ("**Erstwhile NSL MSA**"), (ii) master supply agreement dated August 31, 2023 among our Company and MRN ("**MRN MSA**"), and (iii) master supply agreement dated August 31, 2023 among our Company and SSPSL ("**SSPSL MSA**"), in relation to supply of certain goods and services, including raw materials, by NSL, MRN and SSPSL, respectively, to our Company. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, NSL, MRN and SSPSL stand merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

Further, three of our Directors, Vijaykumar Murugesh Nirani, Vishal Nirani and Sushmitha Vijaykumar Nirani, in their capacity as current directors or shareholders of Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), are interested in the master supply agreement dated April 25, 2024 among our Company and Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) ("**NSL MSA**"), in relation to supply of certain goods and services, including raw materials, by Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) to our Company. For details of NSL MSA, please see, "*History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. since inception"* on page 331.

Our Directors may be interested to the extent of Equity Shares, if any, held by them and their relatives (together with other distributions in respect of Equity Shares), or held by the entities in which they are associated as partners, promoters, directors, proprietors, members or trustees, such as shares held by our Promoter Group member Nirani Holdings Private Limited, or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue and any dividend and other distributions payable in respect of such Equity Shares. For details, see – *"Our Management - Shareholding of Directors in our Company" and "Capital Structure – Equity shareholding of our Promoters and Promoter Group"* on pages 356 and 127, respectively.

Except for Vijaykumar Murugesh Nirani, Vishal Nirani and Sushmita Vijaykumar Nirani, who are the Individual Promoters of our Company, and Vijaykumar Murugesh Nirani and Vishal Nirani, who are also among the initial

subscribers to the MoA of our Company, none of our other Directors have any interest in the promotion or formation of our Company. Also see, "*Capital Structure – Share capital history of our Company"* on page 118.

Except under the MRN BTA, NSL BTA and SSPSL BTA in their capacity as erstwhile directors and shareholders of MRN, NSL and SSPSL, and as disclosed in "*Summary of the Offer Document - Summary of Related Party Transactions*" and "*Restated Financial Information*" on pages 28 and 399, respectively, our Directors have no interest in any property acquired by our Company during the three years preceding the date of this Red Herring Prospectus, or proposed to be acquired, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, NSL, MRN and SSPSL stand merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024. For details of MRN BTA, NSL BTA and SSPSL BTA, please see, "*History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. since inception"* on page 331. Further, pursuant to two sale deeds, each dated September 12, 2023, our Company acquired two parcels of land admeasuring 2 acres and 20 guntas from one of our Directors, Vishal Nirani, for consideration aggregating to ₹ 14.00 lakhs. Additionally, three of our Directors, Vijaykumar Murugesh Nirani, Vishal Nirani and Sushmitha Vijaykumar Nirani are also indirectly interested in the acquisition of certain parcels of land admeasuring 10 acres and 17 guntas and 8 acres and 2 guntas by our Company from Shree Kedarnath Sugar and Agro Products Limited and Badami Sugars Limited, respectively, for consideration aggregating to ₹ 801.12 lakhs and ₹ 391.00 lakhs, respectively, by virtue of them being shareholders and / or directors of Shri Sai Priya Sugars Limited, which in turn was a majority shareholders of Shree Kedarnath Sugar and Agro Products Limited and Badami Sugars Limited.

None of our Directors have any interest in our business other than as disclosed in this section and in "*Our Promoters and Promoter Group*", and "*Financial Information – Related Party Disclosures*", on pages 378 and 431, respectively.

No loans have been availed by our Directors from our Company.

Further, our Directors do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery during the three years preceding the date of this Red Herring Prospectus.

Except for Vijaykumar Murugesh Nirani who is a director of Leafiniti and shareholder of Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), Vishal Nirani, who is a director of Leafiniti and director and shareholder of Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) and Sushmita Vijaykumar Nirani, who is a shareholder of Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), none of our Directors have any other interest in any venture that is involved in any activities similar to those conducted by our Company. For further details, please see "*Risk Factors - Our Promoters, Directors, Key Managerial Personnel and other key executives of our Company and Subsidiary may enter into ventures that may lead to real or potential conflicts of interest with our business. Further, conflicts of interest may arise out of common business objects between our Company, Subsidiary and Group Company"* on page 76.

Except as disclosed below, as on the date of this Red Herring Prospectus, there is no conflict of interest between the suppliers of raw materials and third party service providers (crucial for operations of the company) and our Directors:

Vijaykumar Murugesh Nirani and Vishal Nirani, two of the Directors of our Company, are also directors and/or shareholders of Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), one of the suppliers of raw materials and third party service providers of our Company.

Except as disclosed below, as on the date of this Red Herring Prospectus, there is no conflict of interest between the lessor of the immovable properties, (crucial for operations of the Company) and our Directors:

Vijaykumar Murugesh Nirani and Vishal Nirani, two of the Directors of our Company, are also directors and/or shareholders of Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), the lessor of immovable property where the Corporate Office and the Registered Office of our Company is located.

Except as stated below, none of our Directors' names appear in the list of directors of struck-off companies by the registrar of companies /MCA

Mallikarjun Bhimappa Dyaberi was a director on the board of Brillano Technologies Private Limited which was struck off with effect from October 23, 2019.

Borrowing Powers

As on the date of this Red Herring Prospectus, our Company's borrowings are within the limits prescribed under the Companies Act, 2013 and our Articles of Association. In accordance with our Articles of Association and subject to applicable provisions of the Companies Act, 2013, and as authorised by our shareholders by way of a special resolution dated January 31, 2024, our Board is authorised to borrow, any sum or sums of monies, which together with monies already borrowed by our Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves, provided that the total amount of money so borrowed shall not, at any time exceed the limit of ₹3,00,000.00 lakhs.

Changes to our Board in the last three years

The changes to our Board during the three years immediately preceding the date of this Red Herring Prospectus are set forth below:

Name	Date of appointment/cessation	Reason
Vishal Nirani	July 26, 2025	Redesignation from Whole Time Director to Executive Director
Vishal Nirani[5]	March 21, 2024	Appointment as the Whole Time Director
Yagati Badarinarayana Ramakrishna[1]	December 26, 2023	Appointment as an Additional Non-executive Independent Director
Anand Murugan Jakkampati Durairaj[2]	December 6, 2023	Appointment as an Additional Director
Mallikarjun Bhimappa Dyaberi[1]	December 6, 2023	Appointment as an Additional Non-executive Independent Director
Kanekal Chandrasekhar[3]	September 18, 2023	Appointment as an Additional Non-executive Independent Director
Sushmitha Vijaykumar Nirani[3]	September 18, 2023	Appointment as an Additional Non-Executive Director
Sangamesh Rudrappa Nirani	September 18, 2023	Resignation as a Director
Vijaykumar Murugesh Nirani[4]	December 1, 2022	Appointment as the Managing Director

[1]The Shareholders regularised their appointment as Non-Executive Independent Director in the EGM held on January 31, 2024.
[2]The Shareholders regularised his appointment as Executive Director in the EGM held on January 31, 2024.
[3]The Shareholders regularised his appointment as Non-Executive Independent Director in the AGM held on November 13, 2023.
[4]The Shareholders re-designated his appointment as Managing Director in the EGM held on November 28, 2022.
[5]The Shareholders regularised his appointment as the Whole Time Director in the EGM held on May 10, 2024.

Corporate Governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares of face value of ₹ 10 each on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable regulations in respect of corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, pertaining to the composition of the Board and constitution of the committees thereof.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations and the Companies Act, 2013.

Committees of our Board

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board-level committees:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders' Relationship Committee;
4. Corporate Social Responsibility Committee; and
5. IPO Committee.

1. Audit Committee

The Audit Committee was constituted by a resolution of our Board dated December 6, 2023. The current constitution of the Audit Committee is as follows:

Name of Director	Position in the committee	Designation
Kanekal Chandrasekhar	Chairman	Independent Director
Mallikarjun Bhimappa Dyaberi	Member	Independent Director
Vijaykumar Murugesh Nirani	Member	Managing Director

(i) The Audit Committee shall have powers, which should include the following:

a) To investigate any activity within its terms of reference;

b) To seek information that it properly requires from any employee of the Company or any associate or subsidiary, joint venture Company in order to perform its duties and all employees are directed by the Board to co-operate with any request made by the Committee from such employees;

c) To obtain outside legal or other professional advice;

d) To secure attendance of outsiders with relevant expertise, if it considers necessary and to seek their advice, whenever required;

e) To approve the disclosure of the Key Performance Indicators to be disclosed in the documents in relation to the initial public offering of the equity shares of the Company; and

f) Such powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

(ii) The role of the Audit Committee shall include the following:

a) Oversight of the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient, and credible;

b) Recommendation for appointment, re-appointment and replacement, remuneration and terms of appointment of auditors of the Company and the fixation of audit fee;

c) Approval of payments to statutory auditors for any other services rendered by the statutory auditors of the Company;

d) To approve the key performance indicators being included in the offer documents in connection with the proposed initial public offer by the Company;

e) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

(i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of section 134 of the Companies Act;

(ii) Changes, if any, in accounting policies and practices and reasons for the same;

(iii) Major accounting entries involving estimates based on the exercise of judgment by the management of the Company;

(iv) Significant adjustments made in the financial statements arising out of audit findings;

(v) Compliance with listing and other legal requirements relating to financial statements;

(vi) Disclosure of any related party transactions; and

(vii) modified opinion(s) in the draft audit report.

f) Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;

g) Monitoring the end use of funds raised through public offers and reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter. This also includes monitoring the use/ application of the funds raised through the proposed initial public offer by the Company;

h) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

i) Formulating a policy on related party transactions, which shall include materiality of related party transactions and the definition of material modifications of related party transactions;

j) Approval of any subsequent modifications of transactions of the Company with related parties and omnibus approval (in the manner specified under the SEBI Listing Regulations and Companies Act) for related party transactions proposed to be entered into by the Company. Provided that only those members of the committee, who are independent directors, shall approve related party transactions;

Explanation: The term "related party transactions" shall have the same meaning as provided in Regulation 2(1)(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act.

k) Approval of related party transactions to which the subsidiary(ies) of the Company is party but the Company is not a party, if the value of such transaction whether entered into individually or taken together with previous transactions during a financial year exceeds 10% of the annual consolidated turnover as per the last audited financial statements of the Company, subject to such other conditions prescribed under the SEBI Listing Regulations;

l) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;

m) Laying down the criteria for granting omnibus approval in line with the Company's policy on related party transactions;

n) Scrutiny of inter-corporate loans and investments;

o) Valuation of undertakings or assets of the company, wherever it is necessary;

p) Evaluation of internal financial controls and risk management systems;

q) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

r) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

s) Discussion with internal auditors of any significant findings and follow up there on;

t) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

u) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

v) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

w) Reviewing the functioning of the whistle blower mechanism;

x) Approval of the appointment of the Chief Financial Officer of the Company ("**CFO**") (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;

y) Ensuring that an information system audit of the internal system and process is conducted at least once in two years to assess operational risks faced by the Company;

z) Reviewing the utilization of loans and/or advances from/investment by the Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments existing as on the date of coming into force of this provision.

aa) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee and other terms of reference as may be decided by the Board and/or specified/provided under the Companies Act, the Listing Regulations or by any other regulatory authority;

bb) To formulate, review and make recommendations to the Board to amend the Audit Committee's terms of reference from time to time;

cc) Overseeing a vigil mechanism established by the Company, providing for adequate safeguards against victimisation of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee for directors and employees to report their genuine concerns or grievances;

dd) Reviewing the utilization of loans and/or advances from/investment by the Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments;

ee) Reviewing compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively;

ff) Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;

gg) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee; and

hh) Carrying out any other functions and roles as provided under the Companies Act, the SEBI Listing Regulations, each as amended and other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

(iii) The Audit Committee shall mandatorily review the following information:

a) Management discussion and analysis of financial condition and results of operations;

b) Management letters/letters of internal control weaknesses issued by the statutory auditors of the Company;

c) Internal audit reports relating to internal control weaknesses;

d) Any show cause, demand, prosecution and penalty notices against the Company or its Directors which are materially important including any correspondence with regulators or government agencies and any correspondence with regulators or government agencies and any published reports which raises material issues regarding the Company's financial statements or accounting policies;

e) Any material default in financial obligations by the Company;

f) Any significant or important matters affecting the business of the Company; and

g) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee;

h) Statement of deviations:

(i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and

(ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

(iv) To carry out such other functions as may be specifically referred to the Committee by the Board of Directors and/or other Committees of Directors of the Company; and

(v) To make available its terms of reference and review periodically those terms of reference and its own effectiveness and recommend any necessary changes to the Board.

2. Nomination and Remuneration Committee ("NRC")

The NRC was constituted by a resolution of our Board dated December 6, 2023. The current constitution of the NRC is as follows:

Name of Director	Position in the committee	Designation
Mallikarjun Bhimappa Dyaberi	Chairman	Independent Director
Kanekal Chandrasekhar	Member	Independent Director
Sushmitha Vijaykumar Nirani	Member	Non-Executive Director

The scope and function of the NRC is in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI Listing Regulations and its terms of reference are as follows:

(i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

a) use the services of an external agencies, if required;

b) consider candidates from a wide range of backgrounds, having due regard to diversity; and

c) consider the time commitments of the candidates.

(ii) Formulation of criteria for evaluation of performance of independent directors and the Board;

(iii) Devising a policy on Board diversity;

(iv) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;

(v) Analysing, monitoring and reviewing various human resource and compensation matters;

(vi) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

(vii) Recommending the remuneration, in whatever form, payable to the senior management personnel and other staff (as deemed necessary);

(viii) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;

(ix) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(x) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

(xi) Administering, monitoring and formulating the employee stock option scheme/plan approved by the Board and shareholders of the Company in accordance with the applicable laws:

a) Determining the eligibility of employees to participate under the ESOP Scheme;

b) Determining the quantum of option to be granted under the ESOP Scheme per employee and in aggregate;

c) Date of grant;

d) Determining the exercise price of the option under the ESOP Scheme;

e) The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;

f) The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;

g) The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;

h) The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

i) Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the market price of the equity shares;

j) The grant, vest and exercise of option in case of employees who are on long leave;

k) Allow exercise of unvested options on such terms and conditions as it may deem fit;

l) Formulate the procedure for funding the exercise of options;

m) The procedure for cashless exercise of options;

n) Forfeiture/ cancellation of options granted;

o) Formulate the procedure for buy-back of specified securities issued under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, if to be undertaken at any time by the Company, and the applicable terms and conditions, including:

- permissible sources of financing for buy-back;
- any minimum financial thresholds to be maintained by the Company as per its last financial statements; and
- limits upon quantum of specified securities that the Company may buy-back in a financial year.

p) Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration:

- the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the corporate action;
- for this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered; and
- the vesting period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option.

(xii) Construing and interpreting the ESOP Scheme and any agreements defining the rights and obligations of the Company and eligible employees under the ESOP Scheme, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the ESOP Scheme;

(xiii) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

(a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended;

(b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended; and

(c) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

by the Company and its employees, as applicable.

(xiv) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee;

(xv) engaging the services of any consultant/professional or other agency for the purpose of recommending compensation structure/policy; and

(xvi) Such terms of reference as may be prescribed under the Companies Act, SEBI Listing Regulations and other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

3. Corporate Social Responsibility Committee ("CSR Committee")

The CSR Committee was constituted by a resolution of our Board dated December 6, 2023. The current constitution of the CSR Committee is as follows:

Name of Director	Position in the committee	Designation
Sushmitha Vijaykumar Nirani	Chairman	Non-Executive Director
Mallikarjun Bhimappa Dyaberi	Member	Independent Director
Vijaykumar Murugesh Nirani	Member	Managing Director

The terms of reference of the CSR Committee framed in accordance with Section 135 of the Companies Act, 2013, shall be restated as under:

(i) To formulate and recommend to the board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act and the rules made thereunder, monitor the implementation of the same from time to time and make any revisions therein as and when decided by the Board;

(ii) To identify corporate social responsibility policy partners and corporate social responsibility policy programmes;

(iii) To review and recommend the amount of expenditure to be incurred for the corporate social responsibility activities and the distribution of the same to various corporate social responsibility programmes undertaken by the Company;

(iv) To formulate and recommend to the Board, an annual action plan in pursuance to the Corporate Social Responsibility Policy, which shall include the following, namely:

(a) the list of Corporate Social Responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in the Schedule VII of the Companies Act, 2013;

(b) the manner of execution of such projects or programmes as specified in Rule 4 of the Companies (Corporate Social Responsibility Policy) Rules, 2014;

(c) the modalities of utilization of funds and implementation schedules for the projects or programmes;

(d) monitoring and reporting mechanism for the projects or programmes; and

(e) details of need and impact assessment, if any, for the projects undertaken by the company.

Provided that the Board may alter such plan at any time during the financial year, as per the recommendations of the Corporate Social Responsibility Committee, based on the reasonable justification to that effect.

(v) To delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;

(vi) To review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes; and

(vii) To perform such other duties and functions as the Board may require the corporate social responsibility committee to undertake to promote the corporate social responsibility activities of the Company and exercise such other powers as may be conferred upon the CSR Committee in terms of the provisions of Section 135 of the Companies Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 or other applicable law.

4. Stakeholders Relationship Committee ("SRC")

The SRC was constituted by a resolution of our Board dated December 6, 2023. The current constitution of the SRC is as follows:

Name of Director	Position in the committee	Designation
Kanekal Chandrasekhar	Chairman	Independent Director
Mallikarjun Bhimappa Dyaberi	Member	Independent Director
Anand Murugan Jakkampati Durairaj	Member	Executive Director

The scope and function of the SRC is in accordance with Regulation 20 of the SEBI Listing Regulations and its terms of reference are as follows:

(i) Redressal of all security holders' and investors' grievances such as complaints related to transfer/transmission of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared

dividends, non-receipt of annual reports, general meetings etc., and assisting with quarterly reporting of such complaints;

(ii) Reviewing of measures taken for effective exercise of voting rights by shareholders;

(iii) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

(iv) To approve allotment of shares, debentures or any other securities as per the authority conferred / to be conferred to the Committee by the Board of Directors from time to time;

(v) To investigate complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

(vi) To approve requests for transfer, transposition, deletion, consolidation, sub-division, change of name, dematerialization, rematerialization etc. of shares, debentures and other securities;

(vii) Allotment and listing of shares;

(viii) To authorise affixation of common seal of the Company;

(ix) To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificates of the Company

(x) Ensure proper and timely attendance and redressal of investor queries and grievances

(xi) Giving effect to all allotments, transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated/new share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;

(xii) Reviewing the measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;

(xiii) Reviewing the adherence to the service standards by the Company with respect to various services rendered by the registrar and transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;

(xiv) Considering and specifically looking into various aspects of interest of shareholders, debenture holders or holders of any other securities;

(xv) Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;

(xvi) To further delegate all or any of the power to any other employee(s), officer(s), representative(s), consultant(s), professional(s) or agent(s); and

(xvii) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

5. IPO Committee

The IPO Committee was constituted by a resolution of our Board dated January 13, 2024. The current constitution of the IPO Committee is as follows:

Name of Director	Position in the committee	Designation
Vijaykumar Murugesh Nirani	Chairman	Managing Director
Vishal Nirani	Member	Executive Director
Kanekal Chandrasekhar	Member	Independent Director

The scope and function of the IPO Committee and its terms of reference are as follows:

(a) To take on record the number of Equity Shares proposed to be offered by the Selling Shareholder(s);

(b) To decide, negotiate and finalize, in consultation with the book running lead manager(s) appointed in relation to the Offer ("BRLMs"), on the size, timing (including opening and closing dates), pricing and all the terms and conditions of the Offer and transfer of the Equity Shares pursuant to the Offer, including without limitation the number of the Equity Shares to be issued or offered pursuant to the Offer (including any reservation, green shoe option and any rounding off in the event of any oversubscription), price and any discount as allowed under applicable laws that may be fixed, price band, allocation/allotment to eligible persons pursuant to the Offer, including any anchor investors, any rounding off in the event of any oversubscription, to permit existing shareholders to sell any Equity Shares held by them, determined in accordance with the applicable law, and to accept any amendments, modifications, variations or alterations thereto;

(c) To appoint, instruct and enter into arrangements with the BRLMs and in consultation with BRLMs, appoint and enter into agreements with intermediaries, including underwriters to the Offer, syndicate members to the Offer, brokers, escrow collection banks, bankers to the Offer, sponsor bank, auditors, independent chartered accountants, industry expert, depositories, custodians, registrar to the Offer, legal advisors, advertising agency(ies), printers and any other agencies or persons or intermediaries (including any replacements thereof) to the Offer whose appointment is required in relation to the Offer and to negotiate and finalise the terms of their appointment, including but not limited to execution of the engagement letter with the BRLMs, negotiation, finalisation and execution of the offer agreement with the BRLMs and Selling Shareholders, etc and the underwriting agreement with the underwriters, syndicate agreement, cash escrow and sponsor bank agreement, share escrow agreement, agreements with the registrar to the Offer and the advertising agency(ies) and all other agreements, documents, deeds, memorandum of understanding, engagement letters and other instruments whatsoever, any amendment(s) or addenda thereto or other instruments for such purpose, to remunerate all such intermediaries/agencies including the payments of commissions, brokerages, etc. and to terminate any agreements or arrangements with such intermediaries/ agents;

(d) To negotiate, finalise, settle, execute, terminate, amend and, deliver or arrange the delivery of the offer agreement, syndicate agreement, cash escrow and sponsor bank agreement, underwriting agreement, share escrow agreement, agreements with the registrar to the Offer and the advertising agency(ies) and all other documents, deeds, agreements, memorandum of understanding and other instruments whatsoever with the registrar to the Offer, legal advisors, auditors, stock exchange(s), BRLMs and any other agencies/intermediaries in connection with the Offer with the power to authorise one or more officers of the Company to negotiate, execute and deliver all or any of the aforesaid documents;

(e) To approve the relevant restated financial statements to be issued in connection with the Offer;

(f) To finalise, settle, approve and adopt, deliver and arrange for, in consultation with the BRLMs, submission of the DRHP, the RHP, the Prospectus, the abridged prospectus (including amending, varying or modifying the same, as may be considered desirable or expedient), confirmation of allocation notes and application forms, the preliminary and final international wrap and any amendments, supplements, notices, addenda or corrigenda thereto, for the Offer and take all such actions in consultation with the BRLMs as may be necessary for the submission and filing of these documents including incorporating such alterations/corrections/ modifications as may be required by SEBI, RoC, or any other relevant governmental and statutory authorities;

(g) To make applications to, seek clarifications and obtain approvals and seek exemptions from, if necessary, the Stock Exchanges, the Reserve Bank India, the SEBI, the RoC or any other statutory or governmental

authorities in connection with the Offer as required by applicable law, and to accept, on behalf of the Board, such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, exemptions, permissions and sanctions and, wherever necessary, incorporate such modifications / amendments / alterations / corrections as may be required in the DRHP, the RHP and the Prospectus;

(h) To approve any corporate governance requirements, code of conduct for the Board, officers and other employees of the Company that may be considered necessary by the Board or the IPO Committee or as may be required under the Applicable Laws or the listing agreement to be entered into by the Company with the relevant stock exchanges;

(i) To finalize and arrange for the submission of the DRHP to be submitted to the SEBI and the Stock Exchanges for receiving comments, the RHP and the Prospectus (including amending, varying or modifying the same, as may be considered desirable or expedient) to be filed with the RoC, the preliminary and final international wrap and any corrigendum, amendments and supplements thereto;

(j) To undertake as appropriate such communication with the Selling Shareholders as required under applicable law, including inviting the existing shareholders of the Company to participate in the Offer by making an offer for sale in relation to such number of Equity Shares held by them as may be deemed appropriate, and which are eligible for the offer for sale in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "SEBI ICDR Regulations"), and taking all actions as may be necessary or authorised in connection with any offer for sale;

(k) To take all actions as may be necessary and authorised in connection with the Offer for Sale and to approve and take on record the approval and intention of the Selling Shareholder(s) for offering their Equity Shares in the Offer for Sale and the transfer of Equity Shares in the Offer for Sale;

(l) To issue notices or advertisements in such newspapers and other media as it may deem fit and proper in consultation with the relevant intermediaries appointed for the Offer and in accordance with the SEBI ICDR Regulations, Companies Act, 2013, as amended and other applicable law;

(m) To decide the total number of Equity Shares to be reserved for allocation to eligible categories of investors, if any;

(n) To seek, if required, the consent and waivers of the lenders to the Company and its subsidiaries, as applicable, parties with whom the Company has entered into various commercial and other agreements including without limitation industry data providers, customers, suppliers, strategic partners of the Company, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in relation to the Offer or any actions connected therewith;

(o) To open and operate bank account(s) of the Company in terms of the escrow agreement for handling of refunds for the Offer and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

(p) To determine the amount, the number of Equity Shares, terms of the issue of the equity shares, the categories of investors for the Pre-IPO Placement as defined under regulation 2(eee) of SEBI ICDR Regulations, if any including the execution of the relevant documents with the investors , in consultation with the BRLMs, and rounding off, if any, in the event of oversubscription and in accordance with Applicable Laws;

(q) To determine and finalise the bid opening and bid closing dates (including bid opening and bid closing dates for anchor investors), the floor price/price band for the Offer (including issue price for anchor investors), approve the basis of allotment and confirm allocation/allotment of the equity shares to various categories of persons as disclosed in the DRHP, the RHP and the Prospectus, in consultation with the BRLMs and the Selling Shareholders (to the extent applicable) and do all such acts and things as may be

necessary and expedient for, and incidental and ancillary to the Offer including any alteration, addition or making any variation in relation to the Offer;

(r) all actions as may be necessary in connection with the Offer, including extending the Bid/Offer period, revision of the price band, allow revision of the Offer portion in case any Selling Shareholder decides to revise it, in accordance with the applicable laws;

(s) To do all such acts, deeds, matters and things and execute all such other documents, etc., as it may, in its absolute discretion, deem necessary or desirable for the Offer, in consultation with the Selling Shareholders and BRLMs, including without limitation, determining the anchor investor portion and allocation to anchor investors, finalising the basis of allocation and allotment of Equity Shares to the successful allottees and credit of Equity Shares to the demat accounts of the successful allottees in accordance with Applicable Laws;

(t) To issue receipts/allotment letters/confirmations of allotment notes either in physical or electronic mode representing the underlying Equity Shares and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of the Company to sign all or any of the aforestated documents;

(u) To make applications to the Stock Exchanges for in-principle and final approval for listing of its equity shares and to execute and to deliver or arrange the delivery and file such papers and documents with the Stock Exchanges, including a copy of the DRHP filed with the Securities Exchange Board of India, as may be required for the purpose;

(v) To make applications for listing of the Equity Shares on one or more recognised stock exchange(s) and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s) and to take all such other actions as may be necessary in connection with obtaining such listing, including, without limitation, entering into the listing agreements;

(w) To do all such deeds and acts as may be required to dematerialise the Equity Shares of the Company and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with National Securities Depository Limited, Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, as may be required in this connection with power to authorise one or more officers of the Company to execute all or any of the aforestated documents;

(x) To authorise and approve, in consultation with the BRLMs, the incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;

(y) To authorise and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations"), Companies Act, 2013, as amended and other applicable laws;

(z) To settle any question, difficulty or doubt that may arise in connection with the Offer including the issue and allotment of the Equity Shares as aforesaid in consultation with the BRLMs and to further delegate the powers conferred hereunder subject to such restrictions and limitations as it may deem fit and in the interest of the Company and to the extent allowed under applicable laws and to do all such acts and deeds in connection therewith and incidental thereto, as the Committee may in its absolute discretion deem fit;

(aa) To execute and deliver and/or to authorise and empower officers of the Company (each, an "Authorised Officer") for and on behalf of the Company to execute and deliver, any and all other documents or instruments and doing or causing to be done any and all acts or things as the IPO Committee and/or Authorised Officer may deem necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee and/or Authorised

Officer shall be conclusive evidence of the authority of the IPO Committee and/or Authorised Officer and Company in so doing.

(bb) To withdraw the DRHP or the RHP or not to proceed with the Offer at any stage, if considered necessary and expedient, in accordance with Applicable Laws.

(cc) To submit undertakings/certificates or provide clarifications to the Securities Exchange Board of India and the stock exchanges where the Equity Shares of the Company are proposed to be listed."

(dd) To delegate any of its powers set out hereinabove, as may be deemed necessary and permissible under Applicable Laws to the officials of the Company.

(ee) To take all other actions as may be necessary in connection with the Offer.

6. Risk Management Committee ("RMC")

The RMC was constituted by a resolution of our Board dated February 19, 2025. The current constitution of the RMC is as follows:

Name of Director	Position in the committee	Designation
Vijaykumar Murugesh Nirani	Chairman	Managing Director
Vishal Nirani	Member	Executive Director
Kanekal Chandrasekhar	Member	Independent Director

The scope and function of the RMC and its terms of reference are as follows:

(i) To formulate a detailed risk management policy which shall include:

- framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, Environmental, Social and Governance (ESG) related risks), information, cyber security risks or any other risk as may be determined by the Committee;
- Measures for risk mitigation including systems and processes for internal control of identified risks; and
- Business continuity plan.

(ii) To approve major decisions affecting the risk profile or exposure and give appropriate directions;

(iii) To consider the effectiveness of decision making process in crisis and emergency situations;

(iv) To balance risks and opportunities;

(v) To generally, assist the Board in the execution of its responsibility for the governance of risk;

(vi) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(vii) To set out risk assessment and minimization procedures and the procedures to inform the Board of the same;

(viii) To monitor the Company's compliance with the risk structure. Assess whether current exposure to the risks it faces is acceptable and that there is an effective remediation of non-compliance on an on-going basis;

(ix) To review and recommend potential risk involved in any new business plans and processes;

(x) To review the Company's risk-reward performance to align with the Company's overall policy objectives;

(xi) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(xii) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(xiii) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(xiv) To review and recommend potential risk involved in any new business plans and processes;

(xv) The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary;

(xvi) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors;

(xvii) To advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and

(xviii) The appointment, removal and terms of remuneration of the Chief Risk Officer shall be subject to review by the Risk Management Committee.

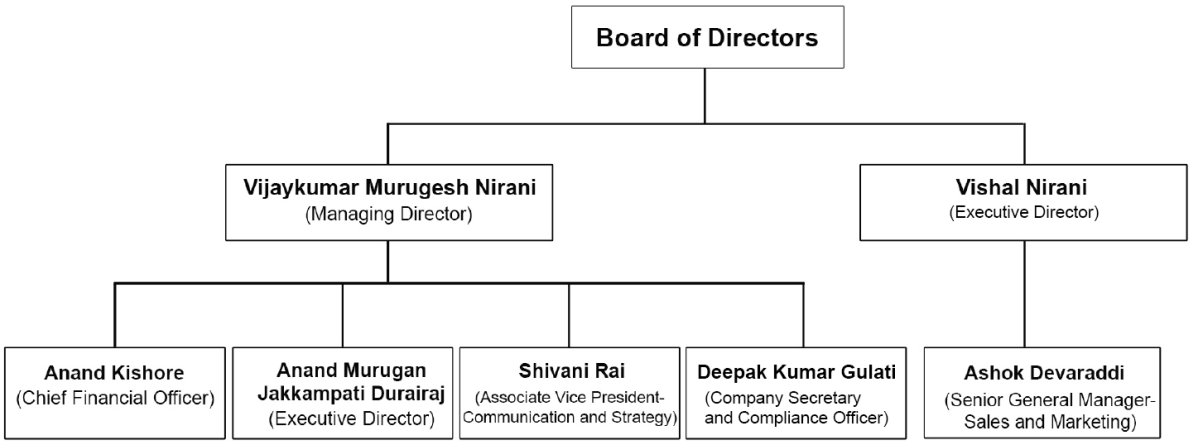
(xix) To seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

(xx) Laying down risk assessment and minimization procedures and the procedures to inform Board of the same;

(xxi) Framing, implementing, reviewing and monitoring the risk management plan for the Company and such other functions, including cyber security; and

(xxii) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Risk Management Committee or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

MANAGEMENT ORGANIZATION CHART



KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

In addition to (i) Vijaykumar Murugesh Nirani, our Managing Director and (ii) Vishal Nirani, our Executive Director whose details are provided in "-*Brief profiles of our Directors*" on page 354, the details of our Key Managerial Personnel and Senior Management as on the date of this Red Herring Prospectus are provided below:

Past business experience, functions and areas of experience in the Company

None of our key managerial personnel and senior management have past business experience, functions and area of experience in the Company.

Brief Profiles of our Key Managerial Personnel

Deepak Kumar Gulati is the Company Secretary and Compliance Officer of our Company. He joined our Company with effect from September 6, 2025. He holds a bachelor's degree in law from Chaudhary Charan Singh University, Meerut and bachelor's degree in commerce from University of Delhi. He also holds a master's degree in law from Kurukshetra University, Kurukshetra. He is an associate member of the ICSI. He has 16 years of experience in the field of compliance, law and secretarial assignments. He was previously associated with Lexansh LLP as a Partner, with Grip Invest Technologies Private Limited as a senior manager compliance, with Gujarat Hotels Limited (Unit of ITC Limited) as their compliance officer, with Religare Securities Limited, as manager compliance, with Intertrustviteos Corporate and Fund Services Private Limited as a manager, with Indus Portfolio Private Limited as their company secretary and with HeroMoto Corp as its management trainee. He was not paid any remuneration for Fiscal 2025 by our Company. He is a permanent employee of our Company.

Anand Kishore is the Chief Financial Officer of our Company. He joined our Company with effect from February 19, 2024. He holds a bachelor's degree in commerce from Patna University. He holds a master's degree in business administration from the ICFAI University, Dehradun. He holds JAIIB certification and CAIIB International Banking certification from the Indian Institute of Banking and Finance. He has 15 years of experience in the field of finance. He was associated with South Indian Bank, Corporation Bank and Union Bank, in the past as assistant general manager. His gross remuneration for Fiscal 2025 was ₹65.51 lakhs. He is a permanent employee of our Company.

Brief Profiles of our Senior Management

Ashok Devaraddi is a senior general manager handling sales and marketing initiatives of our Company. He joined our Company with effect from April 1, 2024. He holds a bachelor's degree in commerce from the Karnatak University and a master's degree in business administration from the Shivaji University, Kolhapur. He has 30 years of experience in the field of sales and marketing. He was associated with Shri Prabhulingeshwar Sugars and Chemicals Limited, in the past in his capacity as an assistant manager - sales and export. His gross remuneration for Fiscal 2025 was ₹33.71 lakhs. He is a permanent employee of our Company.

Shivani Rai is an associate vice president handling communications and strategy initiatives of our Company. She joined our Company with effect from August 18, 2023. She holds a bachelor's degree in business administration from the Shivaji University, Kolhapur. She has 12 years of experience in strategic planning, brand management, marketing, communications and media relations. She was associated with the Excel Engineers and Consultants, in the past as an assistant vice president – business development. Her gross remuneration for Fiscal 2025 was ₹ 32.28 lakhs. She is a permanent employee of our Company.

Status of the Key Managerial Personnel and Senior Management

All our Key Managerial Personnel and Senior Management are permanent employees of our Company.

Retirement and termination benefits

Except applicable statutory and contractual benefits, none of our Key Managerial Personnel and Senior Management would receive any benefits on their retirement or on termination of their employment with our Company.

Relationships between the Directors, Key Managerial Personnel or Senior Management

Except as stated below, none of our Directors, Key Managerial Personnel or Senior Management are related to any of our Directors, or other Key Managerial Personnel and Senior Management.

S. No.	Name of Directors / Key Managerial Personnel / Senior Management	Nature of Relationship
1.	Vijaykumar Murugesh Nirani and Vishal Nirani	Vijaykumar Murugesh Nirani is the brother of Vishal Nirani
2.	Vijaykumar Murugesh Nirani and Sushmita Vijaykumar Nirani	Vijaykumar Murugesh Nirani is the husband of Sushmita Vijaykumar Nirani
3.	Vishal Nirani and Sushmitha Vijaykumar Nirani	Vishal Nirani is the brother-in-law of Sushmitha Vijaykumar Nirani

Arrangements and understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel or Senior Management have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

Shareholding of the Key Managerial Personnel and Senior Management

As on the date of this RHP, except as stated below, none of the Key Managerial Personnel or Senior Management hold any Equity Shares:

S. No.	Name of the Key Managerial Personnel / Senior Management	Number of Equity Shares of face value of ₹10 each	Percentage of pre-Offer Equity Share capital (%)
1.	Vijaykumar Murugesh Nirani	1,53,36,841	21.71
2.	Vishal Nirani	1,53,25,071	21.70
3.	Anand Kishore	Nil	Nil
4.	Deepak Kumar Gulati	Nil	Nil
5.	Ashok Devaraddi	Nil	Nil
6.	Shivani Rai	Nil	Nil
Total		**3,06,61,912**	**43.41**

Contingent and deferred compensation payable to Key Managerial Personnel and Senior Management

There is no contingent or deferred compensation payable to our Key Managerial Personnel and Senior Management, that does not form part of their remuneration.

Bonus or profit-sharing plan of the Key Managerial Personnel and Senior Management

Our Company does not have any performance linked bonus or a profit-sharing plan for our Key Managerial Personnel and Senior Management.

Interest of Key Managerial Personnel and Senior Management

Except for Vijaykumar Murugesh Nirani and Vishal Nirani, who are promoters of our Company, all of our Key Managerial Personnel and Senior Management are interested in our Company only to the extent of the remuneration or benefits to which they are entitled in accordance with the terms of their appointment or reimbursement of expenses incurred by them during the ordinary course of business by our Company or the Equity Shares of face value of ₹ 10 each held by them, if any, any dividend payable to them and other benefits arising out of such shareholding.

Except for Vijaykumar Murugesh Nirani and Vishal Nirani, who are promoters of our Company, none of our Key Managerial Personnel and Senior Management have been paid any consideration of any nature by our Company other than remuneration in the ordinary course of their employment. For details, see – **"-***Interest of Directors" and "Our Promoters and Promoter Group – Interests of Promoters"* on pages 357 and 379, respectively.

Except as disclosed below, as on the date of this Red Herring Prospectus, there is no conflict of interest between the suppliers of raw materials and third-party service providers (crucial for operations of the company) and our Key Managerial Personnel and Senior Management:

Vijaykumar Murugesh Nirani and Vishal Nirani, two of our Key Managerial Personnel, are also directors and shareholders of Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), one of the suppliers of raw materials and third party service providers of our Company.

Except as disclosed below, as on the date of this Red Herring Prospectus, there is no conflict of interest between the lessor of the immovable properties, (crucial for operations of the Company) and our Key Managerial Personnel and Senior Management:

Vijaykumar Murugesh Nirani and Vishal Nirani, two of our Key Managerial Personnel, are also directors and shareholders of Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), the lessor of immovable property where the Corporate Office and the Registered Office of our Company is located.

None of our Directors and KMPs are nominated by Shareholders of the Company.

Changes in the Key Managerial Personnel or Senior Management in last three years

The changes to our Key Managerial Personnel or Senior Managerial Personnel during the three years immediately preceding the date of this Red Herring Prospectus are set forth below:

Name	Date of appointment/cessation	Reason
Deepak Kumar Gulati	September 6, 2025	Appointment as Company Secretary
Vishal Nirani	July 26, 2025	Redesignation from Whole Time Director to Executive Director
Sudheer Sannapaneni	May 31, 2025	Resignation on account of personal reasons
Anand Kishore	February 19, 2025	Appointed as Chief Financial Officer
Debnath Mukhopadhyay	January 8, 2025	Resignation on account of personal reasons
Sudheer Sannapaneni	August 13, 2024	Appointment as Company Secretary
Mohith Kumar Khandelwal	August 13, 2024	Resignation on account of personal reasons
Mohith Kumar Khandelwal	July 22, 2024	Appointment as Company Secretary
Sudheer Sannapaneni	July 22, 2024	Resignation on account of personal reasons
Ashok Devaraddi	April 1, 2024	Appointment as senior general manager – sales and marketing
Vishal Nirani	March 21, 2024	Appointment as Whole Time Director
Shivani Rai	August 18, 2023	Appointment as associate vice president – communications and strategy
Sudheer Sannapaneni	July 1, 2023	Appointment as Company Secretary
Manali Gajanan Velangi	June 24, 2023	Resignation on account of personal reasons
Debnath Mukhopadhyay	May 8, 2023	Appointment as Chief Financial Officer
Manali Gajanan Velangi	April 1, 2023	Appointment as Company Secretary
Vijaykumar Murugesh Nirani	December 1, 2022	Appointment as Managing Director

Payment or benefit to officers of our Company (non-salary related)

No amount or benefit has been paid or given since incorporation or intended to be paid or given to any officer of the Company, including our Key Managerial Personnel and Senior Management other than normal remuneration and other than as disclosed in "*Financial Information –Related Party Transactions*" on page 431.

The rate of attrition of our Key Managerial Personnel and Senior Management is not high in comparison to the industry in which we operate.

OUR PROMOTERS AND PROMOTER GROUP

Promoters

Vijaykumar Murugesh Nirani, Vishal Nirani and Sushmitha Vijaykumar Nirani are the Promoters of our Company. As on date of this Red Herring Prospectus, our Promoters hold 4,52,36,780 Equity Shares of face value of ₹ 10 each, representing 64.05% of the pre – Offer issued, subscribed and paid – up Equity Share capital of our Company. For details, please see "*Capital Structure – Build-up of Promoters' shareholding, Minimum Promoter's Contribution and lock-in*" on page 124.

Details of our Promoters are as follows:

Vijaykumar Murugesh Nirani



Vijaykumar Murugesh Nirani, aged 31 years, is the Managing Director of our Company.

Permanent Account Number: ARTPN6115H

For further details in respect of his date of birth, personal address, educational qualifications, professional experience, positions/ posts held in the past, other directorships, special achievements, business and financial activities, see "*Our Management*" on page 352.

Vishal Nirani



Vishal Nirani, aged 27 years, is the Executive Director of our Company.

Permanent Account Number: BCPPN7648F

For further details in respect of his date of birth, personal address, educational qualifications, professional experience, positions/ posts held in the past, other directorships, special achievements, business and financial activities, see "*Our Management*" on page 352.

Sushmitha Vijaykumar Nirani



Sushmitha Vijaykumar Nirani, aged 30 years, is the Non-Executive Director of our Company.

Permanent Account Number: FHXPS3603C

For further details in respect of her date of birth, personal address, educational qualifications, professional experience, positions/ posts held in the past, other directorships, special achievements, business and financial activities, see "*Our Management*" on page 352.

Our Company confirms that the permanent account numbers, bank account numbers, passport numbers, Aadhaar card numbers and driving license numbers of Vijaykumar Murugesh Nirani, Vishal Nirani and Sushmitha

Vijaykumar Nirani were submitted to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus.

Change in control of our Company

Except as disclosed below, there has been no change in the management or control of our Company since the incorporation of our Company:

Through resolution of our Board of Directors dated March 31, 2023, Sushmitha Vijaykumar Nirani was classified as a Promoter of the Company in place of Sangamesh Rudrappa Nirani.

Experience of our Promoters in the business of our Company

Our Promoters have relevant experience in the business of our Company. For further details, please see *"Our Business – Competitive Strengths – Skilled and experienced Promoters and management team, with committed employee base"* on page 165.

Other ventures of our Promoters

Other than as disclosed in *"– Promoter Group"* below and in *"Our Management – Board of Directors"* on page 352, our Promoters are not involved in any other ventures.

Interests of Promoters

Our Promoters are interested in our Company to the extent (i) that they have promoted our Company; (ii) their shareholding in our Company; (iii) the dividends payable thereon; (iv) any other distributions in respect of their shareholding in our Company; and (v) shareholding of their relatives and entities in which they have interest. For further details, see *"Capital Structure – Equity shareholding of our Promoters and Promoter Group"* beginning on page 127.

Additionally, our Promoters may be interested in transactions entered into by our Company with other entities (i) in which our Promoters hold shares, or (ii) controlled by our Promoters. For further details of interest of our Promoters in our Company, see *"Related Party Disclosures*" on page 431. Our Promoters, Vijaykumar Murugesh Nirani, Vishal Nirani and Sushmitha Vijaykumar Nirani, in their capacity as directors or shareholders of Erstwhile NSL, MRN and SSPSL, were interested in (i) master supply agreement dated August 31, 2023 among our Company and NSL ("**Erstwhile NSL MSA**"), (ii) master supply agreement dated August 31, 2023 among our Company and MRN ("**MRN MSA**"), and (iii) master supply agreement dated August 31, 2023 among our Company and SSPSL ("**SSPSL MSA**"), in relation to supply of certain goods and services, including raw materials, by NSL, MRN and SSPSL, respectively, to our Company. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, NSL, MRN and SSPSL stand merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024. Further, our Promoters, Vijaykumar Murugesh Nirani, Vishal Nirani and Sushmitha Vijaykumar Nirani, in their capacity as current directors or shareholders of Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), are interested in the master supply agreement dated April 25, 2024 among our Company and Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) ("**NSL MSA**"), in relation to supply of certain goods and services, including raw materials, by Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) to our Company. For details of NSL MSA, please see, "*History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. since inception"* on page 331.

Our Promoters, Vijaykumar Murugesh Nirani, Vishal Nirani and Sushmitha Vijaykumar Nirani are also interested in our Company as Directors and two of our Promoters, Vijaykumar Murugesh Nirani and Vishal Nirani are also interested in our Company as Key Managerial Personnel of our Company and may be deemed to be interested in the remuneration/fees payable to them individually and the reimbursement of expenses incurred by them in their capacity as Directors and Key Managerial Personnel, as applicable. Our Promoters are not entitled to remuneration from our Subsidiary as on the date of this Red Herring Prospectus. For further details, see "*Our Management*" on

page 352.

No sum has been paid or agreed to be paid to our Promoters or to any firm or company in which our Promoters are interested, in cash or shares or otherwise by any person, either to induce them to become or to qualify them, as a director or Promoters or otherwise for services rendered by such Promoters, or by such firm or company, in connection with the promotion or formation of our Company.

Except for Vijaykumar Murugesh Nirani and Vishal Nirani, who are directors of Leafiniti, none of our Promoters have any other interest in any venture that is involved in any activities similar to those conducted by our Company. For further details, please see "*Risk Factors - Our Promoters, Directors, Key Managerial Personnel and other key executives of our Company and Subsidiary may enter into ventures that may lead to real or potential conflicts of interest with our business. Further, conflicts of interest may arise out of common business objects between our Company, Subsidiary and Group Company"* on page 76.

Except as disclosed below, as on the date of this Red Herring Prospectus, there is no conflict of interest between the suppliers of raw materials and third party service providers (crucial for operations of the company) and our Promoters and members of our Promoter Group:

Vishal Nirani, one of our Promoters, is also a director and shareholder, of Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) and Vijaykumar Murugesh Nirani, one of our Promoters, and Murugesh Rudrappa Nirani, Kamala Murugesh Nirani, Sangamesh Rudrappa Nirani and Dhraksayani Sangamesh Nirani, members of our Promoter Group, are also shareholders, of Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), one of the suppliers of raw materials and third party service providers of our Company.

Except as disclosed below, as on the date of this Red Herring Prospectus, there is no conflict of interest between the lessor of the immovable properties, (crucial for operations of the Company) and our Promoters and members of the Promoter Group:

Vishal Nirani, one of our Promoters, is also a director and shareholder, of Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) and Vijaykumar Murugesh Nirani, one of our Promoters, and Murugesh Rudrappa Nirani, Kamala Murugesh Nirani, Sangamesh Rudrappa Nirani and Dhraksayani Sangamesh Nirani, members of our Promoter Group, are also shareholders, of Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), the lessor of immovable property where the Corporate Office and the Registered Office of our Company is located.

Interest in property, land, construction of building and supply of machinery

Except under the MRN BTA, Erstwhile NSL BTA and SSPSL BTA in their capacity as erstwhile directors and shareholders of MRN, Erstwhile NSL and SSPSL, and as disclosed in "*Summary of the Offer Document - Summary of Related Party Transactions*" and "*Restated Financial Information*" on pages 28 and 399, respectively, our Promoters have no interest in any property acquired by our Company during the three years preceding the date of this Red Herring Prospectus, or proposed to be acquired, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Erstwhile NSL, MRN and SSPSL stand merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024. For details of MRN BTA, Erstwhile NSL BTA and SSPSL BTA, please see, "*History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. since inception"* on page 331. For details of the properties acquired pursuant to the MRN BTA, Erstwhile NSL BTA and SSPSL BTA, please see, "*Our Business – Properties*" on page 319.

Further, pursuant to two sale deeds, each dated September 12, 2023, our Company acquired two parcels of land admeasuring 2 acres and 20 guntas from one of our Promoters, Vishal Nirani, for consideration aggregating to ₹ 14.00 lakhs. Additionally, our Promoters, Vijaykumar Murugesh Nirani, Vishal Nirani and Sushmitha Vijaykumar Nirani are also indirectly interested in the acquisition of certain parcels of land admeasuring 10 acres and 17 guntas and 8 acres and 2 guntas by our Company from Shree Kedarnath Sugar and Agro Products Limited and Badami

Sugars Limited, respectively, for consideration aggregating to ₹ 801.12 lakhs and ₹ 391.00 lakhs, respectively, by virtue of them being shareholders and / or directors of Shri Sai Priya Sugars Limited, which in turn was a majority shareholder of Shree Kedarnath Sugar and Agro Products Limited and Badami Sugars Limited.

Payment or benefits to Promoters or Promoter Group

Except under the MRN BTA, Erstwhile NSL BTA, SSPSL BTA, MRN TSA, Erstwhile NSL TSA, SSPSL TSA, MRN MSA, Erstwhile NSL MSA, SSPSL MSA and NSL MSA and as disclosed in "*Summary of the Offer Document - Summary of Related Party Transactions*" and "*Restated Financial Information*" on pages 28 and 399, respectively, no amount or benefit has been paid or given by our Company or our Subsidiary to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Red Herring Prospectus. As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Erstwhile NSL, MRN and SSPSL stand merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024. For details of MRN BTA, Erstwhile NSL BTA, SSPSL BTA, MRN TSA, Erstwhile NSL TSA, SSPSL TSA and Erstwhile NSL MSA, please see, "*History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. since inception"* on page 331.

Further, our Company paid consideration aggregating to ₹ 111.00 lakhs and ₹ 119.00 lakhs, respectively, in relation to acquisition of certain parcels of land admeasuring 2 acres and 31 guntas and 2 acres and 39 guntas, respectively, from two members of our Promoter Group, Sangamesh Rudrappa Nirani and Kamala Murugesh Nirani, respectively, pursuant to two sale deeds, each dated June 1, 2024. Our Company also paid an aggregate consideration of ₹ 340.50 lakhs in relation of acquisition of certain parcels of land admeasuring 7 acres from a member of our Promoter Group, Sangamesh Rudrappa Nirani, pursuant to a sale deed dated June 2, 2023.

Companies or firms with which our Promoters have disassociated in the last three years

Except as disclosed below, none of our Promoters have dissociated themselves from any companies or firms in the three years preceding the date of this Red Herring Prospectus:

Sr. No	Name of the Promoter	Name of the company or firm	Date of disassociation	Reason for disassociation
1.	Vijaykumar Murugesh Nirani	Erstwhile Nirani Sugars Limited*	January 10, 2024	Amalgamated
		Shri Sai Priya Sugars Limited*	January 10, 2024	Amalgamated
		MRN Cane Power India Limited*	January 10, 2024	Amalgamated
		Shree Kedarnath Sugar and Agro Products Limited*	January 10, 2024	Amalgamated
		Badami Sugars Limited*	January 10, 2024	Amalgamated
		Turaco Spirits Private Limited	July 31, 2023	Sale of stake
		Nirani Energy Private Limited	March 18, 2024	Resignation from directorship
		Turaco Spirits Private Limited	July 19, 2023	Resignation from directorship
2.	Vishal Nirani	Erstwhile Nirani Sugars Limited*	January 10, 2024	Amalgamated
		Shri Sai Priya Sugars Limited*	January 10, 2024	Amalgamated
		MRN Cane Power India Limited*	January 10, 2024	Amalgamated
		Shree Kedarnath Sugar and Agro Products Limited*	January 10, 2024	Amalgamated
		Badami Sugars Limited*	January 10, 2024	Amalgamated
		Nadahalli Ethanol and Allied Industries Limited	May 03, 2024	Resignation from directorship
		Nirani Energy Private Limited	March 18, 2024	Resignation from directorship
		Flavourite Delicacies LLP	January 30, 2025	Resignation from LLP
3.	Sushmitha Vijaykumar Nirani	Shri Sai Priya Sugars Limited*	January 10, 2024	Amalgamated
		Erstwhile Nirani Sugars Limited*	January 10, 2024	Amalgamated
		MRN Cane Power India Limited*	January 10, 2024	Amalgamated

**As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Erstwhile Nirani Sugars Limited, Shri Sai Priya Sugars Limited and MRN Cane Power India Limited stand merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and*

Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

Material guarantees

Except as disclosed in "*Capital Structure – Details of pledge of Equity Shares held by our Promoters*" on page 126, as on the date of this Red Herring Prospectus, our Promoters have not given any material guarantee to any third party with respect to the Equity Shares.

Other confirmations

Our Promoters are not Wilful Defaulters or Fraudulent Borrowers.

Our Promoters are not Fugitive Economic Offenders.

Our Promoters and members of the Promoter Group have not been prohibited or debarred from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by SEBI, or any other securities market regulator or any other authority, court or tribunal inside and outside India.

Our Promoters are not, and have not been in the past, a promoter or a director of any other company which is prohibited or debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Promoter Group

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

Natural persons who are part of the Promoter Group

The natural persons who are part of the Promoter Group are as follows:

Sr. No	Name of the Promoter	Name of member of Promoter Group	Relationship with the Promoter
1.	Vijaykumar Murugesh Nirani	Murugesh Rudrappa Nirani	Father
		Kamala Murigeppa Nirani	Mother
		Sushmitha Vijaykumar Nirani	Spouse
		Vishal Nirani	Brother
		Samarth V Nirani	Son
		Veer V Nirani	Son
		Prasanna Kumar GM	Spouse's Father
		Sheela GP	Spouse's Mother
		Mallikarjun GP	Spouse's Brother
2.	Vishal Nirani	Murugesh Rudrappa Nirani	Father
		Kamala Murigeppa Nirani	Mother
		Vijaykumar Murugesh Nirani	Brother
		Shreya Koujalagi	Spouse
		Veerendra Basavaraj Koujalagi	Spouse's Father
		Rajshri Koujalagi	Spouse's Mother
		Yashveer Koujalagi	Spouse's Brother
		Yuvraj Koujalagi	Spouse's Brother
3.	Sushmitha Vijaykumar Nirani	Prasanna Kumar GM	Father
		Sheela GP	Mother
		Mallikarjun GP	Brother
		Vijaykumar Murugesh Nirani	Spouse
		Samarth V Nirani	Son
		Veer V Nirani	Son
		Murugesh Rudrappa Nirani	Spouse's Father
		Kamala Murigeppa Nirani	Spouse's Mother
		Vishal Nirani	Spouse's Brother

Persons whose shareholding is aggregated under the shareholding of the Promoter Group

Sr. No	Name of the Promoter Group member
1.	Sangamesh Rudrappa Nirani
2.	Dhraksayani Sangamesh Nirani
3.	Nirani Sugars Limited (*formerly known as MRN Chamundi Canepower and Biorefineries Limited*)

Entities forming part of the Promoter Group

As of the date of this Red Herring Prospectus, the companies, bodies corporate, firm, and HUF forming part of our Promoter Group are as follows:

Sr. No	Name of the Promoter	Name of the entity
1.	Vijaykumar Murugesh Nirani	1. Swarnim Merchants Private Limited 2. Nirani Holdings Private Limited 3. MRN Finance (India) Private Limited 4. Nirani Hospitality Private Limited 5. TruAlt Gas Private Limited 6. Accutrade Global LLP 7. Srishyla Farms Private Limited 8. Shailendra Techno Park Private Limited 9. GM Sugar and Energy Limited 10. GEM Laboratories Private Limited 11. GM Spl Infra Developers Private Limited 12. Palika Hotels Private Limited 13. Bgm Properties Private Limited 14. GM Software Private Limited 15. GEM International Private Limited 16. Trishul Arecanut Granule Private Limited 17. Srishaila Bio Industries LLP 18. Vani Sugar and Ethanol Private Limited 19. GM Investment and Advisory Private Limited 20. GEM Petro E&P Private Limited 21. GM Global Products and Sales Private Limited 22. GM AMR Areca Agencies 23. Sri Prasanna Traders 24. G Mallikarjunappa and Sons 25. Pathi Builders & Developers 26. GEM Estates 27. AMR Agro Industries 28. GM Prasanna HUF 29. Sri Prasanna Arecanut Traders 30. Sri Marulasiddeshwara Areacanut Traders
2.	Vishal Nirani	1. Swarnim Merchants Private Limited 2. Nirani Holdings Private Limited 3. MRN Finance (India) Private Limited 4. Nirani Hospitality Private Limited 5. TruAlt Gas Private Limited 6. Accutrade Global LLP 7. Fasteners and Allied Products Private Limited 8. Regent Flowchem Equipments Private Limited 9. Ukem Agre Infra Limited 10. Yashveer Exim LLP 11. Yuvraj Trading Co (*partnership firm*) 12. Shri Laxmi Trading Co (*sole proprietorship*) 13. Shri Laxmi Trading Co (*partnership firm*) 14. Shreyalaxmi Properties (*sole proprietorship*) 15. Shree Trading Co (*partnership firm*) 16. Basav S and Works (*partnership firm*) 17. S L Flow Controls (*partnership firm*)
3.	Sushmitha Vijaykumar Nirani	1. Swarnim Merchants Private Limited 2. Nirani Holdings Private Limited 3. MRN Finance (India) Private Limited 4. Nirani Hospitality Private Limited 5. TruAlt Gas Private Limited

Sr. No	Name of the Promoter	Name of the entity
		6. Accutrade Global LLP 7. Srishyla Farms Private Limited 8. Shailendra Techno Park Private Limited 9. GM Sugar and Energy Limited 10. GEM Laboratories Private Limited 11. GM Spl Infra Developers Private Limited 12. Palika Hotels Private Limited 13. Bgm Properties Private Limited 14. GM Software Private Limited 15. GEM International Private Limited 16. Trishul Arecanut Granule Private Limited 17. Srishaila Bio Industries LLP 18. Vani Sugar and Ethanol Private Limited 19. GM Investment and Advisory Private Limited 20. GEM Petro E&P Private Limited 21. GM Global Products and Sales Private Limited 22. GM AMR Areca Agencies 23. Sri Prasanna Traders 24. G Mallikarjunappa and Sons 25. Pathi Builders & Developers 26. GEM Estates 27. AMR Agro Industries 28. GM Prasanna HUF 29. Sri Prasanna Arecanut Traders 30. Sri Marulasiddeshwara Areacanut Traders

OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations, the term "group companies", includes (i) such companies (other than promoters and subsidiary) with which there were related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the relevant issuer company.

Accordingly, all such companies with which our Company had related party transactions as covered under the relevant accounting standard (i.e., Ind AS 24), as per the Restated Financial Statements, have been considered as Group Companies in terms of the SEBI ICDR Regulations.

Based on the above, the Companies with which our Company had related party transactions as covered under the relevant accounting standard (i.e., Ind AS 24), as per the Restated Financial Statements, are:

1. Erstwhile Nirani Sugars Limited;
2. MRN Cane Power (India) Limited;
3. Shri Sai Priya Sugars Limited;
4. Badami Sugars Limited;
5. Shree Kedarnath Sugar and Agro Products Limited;
6. Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited);
7. Nirani Holdings Private Limited; and
8. TruAlt Gas Private Limited.

However, Erstwhile Nirani Sugars Limited ("**Erstwhile NSL**"), MRN Cane Power (India) Limited ("**MRN**"), Shri Sai Priya Sugars Limited ("**SSPSL**"), Badami Sugars Limited ("**BSL**"), Shree Kedarnath Sugar and Agro Products Limited ("**SKSAPL**", together with Erstwhile NSL, MRN, SSPSL, BSL and SKSAPL, referred to as the "**Transferor Companies**") and MRN Chamundi Canepower and Biorefineries Private Limited ("**Transferee Company**") filed a composite scheme of amalgamation ("**Scheme of Amalgamation**") under Sections 230 to 232 of the Companies Act, 2013 for the amalgamation, and transfer and vesting of the business, of BSL and SKSAPL into SSPSL with an appointed date of April 1, 2022 and amalgamation, and transfer and vesting of the business, of Erstwhile NSL, MRN and SSPSL into the Transferee Company with an appointed date of October 1, 2022. Pursuant to its order dated January 10, 2024 ("**NCLT Order**"), the Hon'ble National Company Law Tribunal, Bengaluru, approved the Scheme of Amalgamation, with an appointed date being April 1, 2022 in respect of BSL and SKSAPL and October 1, 2022 in respect of Erstwhile NSL, MRN and SSPSL.

Summarised information of valuation

The summarised information of valuation in relation to the Scheme of Amalgamation is set forth below:

Name of the entity	Total shares pre-merger	Exchange ratio	Total shares post merger
Erstwhile NSL	1,68,53,198	30.84	51,97,52,626
SSPSL	16,61,35,600	4.49	74,59,48,844
MRN	9,50,00,000	1.38	13,11,00,000
Total	**27,79,88,798**	**-**	**1,39,68,01,470**
Transferee Company	10,000	-	10,000
Total	**27,79,98,798**	**-**	**1,39,68,11,470**

The valuation in relation to the Scheme of Amalgamation was undertaken by V. Gangadhara Rao N, Registered Valuer. The valuation report dated January 3, 2023, issued by V. Gangadhara Rao N., Registered Valuer, has been included in "*Material Contracts and Documents for Inspection – Material Documents in relation to the Offer*" on page 664.

Relationship of our Promoters and Directors with the entity

Further, Vijaykumar Murugesh Nirani and Vishal Nirani, two of our Promoters and Directors, are also the directors and/or shareholders of Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited).

Accordingly, as of the date of this Red Herring Prospectus, the companies with which our Company had related party transactions as covered under the relevant accounting standard (i.e., Ind AS 24), as per the Restated Financial Statements, Erstwhile NSL, MRN, SSPSL, BSL and SKSAPL are not separate legal entities, and stand merged with the Transferee Company. Accordingly, the Transferee Company, i.e. MRN Chamundi Canepower and Biorefineries Private Limited has been identified as one of our group companies. Further, pursuant to the Scheme of Amalgamation, on June 13, 2024, the Transferee Company, i.e. MRN Chamundi Canepower and Biorefineries Private Limited, was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited has been changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

Additionally, pursuant to the Materiality Policy, in addition to the aforementioned entities, a company has been considered material and has been disclosed as a Group Company in this Red Herring Prospectus if: (i) such company is a member of the promoter group (in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations); and (ii) the Company has entered into one or more transactions during the most recent financial year (and any stub period, as applicable) in the restated consolidated financial statements of the Company included in the Offer Documents which individually or in the aggregate, exceed 2.5% of the total revenue from operations of the Company for the most recent completed financial year as per the Restated Consolidated Financial Statements of the Company.

Based on the above, other than Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), Nirani Holdings Private Limited and TruAlt Gas Private Limited, our Company does not have any other group companies.

The financial information with respect to reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the audited financial statements of the Transferor Companies for Fiscal 2022 is available on the website of our Company at https://www.trualtbioenergy.com/investor-relations. The Transferor Companies failed to prepare their audited financial statements for Fiscal 2023, convene a shareholders' meeting to approve their audited financial statements for the said period, and file their annual returns and financial statements with the RoC. The Transferor Companies, pursuant to the Scheme of Amalgamation merged with one of our Group Companies, MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) has subsequently filed a compounding application dated May 24, 2024, under section 441 of the Companies Act, 2013 for compounding of the offence under sections 96 and 129 of the Companies Act, 2013, before the Regional Director, South-East Region, Hyderabad and an adjudication application dated May 24, 2024, under sections 92 and 137 of the Companies Act, 2013, read with section 454 of the Companies Act, 2013, before the Ministry of Corporate Affairs, Office of the Registrar of Companies, Karnataka. For risks in relation to the same, please see *"Risk Factors – Our erstwhile group companies have made certain allotments of Equity Shares where the allotment was made to more than 49 persons, for which have been compounded pursuant to compounding application filed by our Group Company has filed a compounding application before the National Company Law Tribunal, Bengaluru bench. and Our Group Company had also filed a settlement application with the Securities and Exchange Board of India, and a settlement order has been passed with regard to any proceedings that may be initiated in respect of this matter."* on page 40. While the standalone financial statements for the Transferor Companies were not prepared for Fiscal 2023, the consolidated financial statements of MRN Chamundi Canepower and Biorefineries Private Limited, for Fiscal 2023 were prepared taking into account the financial position and transactions pertaining to the Transferor Companies. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.

Nature and extent of interest of the Transferor Companies:

The Transferor Companies did not have any interest in the promotion of our Company. Except under the MRN BTA, Erstwhile NSL BTA and SSPSL BTA, the acquisition of certain parcels of land admeasuring 10 acres and 17 guntas and 8 acres and 2 guntas by our Company from Shree Kedarnath Sugar and Agro Products Limited and Badami Sugars Limited, respectively, for consideration aggregating to ₹ 801.12 lakhs and ₹ 391.00 lakhs, respectively, and as disclosed in "*Summary of the Offer Document - Summary of Related Party Transactions*" and "*Restated Financial Information*" on pages 28 and 399 respectively, the Transferor Companies were not interested in the properties acquired by us in the three years preceding the filing of this Red Herring Prospectus.

Except under the MRN BTA, Erstwhile NSL BTA and SSPSL BTA and as disclosed in "*Summary of the Offer Document - Summary of Related Party Transactions*" and "*Restated Financial Information*" on pages 28 and 399, respectively, the Transferor Companies were not interested in any transactions for the acquisition of land, construction of building or supply of machinery.

Common pursuits between the Transferor Companies and our Company:

Except to the extent of the business acquired by our Company from the Transferor Companies pursuant to the MRN BTA, Erstwhile NSL BTA and SSPSL BTA, and the Transferor Companies being enabled under their memorandum of association to carry on similar activities as those of our Company, i.e. dealing in sugarcane, molasses, sugarcane juice, spirits and other related products, there were no common pursuits between the Transferor Companies and our Company.

Our Company does not perceive a conflict of interest since the Transferee Company, into which the Transferor Companies have now merged, is into the manufacturing of sugar, whereas our Company is primarily into the manufacturing of ethanol and biofuel. However, our Company and the Transferee Company will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they arise.

Related business transactions with the Transferor Companies and significance on the financial performance of our Company

Except as disclosed in "*Restated Financial Statements – Note 39 - Related Party Disclosures"* on page 431, there were no related business transactions with the Transferor Companies. Such transactions did not have any significant effect on the financial performance of our Company.

Business interest of the Transferor Companies in our Company

Except to the extent of allotment of 1,40,94,000 CCPS to Erstwhile NSL, 2,25,25,000 CCPS to SSPSL and 1,03,00,000 CCPS to MRN on October 20, 2022, pursuant to the Erstwhile NSL BTA, SSPSL BTA and MRN BTA, respectively, and in the ordinary course of business and as disclosed in "*Restated Financial Statements – Note 39 - Related Party Disclosures"* on page 431, the Transferor Companies did not have any business interest in our Company. For details of Erstwhile NSL BTA, SSPSL BTA and MRN BTA, please see, "*History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. since inception"* on page 331.

Litigations

The Transferor Companies were not party to any pending litigation which will have a material impact on our Company.

Other confirmations

The equity shares of the Transferor Companies were not listed on any stock exchange.

The Transferor Companies did not have listed debt securities. The Transferor Companies had not made any public or rights issue of securities in the preceding three years.

Our Company is providing links to the websites referred to in this section solely to comply with the requirements specified under the SEBI ICDR Regulations. The financial information for the Group Companies and other information provided on the website given below does not constitute a part of this Red Herring Prospectus. Such

information should not be considered as part of information that any investor should consider to purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision.

Details of our Group Companies

The details of our Group Companies are provided below:

1. **Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited)**

Registered Office

The registered office of Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) is situated at Survey No. 166, Kulali Cross, Jamkhandi Mudhol Road, Bagalkot – 587313, Karnataka, India.

Financial information

The financial information with respect to reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the audited financial statements of Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) for the Fiscals 2022, 2023 and 2024, as required by the SEBI ICDR Regulations, is set forth below:

(in ₹ lakhs, except per share data)

Particulars	Fiscal 2022	Fiscal 2023	Fiscal 2024
Reserves and surplus	(0.60)	1,815.35	5,165.14
Total sales	-	1,81,459.00	2,89,438.80
Profit/(loss) for the year	(0.30)	1,793.16	3,459.33
Earnings per share			
- *Basic (in ₹)*	(3.00)	18,359.54[#]	33,497.94[#]
- *Diluted (in ₹)*	(3.00)	0.25	0.23
Net asset value (in ₹)[*]	(4.00)	1,47,368.44	1,50,718.23

[*] *Net asset value per equity share: Net worth (Note-1) divided by number of equity shares outstanding at the end of the period/year used in calculation of basic and diluted loss per share adjusted for stock split and issuance of bonus equity shares.*

Note-1*: Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the standalone financial information, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.*

[#]*Equity shares pending allotment have been considered for the purpose of calculation of diluted earnings per share.*

Note*: The financial information of Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) for Fiscal 2025 is not available as its financial statements for Fiscal 2025 are yet to be audited.*

The above information is also available on the website of our Company at https://www.trualtbioenergy.com/investor-relations.

Shareholding pattern

The shareholding pattern of Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) as on the date of this Red Herring Prospectus is set forth below:

Sr. No.	Category	Number of shareholders	Number of equity shares held	Percentage of shareholding (%)
1.	Promoters	7	34,57,97,620	23.76
2.	Promoter group	47	84,08,88,219	57.77
3.	Public	857	26,88,44,991	18.47
	Total	**911**	**1,45,55,30,830**	**100.00%**

2. Nirani Holdings Private Limited

Registered Office

The registered office of Nirani Holdings Private Limited is situated at Survey No. 166, Kulali Cross, Jamkhandi Mudhol Road, Mudhol, Bagalkot – 587313, Karnataka, India.

Financial information

The financial information with respect to reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the audited financial statements of Nirani Holdings Private Limited for the last three financial years, as required by the SEBI ICDR Regulations, is set forth below:

(in ₹ lakhs, except per share data)

Particulars	Fiscal 2023	Fiscal 2024	Fiscal 2025*
Reserves and surplus	(0.14)	(358,05)	NA
Total sales	-	-	NA
Profit/(loss) for the year	(0.14)	(357.91)	NA
Earnings per share			
- *Basic (in ₹)*	(1.4)	(388.22)	NA
- *Diluted (in ₹)*	(1.4)	(388.22)	NA
Net asset value (in ₹)	-	-	NA

**Nirani Holdings Private Limited was incorporated on December 16, 2022 and the financial information of Nirani Holdings Private Limited for Fiscal 2025 is not available as its financial statements for Fiscal 2025 are yet to be audited.*

The above information is also available on the website of our Company at https://www.trualtbioenergy.com/investor-relations.

3. TruAlt Gas Private Limited

Registered Office

The registered office of TruAlt Gas Private Limited is situated at Unit No. N-1501, 15th floor, World Trade Centre, Brigade Gateway Campus, No. 26/1, Dr. Rajkumar Road, Malleswaram West, Bengaluru – 560 055, Karnataka, India.

Financial information

The financial information with respect to reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share of TruAlt Gas Private Limited for the last three financial years, is not available as it was incorporated on September 6, 2024 and its financial statements for Fiscal 2025 are yet to be audited.

Nature and extent of interest of our Group Companies

(a) ***In the promotion of our Company***

Our Group Companies do not have any interest in the promotion of our Company.

(b) ***In the properties acquired by us in the preceding three years before filing this Red Herring Prospectus or proposed to be acquired by our Company***

Except Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), which is interested under the MRN BTA, Erstwhile NSL BTA and SSPSL BTA, and as disclosed in "*Summary of the Offer Document - Summary of Related Party Transactions*" and "*Restated Financial Information*" on pages 28 and 399, respectively, our Group Companies are not interested in the properties acquired by us in the three years preceding the filing of this Red Herring Prospectus or proposed to be acquired by us as on the date of this Red Herring Prospectus.

For details of the properties, please see "*Our Business – Properties*" on page 319.

(c) ***In transactions for acquisition of land, construction of building and supply of machinery***

Except Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), which is interested under the MRN BTA, Erstwhile NSL BTA and SSPSL BTA and as disclosed in "*Summary of the Offer Document - Summary of Related Party Transactions*" and "*Restated Financial Information*" on pages 28 and 399, respectively, our Group Companies are not interested in any transactions for the acquisition of land, construction of building or supply of machinery.

For details of the acquisition of land pursuant to the MRN BTA, Erstwhile NSL BTA and SSPSL BTA, please see "*Our Business – Properties*" on page 319.

Common pursuits between our Group Companies and our Company

Except for Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) which is enabled under its memorandum of association to carry on similar activities as those of our Company, i.e. dealing in sugarcane, molasses, sugarcane juice, spirits and other related products, and Trualt Gas Private Limited which is enabled under its memorandum of association to carry on similar activities as those of our Company, i.e. dealing in compressed biogas, there are no common pursuits between our Group Companies and our Company. Our Company does not perceive a conflict of interest since Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) is into the manufacturing of sugar and Trualt Gas Private Limited is into manufacture of compressed biogas, whereas our Company is primarily into the manufacturing of ethanol and biofuel. However, our Company and Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited) and Trualt Gas Private Limited, as applicable, will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they arise.

Related business transactions with the Group Companies and significance on the financial performance of our Company

Except as disclosed in "*Restated Financial Statements – Note 39 - Related Party Disclosures"* on page 431, there are no related business transactions with the Group Companies. Such transactions do not have any significant effect on the financial performance of our Company.

Business interest of our Group Companies in our Company

Except Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), which was interested under the MRN MSA, Erstwhile NSL MSA and SSPSL MSA and is interested in the NSL MSA, and in the ordinary course of business and as disclosed in "*Restated Financial Statements – Note 39 – Related Party Disclosures*" on page 431, our Group Companies do not have any business interest in our Company. For details of NSL MSA, please see, "*History and Certain Corporate Matters - Details regarding material acquisitions or divestments of business/undertakings, mergers, amalgamation, any revaluation of assets, etc. since inception*" on page 331.

Litigations

Except as disclosed in "*Outstanding Litigations and Other Material Developments*" on page 564, our Group Companies are not party to any pending litigation which will have a material impact on our Company.

Other confirmations

The equity shares of our Group Companies are not listed on any stock exchange. For further details, please see "*Other Regulatory and Statutory Disclosures*" on page 581.

Our Group Companies do not have listed debt securities. Our Group Companies have not made any public or rights issue of securities in the preceding three years.

Except as disclosed below, as on the date of this Red Herring Prospectus, there is no conflict of interest between the suppliers of raw materials and third party service providers (crucial for operations of the Company) and our Group Companies and its directors:

Vijaykumar Murugesh Nirani, Vishal Nirani and Sushmitha Vijaykumar Nirani, three of our Directors and our Promoters, are also directors and/or shareholders of Nirani Sugars Limited (formerly known as MRN Chamundi

Canepower and Biorefineries Limited) and TruAlt Gas Private Limited, two of our Group Companies, and two of the suppliers of raw materials and third party service providers of our Company.

Except as disclosed below, as on the date of this Red Herring Prospectus, there is no conflict of interest between the lessor of the immovable properties (crucial for operations of the Company) and our Group Companies and its directors:

Vijaykumar Murugesh Nirani, Vishal Nirani and Sushmitha Vijaykumar Nirani, three of our Directors and our Promoters, are also directors and/or shareholders of Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), one of our Group Companies and the lessor of immovable property where the Corporate Office and the Registered Office of our Company is located.

DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and other applicable law, including the Companies Act, 2013 along with the applicable rules notified thereunder.

The dividend distribution policy of our Company was approved and adopted by our Board pursuant to its resolution dated March 21, 2024.

Our dividend distribution policy stipulates certain financial parameters and internal and external factors which will be considered before declaration of dividend by our Board. Such parameters and factors include, among others, profit for the financial year as well as the general reserves of the Company, projections of future profits and cashflows, present and future capital expenditure plans of the Company including organic/inorganic growth avenues, cost of raising funds from alternative sources, past dividend trend for the Company and the industry, macroeconomic conditions, and such other factors and or material events which our Board may consider.

Our Company has not declared any dividend on the Equity Shares in the current Fiscal and in Fiscals 2025, 2024 and 2023. For details in relation to our ability to pay dividends, see *"Risk Factors – Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures and the terms of our financing arrangements"* on page 74.

Except as disclosed below, our company has not declared any dividend on the Preference Shares in Fiscals 2025, 2024 and 2023. Further, on May 3, 2024, 4,69,19,000 Preference Shares were converted into 95,55,804 Equity Shares of face value of ₹ 10 each, and there were no Preference Shares of our Company in the current Fiscal.

Particulars	From April 1, 2025 till the date of this Red Herring Prospectus	As on/ for Fiscal 2025	As on/ for Fiscal 2024**	As on/ for Fiscal 2023#
Number of Preference Shares	Nil*	Nil*	4,69,19,000	4,69,19,000
Face value per Preference Share (₹)	NA	Nil*	100	100
Aggregate dividend paid (in ₹ lakhs)	NA	51.42	586.49	293.24
Dividend per Preference Share (₹)	NA	0.11	1.25	0.62
Rate of dividend (%)		1.25	1.25	1.25
Dividend distribution tax (%)	-	Nil	Nil	-
Dividend distribution tax (in ₹ lakhs)	-	Nil	Nil	-
Mode of payment	-	Internet Banking	Internet Banking	Internet Banking

** On May 3, 2024, 4,69,19,000 CCPS were converted into 95,55,804 Equity Shares of face value of ₹ 10 each.*

*** Our Company has declared a dividend of ₹ 586.49 lakhs for Fiscal 2024 on the Preference Shares, which was paid on August 23, 2024. Further, the Company accrued a dividend of ₹ 51.42 lakhs for Fiscal 2025, out of which ₹48.68 lakhs has been paid on June 27, 2025 and ₹2.74 lakhs has been paid on July 9, 2025.*

Our Company had declared a dividend on the Preference Shares for Fiscal 2023, which was paid by our Company on March 20, 2024.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Sr. No.	Financial Statements	Page No.
1.	Examination report and the Restated Financial Information as at and for the years ended March 31, 2023, March 31, 2024 and March 31, 2025	394-440
2.	Assurance report and Proforma Condensed Combined Financial Information as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021	441-458
3.	The audit report and TBL Unit 1, TBL Unit 2 and TBL Unit 3 Carve-out Financial Statements as at and for the years ended March 31, 2021 and March 31, 2022 and six months ended September 30, 2022	459-521

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION OF TRUALT BIOENERGY LIMITED

To,
The Board of Directors of
TruAlt Bioenergy Limited
(formerly known as TruAlt Energy Limited)
Survey No. 166,
Kulali Cross, Jamkhandi Mudhol Road,
Bagalkot – 587313
Karnataka, India

Dear Sirs,

1. We have examined the attached Restated Financial Information of TruAlt Bioenergy Limited(formerly known as TruAlt Energy Limited) (the "Company") and in the years applicable, its subsidiary (the Company and its subsidiary together referred to as "the Group") comprising (i) the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2025 and March 31, 2024, the Restated Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash Flow for the years then ended respectively and the Summary of Material Accounting Policies, and other explanatory information relating to such years then ended and (ii) the Restated Standalone Statement of Assets and Liabilities as at March 31, 2023, Restated Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Restated Standalone Statement of Changes in Equity and the Restated Standalone Statement of Cash Flows for the years then ended, the relevant Summary of Material Accounting Policies, and other explanatory information relating to the years then ended (collectively referred to as "the Restated Financial Information"), prepared by the Company in connection with its proposed initial public offer of equity shares of face value of Rs. 10 each ("Offer") for the purpose of inclusion in the Updated Draft Red Herring Prospectus ("UDRHP"), to be filed with Securities and Exchange Board of lndia ('SEBI"), the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") The Restated Financial Information, which have been approved by the board of directors of the Company (the "Board

of Directors") at their meeting held on May 13 , 2025 have been prepared by the Company in accordance with the requirements of

a. Section 26 of Part I of Chapter lll of the Companies Act, 2013, as amended (the "Act");

b. the Securities and Exchange Board of lndia (lssue of Capital and Disclosure Requirements Regulations, 2018) in pursuance of provisions of Securities and Exchange Board of lndia Act, 1992 ("ICDR Regulations"); and

c. The Guidance Note on Reports in Company Prospectuses (Revised 2019) (as amended) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (The "Guidance Note").

The Company's Management and the Board of Directors are responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the UDRHP to be filed with SEBI, BSE and NSE in connection with the proposed IPO. The Restated Financial Information have been prepared by the Management of the Company on the basis of preparation stated in note 2.1 to the Restated Financial Information. The responsibilities of the respective management and the Board of Directors of the Group includes designing, implementing and maintaining adequate internal controls relevant to the preparation and presentation of the Restated Financial Information. The respective management and Board of Directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.

2. We have examined such Restated Financial Information taking into consideration:

a. the terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter January 17, 2024 in connection with the proposed IPO of equity shares of the Company;

b. the Guidance Note, which also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;

c. the concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and

d. the requirements of Section 26 of the Act and the ICDR Regulations.

Our works was performed solely to assist you in meeting your responsibilities in relation to compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.

3. These Restated Financial Information have been compiled by the management from:

   a. The Consolidated Financial Statements of the Group as of and for the years ended March 31,2025 , March 31, 2024, prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on May 13, 2025 and August 3,2024 respectively.

   b. The Standalone Audited Ind AS Financial Statements of the Company as of and for the year ended March 31, 2023, prepared in accordance with the Ind AS as prescribed under Section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on November 06, 2023.

4. For the purpose of our examination, we have relied on:

   Independent Auditors' report issued by us dated November 06, 2023 on the Standalone Ind AS Financial Statements of the Company as at and for the year ended March 31, 2023 on which the following emphasis of matter paragraph was issued:

   Audited Financial Statements of the Company for the year ended March 31, 2023:

   Emphasis of Matter Paragraph

   In respect of the distilleries taken over by the Company from its group companies, viz. Nirani Sugars Limited and Shri Sai Priya Sugars Limited on October 1, 2022, under a Business Transfer Agreement (BTA) entered into with each of the said companies, the expansion of the distillery facilities which was undertaken by the said companies in the year 2021 under a turnkey contract was completed between November 2022 and January 2023, the componentization of the assets in terms of Ind AS 16 – Property Plant and Equipment is in progress. Consequently, the updation of the fixed assets register is pending.

   Our opinion is not modified in respect of the said matters.

a. Independent Auditors Report issued by us on May 13, 2025 and August 3, 2024 respectively on the Consolidated Financial Statements as at and for the year ended March 31,2025 and March 31, 2024 on which we have expressed an unmodified opinion. However certain comments included in the CARO report of the standalone financial statements in relation to the subsidiary, which do not require any corrective adjustments in the restated financial information are reproduced below:

For the year ended March 31, 2024
Leafiniti Bioenergy Private Limited

The Company has generally been regular in depositing with the appropriate authorities undisputed statutory dues, including provident fund, employees' state insurance, income-tax, customs duty, goods and service tax, cess and other statutory dues, applicable to it, with the appropriate authorities. There are undisputed statutory dues of Rs. 39.29 lakhs in respect of tax deducted at source remaining outstanding for the period exceeding six months as at the date of the Balance Sheet, which have since been paid.

5. There are no qualifications in the auditor's report on the audited Ind AS Financial Statements for the year ended March 31, 2023 and Consolidated Financial Statements for the year ended March 31, 2025 and year ended March 31,2024. There are Emphasis of Matters and a comment on the CARO report of the standalone financial statement of the subsidiary which do not require any adjustment to the Restated Financial Information.

6. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information: (a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2024, March 31, 2023 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the year ended March 31, 2025; and (b) do not require any adjustment for modification as there is no modification in the underlying audit reports referred in paragraph 4 above. There is an item relating to emphasis of matter and a comment in the CARO report of the subsidiary (refer paragraph 4(b) above), which do not require any adjustment to the Restated Consolidated Financial Information; and (c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

8. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Ind AS Financial Statements.

9. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the Financial Statements referred to herein.

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

11. Our report is solely for the use of Board of Directors for inclusion in the UDRHP to be filed with Securities and Exchange Board of India ("SEBI"), the BSE Limited ("BSE"), National Stock Exchange of India Limited ("NSE") in connection with the Company's proposed [Offer]. As a result, Restated Financial Information may not be suitable for any other purpose. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For N. M. Raiji & Co.
Chartered Accountants
Firm Registration No.108296W

Santosh Burande
Partner
Membership No.: 214451

UDIN: 25214451BMHTOF2191

Date: May 13, 2025
Place: Bengaluru

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Restated Statement of Assets and Liabilities
(Amount in INR Lakhs, unless otherwise stated)

	Notes	Restated Consolidated 31 March 2025	Restated Consolidated 31 March 2024	Restated Standalone 31 March 2023
ASSETS				
Non-current assets				
Property, plant and equipment	5	1,67,999.78	1,27,635.01	1,14,863.53
Capital work-in-progress	5	277.63	20,125.37	961.88
Goodwill	7	5,159.38	5,159.38	4,786.18
Other intangible assets	7	8,748.57	9,874.10	10,508.23
Right of use assets	6	678.34	-	-
Financial assets				
Other financial assets	13	193.02	-	-
Deferred tax assets (net)	34	-	75.65	-
Other non-current assets	8	13,696.35	13,225.35	8,067.79
Total non-current assets		**1,96,753.07**	**1,76,094.86**	**1,39,187.61**
Current assets				
Inventories	9	21,021.04	15,948.42	15,348.50
Financial assets				
Trade receivables	10	33,926.65	29,821.34	8,654.24
Cash and cash equivalents	11.1	14,977.64	2,335.04	477.91
Bank balances other than cash and cash equivalents	11.2	-	5.00	-
Investments	12	436.08	1,000.02	-
Other financial assets	13	1,617.30	551.07	16,935.86
Government grants	14	9,835.07	5,040.76	-
Income tax assets		179.74	399.15	-
Other current assets	15	24,226.50	10,712.42	4,993.81
Total current assets		**1,06,220.02**	**65,813.22**	**46,410.32**
Total assets		**3,02,973.09**	**2,41,908.08**	**1,85,597.93**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	16	7,063.16	6,107.58	6,107.58
Other equity	17	69,836.74	20,353.08	17,941.89
Equity attributable to parent		**76,899.90**	**26,460.66**	**24,049.47**
Non-controlling interest		-	-	-
Total equity		**76,899.90**	**26,460.66**	**24,049.47**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	18	1,11,715.50	97,958.23	1,07,033.29
Lease liabilities	6	519.70	-	-
Other financial liabilities	19	0.40	0.40	1,120.40
Provisions	20	324.66	198.99	64.62
Other non-current liabilities	21	760.16	613.67	-
Deferred tax liabilities (net)	34	8,002.81	10,528.03	9,076.86
Total non-current liabilities		**1,21,323.23**	**1,09,299.32**	**1,17,295.17**
Current liabilities				
Financial liabilities				
Borrowings	22	43,252.31	70,509.95	7,976.64
Lease liabilities	6	166.46	-	-
Trade payables	23			
i) total outstanding dues of micro enterprises and small enterprises		1,339.11	23.93	138.46
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		47,231.76	15,338.46	30,733.94
Other financial liabilities	24	12,506.94	20,044.01	5,188.10
Other current liabilities	25	228.61	217.04	211.49
Provisions	20	24.77	14.71	4.66
Total current liabilities		**1,04,749.96**	**1,06,148.10**	**44,253.29**
Total liabilities		**2,26,073.19**	**2,15,447.42**	**1,61,548.46**
Total equity and liabilities		**3,02,973.09**	**2,41,908.08**	**1,85,597.93**

The accompanying notes are an integral part of the Restated Financial Information.

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

For and on behalf of the Board of Directors
TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
CIN: U15400KA2021PLC145978

Santosh Burande
Partner
Membership No. : 214451

Vijaykumar Murugesh Nirani
Managing Director
DIN: 07413777

Vishal Nirani
Director
DIN: 08434032

Place: Bengaluru
Date: 13 May 2025

Anand Kishore
Chief Financial Officer

Place: Bengaluru
Date: 13 May 2025

Sudheer Sannapaneni
Company Secretary
Membership No: 55105

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Restated Statement of Profit and Loss
(Amount in INR Lakhs, unless otherwise stated)

	Notes	Restated Consolidated Year ended 31 March 2025	Restated Consolidated Year ended 31 March 2024	Restated Standalone Year ended 31 March 2023
Income				
Revenue from operations	26	1,90,772.40	1,22,340.47	76,238.03
Other income	27	6,080.38	5,678.30	-
Total income		**1,96,852.78**	**1,28,018.77**	**76,238.03**
Expenses				
Cost of materials consumed	28	1,04,157.66	77,150.73	56,733.13
Purchases of stock-in-trade		28,286.34	3,842.00	1,678.05
Changes in inventories of finished goods	29	(5,281.94)	(598.48)	(8,271.14)
Employee benefits expense	30	3,985.76	2,431.58	859.41
Finance costs	31	14,361.10	14,307.61	3,531.06
Depreciation and amortisation expense	32	6,689.37	5,691.79	2,075.08
Other expenses	33	28,710.21	20,706.13	14,733.93
Total expenses		**1,80,908.50**	**1,23,531.36**	**71,339.52**
Restated profit/(loss) before tax		**15,944.28**	**4,487.41**	**4,898.51**
Tax credit/(expense)				
Current tax	34	-	-	-
Deferred tax	34	(1,280.43)	(1,306.62)	(1,352.52)
Total income tax credit/(expense)		**(1,280.43)**	**(1,306.62)**	**(1,352.52)**
Restated profit/(loss) after tax for the year		**14,663.85**	**3,180.79**	**3,545.99**
Restated other comprehensive income/(loss)				
Items that will not be reclassified to profit or loss				
Re-measurement gain/(loss) on defined benefit plans		0.53	(10.93)	-
Income tax effect on the above		(0.13)	2.70	-
Restated other comprehensive income/(loss) for the year		**0.40**	**(8.23)**	-
Restated total comprehensive income/(loss) for the year		**14,664.25**	**3,172.56**	**3,545.99**
Restated profit/(loss) for the year attributable to:				
Equity holders of the parent		14,663.85	3,180.79	3,545.99
Non-controlling interests		-	-	-
Restated other comprehensive income/(loss) attributable to:				
Equity holders of the parent		0.40	(8.23)	-
Non-controlling interests		-	-	-
Restated total comprehensive income/(loss) for the year attributable to:				
Equity holders of the parent		14,664.25	3,172.56	3,545.99
Non-controlling interests		-	-	-
Restated earnings/(loss) per share (Face value of INR 10/- each)				
Basic earnings/(loss) per share (INR)	36	20.94	4.25	7.10
Diluted earnings/(loss) per share (INR)	36	20.94	4.25	7.10

The accompanying notes are an integral part of the Restated Financial Information.

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

For and on behalf of the Board of Directors of
TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
CIN: U15400KA2021PLC145978

Santosh Burande
Partner
Membership No. : 214451

Vijaykumar Murugesh Nirani
Managing Director
DIN: 07413777

Vishal Nirani
Director
DIN: 08434032

Place: Bengaluru
Date: 13 May 2025

Anand Kishore
Chief Financial Officer

Sudheer Sannapaneni
Company Secretary
Membership No: 55105

Place: Bengaluru
Date: 13 May 2025

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Restated Statement of Changes in Equity
(Amount in INR Lakhs, unless otherwise stated)

(A) Equity share capital

For the year ended	**31 March 2025**	
Equity shares of INR 10 each issued, subscribed and fully paid	**No. of shares**	**Amount**
Balance as at 1 April 2024	6,10,75,820	6,107.58
Add: Shares issued pursuant to conversion of Compulsorily convertible preference shares (Refer note 16(A)(i))	95,55,804	955.58
Balance as at 31 March 2025	**7,06,31,624**	**7,063.16**

For the year ended	**31 March 2024**	
Equity shares of INR 10 each issued, subscribed and fully paid	**No. of shares**	**Amount**
Balance as at 1 April 2023	6,10,75,820	6,107.58
Changes in equity share capital during the year	-	-
Balance as at 31 March 2024	**6,10,75,820**	**6,107.58**

For the year ended	**31 March 2023**	
Equity shares of INR 10 each issued, subscribed and fully paid	**No. of shares**	**Amount**
Balance as at 1 April 2022	61,000	6.10
Changes in equity share capital during the year(Refer note 16(A)(i))	6,10,14,820	6,101.48
Balance as at 31 March 2023	**6,10,75,820**	**6,107.58**

(B) Other equity

For the year ended 31 March 2025

Particulars	Equity component of compound financial instruments	Securities premium	Retained earnings	Total	Non-controlling interest	Total
Restated balance as at 1 April 2024	**14,690.38**	**-**	**5,662.70**	**20,353.08**	**-**	**20,353.08**
Restated profit for the year	-	-	14,663.85	14,663.85	-	**14,663.85**
Restated other comprehensive income for the year	-	-	0.40	0.40	-	**0.40**
Restated total comprehensive income for the year	**-**	**-**	**14,664.25**	**14,664.25**	**-**	**14,664.25**
Dividend on Compulsorily Convertible Preference Shares (Refer note 17)	-	-	(51.42)	**(51.42)**	-	**(51.42)**
On conversion of Compulsorily Convertible Preference Shares (Refer note 16(B)(i))	(14,690.38)	45,963.42	3,597.79	**34,870.83**	-	**34,870.83**
Balance as at 31 March 2025	**-**	**45,963.42**	**23,873.32**	**69,836.74**	**-**	**69,836.74**

For the year ended 31 March 2024

Particulars	Equity component of compound financial instruments	Retained earnings	Total	Non-controlling interest	Total
Restated balance as at 1 April 2023	**14,690.38**	**3,251.51**	**17,941.89**	-	**17,941.89**
Restated profit for the year	-	3,180.79	**3,180.79**	-	**3,180.79**
Restated other comprehensive income/ (loss) for the year	-	(8.23)	**(8.23)**	-	**(8.23)**
Restated total comprehensive income for the year	**-**	**3,172.56**	**3,172.56**	**-**	**3,172.56**
Adjustment on account of transaction with shareholder (Refer Note 35)	-	(174.88)	**(174.88)**	-	**(174.88)**
Dividend on Compulsorily Convertible Preference Shares (Refer note 17)	-	(586.49)	**(586.49)**	-	**(586.49)**
Balance as at 31 March 2024	**14,690.38**	**5,662.70**	**20,353.08**	**-**	**20,353.08**

For the year ended 31 March 2023

Particulars	Equity component of compound financial instruments	Retained earnings	Total	Non-controlling interest	Total
Restated balance as at 1 April 2022	**-**	**(1.23)**	**(1.23)**	**-**	**(1.23)**
Restated profit for the year	-	3,545.99	3,545.99	-	**3,545.99**
Restated other comprehensive income for the year	-	-	-	-	**-**
Restated total comprehensive income for the year	**-**	**3,545.99**	**3,545.99**	**-**	**3,545.99**
Issue of Compulsorily Convertible Preference Shares (Refer note 16(B))	14,690.38	**-**	**14,690.38**	**-**	**14,690.38**
Dividend on Compulsorily Convertible Preference Shares (Refer note 17)	-	(293.25)	**(293.25)**	-	**(293.25)**
Balance as at 31 March 2023	**14,690.38**	**3,251.51**	**17,941.89**	**-**	**17,941.89**

The accompanying notes are an integral part of the Restated Financial Information.

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

Santosh Burande
Partner
Membership No. : 214451
Place: Bengaluru
Date: 13 May 2025

For and on behalf of the Board of Directors of
TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
CIN: U15400KA2021PLC145978

Vijaykumar Murugesh Nirani
Managing Director
DIN: 07413777

Vishal Nirani
Director
DIN: 08434032

Anand Kishore
Chief Financial Officer

Sudheer Sannapaneni
Company Secretary
Membership No: 55105

Place: Bengaluru
Date: 13 May 2025

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Restated Statement of Cash flows
(Amount in INR Lakhs, unless otherwise stated)

	Restated Consolidated Year ended 31 March 2025	Restated Consolidated Year ended 31 March 2024	Restated Standalone Year ended 31 March 2023
Cash flow from operating activities			
Restated profit/(loss) before tax	15,944.28	4,487.41	4,898.83
Adjustments for:			
Depreciation and amortisation expense	6,689.37	5,691.79	2,075.15
Finance costs	14,361.10	14,307.61	3,530.65
(Reversal) / Allowances for trade receivables	-	(6.26)	6.26
Amortisation of deferred government grant	(35.76)	-	-
Interest subvention income	(5,902.69)	-	-
Unwinding of discount on security deposits at amortised cost	(6.67)	-	-
Net gain on sale of quoted equity investments measured at FVTPL	(46.53)	-	-
Fair value gain on investments measured at FVTPL	3.96	(0.07)	-
Unrealised forex (gain) /loss	2.65	(7.71)	-
Provision no longer required written back	(1,187.67)	-	-
Operating profit/(loss) before working capital changes	**29,822.04**	**24,472.77**	**10,510.89**
Changes in working capital			
Increase / (Decrease) in trade payables	33,208.48	(17,440.09)	28,756.34
(Increase) in inventories	(5,072.62)	(448.37)	(11,074.38)
Decrease/ (Increase) in trade receivables	(4,107.96)	(21,160.12)	(6,806.55)
(Decrease)/ Increase in other current liabilities	3.29	568.87	83.69
(Decrease)/ Increase in other financial liabilities	(6,191.74)	11,454.66	(10,452.90)
(Increase)/ Decrease in other financial assets	(1,109.67)	16,379.79	(1,750.94)
(Increase) in other assets	(13,985.41)	(10,007.95)	14,064.06
Increase in provisions	137.12	127.30	19.11
Cash generated from operations	**32,703.53**	**3,946.86**	**23,349.32**
Income tax paid (net)	219.41	(399.15)	-
Net cash flows from operating activities (A)	**32,922.94**	**3,547.71**	**23,349.32**
Cash flow from Investing activities			
Cash outflow on acquisition of distillery business	-	-	(87,304.07)
Cash outflow on acquisition of shares of subsidiary (net of cash acquired)	-	(1,686.34)	-
Purchase of property plant and equipment including capital work in progress	(25,960.16)	(35,680.33)	(27,554.10)
Prepayments towards acquition of right of use asset (land)	(10.00)	-	-
Investment in bank deposits	(188.02)	-	-
Sale of investment in shares	137.02	-	-
Purchase of shares	(90.48)	-	-
Investment in mutual funds	559.98	(999.95)	-
Government grants	1,298.61	-	-
Interest received	0.61	-	-
Net cash flow used in investing activities (B)	**(24,252.43)**	**(38,366.62)**	**(1,14,858.17)**
Cash flow from Financing activities			
Proceeds from issuance of equity share capital	-	-	6,101.49
Proceeds from loans (net of transaction cost)	30,000.74	29,912.48	86,352.88
Repayment of loans	(14,525.52)	(8,061.75)	(23.36)
Payment of principal portion of lease liabilities	(53.10)	-	-
Payment of interest portion of lease liabilities	(59.10)	-	-
Increase in current borrowings	2,486.58	25,112.62	-
Finance costs paid	(13,877.51)	(10,287.31)	(450.35)
Net cash flow from financing activities (C)	**3,972.09**	**36,676.04**	**91,980.66**
Net increase in cash and cash equivalents (A+B+C)	**12,642.60**	**1,857.13**	**471.81**
Cash and cash equivalents at the beginning of the year	2,335.04	477.91	6.10
Cash and cash equivalents at the end of the year	**14,977.64**	**2,335.04**	**477.91**
Cash and cash equivalents at the end of the year (Refer note 11.1)			
Cash in hand	0.14	0.06	-
Balances with banks			
On current accounts	3,674.21	2,334.98	477.91
Fixed deposits with original maturity of less than 3 months	11,303.29	-	-
Total cash and bank balances at end of the year	**14,977.64**	**2,335.04**	**477.91**

The accompanying notes are an integral part of the Restated Financial Information.

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

For and on behalf of the Board of Directors of
TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
CIN: U15400KA2021PLC145978

Santosh Burande
Partner
Membership No. : 214451

Vijaykumar Murugesh Nirani
Managing Director
DIN: 07413777

Vishal Nirani
Director
DIN: 08434032

Place: Bengaluru
Date: 13 May 2025

Anand Kishore
Chief Financial Officer

Place: Bengaluru
Date: 13 May 2025

Sudheer Sannapaneni
Company Secretary
Membership No: 55105

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Notes to the Restated financial information

1 Corporate Information

TruAlt Bioenergy Limited (the "Company") (formerly known as TruAlt Energy Limited) is a public company domiciled in India. It was incorporated on March 31, 2021 under the provisions of the Companies Act, 2013 applicable in India. Its registered and principal office of business is located at Kulali Cross, Jamkhandi Mudhol Road, Mudhol, Karnataka. The Company and its subsidiary ("the Group") is primarily engaged in the business of producing ethanol and other products derived from distillery processes and compressed biogas.

With effect from July 1, 2022 the name of the company was changed from TruAlt Energy Limited to TruAlt Bioenergy Limited.

The Restated Financial Information for the year ended 31 March 2025 (and comparative information for the year 31 March 2024) comprise the financial statements of the Company and its subsidiary Leafiniti Bioenergy Private Limited which was acquired on October 4, 2023. The comparative Restated Financial Information for the year ended 31 March 2023 represents standalone financial information of the Company. Therefore, the same is not comparable.

These Restated Financial Information were approved for issue in accordance with a resolution of the directors on 13 May 2025

2 Material accounting policy information

This note provides a list of the material accounting policies adopted in the preparation of the Restated Financial Information. These policies have been applied consistently to all the periods presented, unless otherwise stated.

Material accounting policies adopted by the Group are as under:

2.1 Basis of Preparation of Restated Financial Information

The Restated Financial Information of the Group comprises the Restated Statement of Assets and Liabilities as at 31 March 2025, 31 March 2024 and 31 March 2023, the Restated Statement of Profit and Loss (including Other Comprehensive Income/(loss)), the Restated Statement of Changes in Equity, the Restated Statement of Cash flows for the years ended 31 March 2025, 31 March 2024 and 31 March 2023 and notes to the Restated Financial Information (collectively, the 'Restated Financial Information').

These Restated Financial Information have been prepared by the management of the Group for the purpose of inclusion in the Red Herring Prospectus and Prospectus to be filed by the Company with the Registrar of Companies ("ROC"), Securities and Exchange Board of India ("SEBI"), National Stock Exchange of India Limited and BSE Limited in connection with proposed Initial Public Offering ("IPO") of its equity shares.

The Restated Financial Information, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:

(i) Section 26 of the Companies Act, 2013 ("the Act") as amended from time to time;

(ii) Paragraph A of Clause 11 (I) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the "SEBI ICDR Regulations") issued by the Securities and Exchange Board of India (the "SEBI"); and

(iii) Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI") as amended from time to time (the "Guidance Note").

The Restated Financial Information have been compiled by the management from the Group's audited consolidated financial statements as at and for the years ended 31 March 2025 and 31 March 2024 and the Company's audited standalone financial statements as at and for the year ended 31 March 2023, which have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable, which have been approved by the Board of Directors of the Group at their meetings held on 13 May 2025, August 03, 2024 and November 06, 2023.

These Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of auditor's reports on the audited financial statements mentioned above.

(a) **Statement of Compliance with Ind AS**

These Restated Financial Information have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules framed thereunder.

(b) **Basis of measurement**

The Restated Financial Information have been prepared on a historical cost convention, using the accrual basis of accounting, except for the following material items that have been measured at fair value, as required by the relevant Ind AS:-

i) Certain financial assets and liabilities are measured at fair value (refer accounting policy on financial instruments)

ii) Employee defined benefit assets/(obligations) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligations.

iii) Accounting for business combination as set out in note 35.

(c) **Use of estimates**

In preparation of these Restated Financial Information, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively. Refer note 3 for details of the key estimates and judgments.

2.1 Basis of Preparation of Restated Financial Information (Contd.)

(d) **Control assessment**

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Restated Financial Information from the date the Group gains control until the date the Group ceases to control the subsidiary.

Restated Financial Information are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

(e) Consolidation procedure:

(i) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Restated Financial Information at the acquisition date.

(ii) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

(iii) The financial statements of all entities, used for the purpose of consolidation are drawn up to same reporting date as that of the Company.

(iv) Non-controlling interest (NCI) represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Company.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Below subsidiary has been considered in preparation of Restated Financial Information:

Name of the entity	Nature	Country of incorporation	% of holding as on 31 March 2025	% of holding as on 31 March 2024	% of holding as on 31 March 2023	Nature of business
Leafiniti Bioenergy Private Limited	Subsidiary	India	100%	100%	-	Production and selling of compressed biogas and allied products.

2.2 Summary of Material Accounting Policies

(a) Business Combination and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured, at acquisition date fair value and the amount of any Non Controlling Interest (NCI) in the acquiree. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in restated statement of profit and loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in Restated Statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

(b) Current versus Non Current Classification

The Group presents assets and liabilities in the restated statement of assets and liabilities based on current/non-current classification. An asset is treated as current when it is:

i) Expected to be realised or intended to be sold or consumed in the normal operating cycle;

ii) Held primarily for the purpose of trading;

iii) Expected to be realised within twelve months from the reporting period; or

iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months from the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period .The Group classifies all Other Liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(c) Fair value measurement

The Group measures financial instruments at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

► In the principal market for the asset or liability, or

► In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Group.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimizing the use of unobservable inputs. The Group's management determines the policies and procedures for fair value measurement such as derivative instruments.

All assets and liabilities for which fair value is measured or disclosed in the Restated Financial Information are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(d) Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue contracts are on a principal to principal basis and the Group is primarily responsible for fulfilling the identified performance obligation.

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, on delivery of the goods or Ex- Works, basis the terms of the contract. Payment for the sale is made as per the credit terms in the agreements with the customers. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods and services, the Group considers the effects of variable consideration, the existence of significant financing components, non cash consideration, and consideration payable to the customer (if any).

Bill and hold sales is recognised when all the following criteria are met:

- the reason for the bill and hold sales is substantive
- the product is identified separately as belonging to the customer
- the product is currently ready for physical transfer to the customer
- the Group does not have ability to use the product or to direct it to another customer

Contract balances - Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

(e) Government grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the assistance is provided by the government in the form of reimbursement of interest paid on term loans, the effect of this interest subvention is regarded as government grant. The benefit received is accounted as other income in the restated statement of profit and loss.

(f) Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Restated Financial Information. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit / (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year/period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in Restated Statement of Profit and Loss, except to the extent that it relates to items recognised in restated OCI or directly in equity. In this case, the tax is also recognised in restated OCI or directly in equity, respectively.

(g) Property, plant and equipment and Capital work-in progress

Property, plant and equipment are stated at historical cost less depreciation and accumulated impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. For this purpose, cost includes deemed cost on the date of transition and acquisition price, including non recoverable duties and taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. In addition, interest on borrowings used to finance the construction of qualifying assets is capitalised as part of the asset's cost until such time that the asset is substantially ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Restated Statement of Profit and Loss during the year in which they are incurred.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

(g) Property, plant and equipment and Capital work-in progress (Contd.)

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date are classified as capital advances under Other Non-current Assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

The Group depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

Property, plant and equipment	Years
Building-Factory	30-40
Building-Others	3-50
Plant and machinery	10-25
Furniture and Fixtures	8-10
Office Equipment	5
Computers	3
Vehicles	8-10
Roads (included in this factory building)	3
Lease hold improvements	Over the lease term

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives, different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on a pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount. These are included in the Restated Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and are adjusted prospectively, as appropriate.

(h) Other Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortisation.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

The Group amortises intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	Years
Computer Software	3
Customer relationship	10-25

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

(i) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds and also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(j) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials and stores and spare parts**: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

- Finished goods and work-in-progress: cost is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

(k) Impairment of non-financial assets

The Group assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Group estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in the Restated Statement of Profit and Loss and are reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Restated Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

(l) Provisions and contingent liabilities

(a) Provisions are recognised when there is a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(b) Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

(c) Contingent asset is not recognised in the Restated Financial Information; however, is disclosed where an inflow of economic benefits is probable.

(d) Provisions, Contingent liabilities, and Contingent assets are reviewed at each reporting date.

(m) Employee Benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognised in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the restated statement of assets and liabilities.

Other employee benefit obligations

Defined contribution plan

Contribution towards Provident Fund and Employees' State Insurance Scheme is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Restated Statement of Profit and Loss.

Defined benefit plans

The Group provides for gratuity, a defined benefit unfunded plan (the 'Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides for a lump sum payment to be made to vested employees at the time of retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each reporting period. Actuarial losses/gains are recognised in the restated OCI in the year/period in which they arise.

Leave encashment

The liabilities for earned leave are not expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service. They are, therefore, measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as determined by actuarial valuation. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the Restated Statement of Profit and Loss. The obligations are presented as Current Liabilities in the Restated Statement of Assets and Liabilities, if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(n) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

The financial assets include trade receivables, cash and cash equivalents, and other financial assets. Financial assets are initially measured at fair value. Transaction costs directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or are deducted from the fair value of the financial assets as appropriate on initial recognition. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified under the following categories:

a) at amortised cost; or

b) at fair value through OCI; or

c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair Value through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses, which are recognised in the Restated Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Restated OCI is reclassified from equity to the Restated Statement of Profit and Loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income, using the effective interest rate method.

Fair Value Through Profit or Loss (FVTPL): Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Financial assets (equity instruments)

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Changes in the fair value of financial assets at fair value through profit or loss are recognised in 'Other Income' in the Statement of Profit and Loss.

Impairment of financial assets

In accordance with Ind AS 109 - Financial Instruments, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortised cost.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade and contract revenue receivables, loans and other financial assets.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if the credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves, such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. The financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the Restated Statement of Profit and Loss.

Amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the Restated Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Restated Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Restated Statement of Profit and Loss as a finance costs.

(iii) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the restated statement of assets and liabilities where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(o) Leases

The Group assesses at contract inception whether a contract is or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The right-of-use assets are also subject to impairment.

(o) Leases (Contd.)

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees if any. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of space that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

iv) Group as a lessor

Where the Group is the lessor, the treatment of leasing transactions is mainly determined by whether the lease is considered to be an operating or finance lease. In making this assessment, management looks at the substance of lease, as well as the legal form, and makes a judgement about whether substantially all of the risks and rewards of ownership are transferred. Arrangements which do not take legal form of a lease but that nevertheless convey the right to use an asset are also covered by such assessments.

(p) Cash and cash equivalents

Cash and cash equivalent in the statement of assets and liabilities comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

(q) Earnings Per Share (EPS)

Basic EPS is calculated by dividing the Restated Profit for the year attributable to equity holders of the Group after deducting preference dividend by the weighted average number of equity shares outstanding during the financial year.

Diluted EPS is calculated by adjusting the figures used in the determination of basic EPS to consider:

- The interest associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(r) Rounding off amounts

All amounts disclosed in Restated Financial Information and notes have been rounded off to the nearest lakhs as per requirement of Schedule III of the Act, unless otherwise stated.

3 Significant accounting judgments, estimates and assumptions

The preparation of Restated Financial Information requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group bases its assumptions and estimates on parameters available when the Restated Financial Information is prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(a) **Taxes**

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that taxable profit would probably be available against which the losses could be utilised. Significant judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Group reviews the carrying amount of deferred tax assets and liabilities at each reporting date with consequential change being given effect to in the year of determination.

3.1 Estimates and assumptions (Contd.)

(b) **Defined benefit plans (gratuity benefits)**

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at the end of each reporting period.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on a long term basis. For details refer note 38.

(c) **Estimation of Net Realisable value for Inventories**

Inventory is stated at the lower of cost and net realizable value (NRV). NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Group, based on comparable transactions identified.

(d) **Useful lives of Property, Plant and Equipment and Intangible Assets**

The Group reviews the useful lives of property, plant and equipment/intangible assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

4 New and Amended Standards

The Ministry of Corporate Affairs (MCA) has notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, effective from September 09, 2024.

The amendment to Ind AS 116, Leases, addresses the measurement of lease liabilities in sale and leaseback transactions, ensuring that seller-lessees do not recognize any gain or loss related to the retained right-of-use asset. These amendments do not have any material impact on the amount recognised in the Group's restated financial information.

5 Property, plant and equipment and Capital work-in progress

Particulars	Gross Block					Accumulated depreciation				Net block	
	As at 1 April 2024	Acquisition through Business Combination (Refer Note 35)	Additions	Deductions/ Transfer	As at 31 March 2025	As at 1 April 2024	For the year	Deductions	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024
Land	6,691.82	-	245.31	-	6,937.13	-	-	-	-	6,937.13	6,691.82
Building-Factory	11,730.33	-	18.69	-	11,749.02	600.40	412.56	-	1,012.96	10,736.06	11,129.93
Building-Others	324.73	-	0.22	-	324.95	26.42	30.70	-	57.12	267.83	298.31
Temporary sheds	34.70	-	-	-	34.70	12.37	8.24	-	20.61	14.09	22.33
Plant and machinery	1,14,645.28	-	44,697.17	-	1,59,342.45	5,369.19	4,837.85	-	10,207.04	1,49,135.41	1,09,276.09
Furniture and fixtures	18.79	-	214.40	-	233.19	3.88	20.06	-	23.94	209.25	14.91
Office Equipment	29.71	-	73.47	-	103.18	3.84	13.61	-	17.45	85.73	25.87
Computers	232.26	-	76.31	-	308.57	84.01	83.03	-	167.04	141.53	148.25
Lease hold improvements	-	-	409.93	-	409.93	-	32.34	-	32.34	377.59	-
Vehicle	27.83	-	72.38	-	100.21	0.33	4.72	-	5.05	95.16	27.50
Total	**1,33,735.45**	**-**	**45,807.88**	**-**	**1,79,543.33**	**6,100.44**	**5,443.11**	**-**	**11,543.55**	**1,67,999.78**	**1,27,635.01**
Capital work-in progress	**20,125.37**	**-**	**25,279.31**	**(45,127.05)**	**277.63**	**-**	**-**	**-**	**-**	**277.63**	**20,125.37**

Particulars	Gross Block					Accumulated depreciation				Net block	
	As at 1 April 2023	Acquisition through Business Combination (Refer Note 35)	Additions	Deductions/ Transfer	As at 31 March 2024	As at 1 April 2023	For the year	Deductions	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Particulars											
Land	4,673.12	484.48	1,534.22	-	6,691.82	-	-	-	-	6,691.82	4,673.12
Building-Factory	11,247.51	482.82	-	-	11,730.33	196.60	403.80	-	600.40	11,129.93	11,050.91
Building-Others	291.98	32.75	-	-	324.73	4.86	21.56	-	26.42	298.31	287.12
Temporary sheds	34.70	-	-	-	34.70	4.13	8.24	-	12.37	22.33	30.57
Plant and machinery	99,929.97	3,847.51	10,867.80	-	1,14,645.28	1,305.70	4,063.49	-	5,369.19	1,09,276.09	98,624.27
Furniture and fixtures	12.26	2.75	3.78	-	18.79	1.18	2.70	-	3.88	14.91	11.08
Office Equipment	3.48	16.28	9.95	-	29.71	0.43	3.41	-	3.84	25.87	3.05
Computers	193.08	1.17	38.01	-	232.26	11.18	72.83	-	84.01	148.25	181.90
Lease hold improvements	-	-	-	-	-	-	-	-	-	-	-
Vehicle	1.52	-	26.31	-	27.83	0.01	0.32	-	0.33	27.50	1.51
Total	**1,16,387.62**	**4,867.76**	**12,480.07**	**-**	**1,33,735.45**	**1,524.09**	**4,576.35**	**-**	**6,100.44**	**1,27,635.01**	**1,14,863.53**
Capital work-in progress	**961.88**	**-**	**29,945.37**	**(10,781.88)**	**20,125.37**	**-**	**-**	**-**	**-**	**20,125.37**	**961.88**

5 Property, plant and equipment and Capital work-in progress (Contd.)

Particulars	Gross Block					Accumulated depreciation				Net block	
	As at 1 April 2022	Acquisition through Business Combination (Refer Note 35)	Additions	Deductions/ Transfer	As at 31 March 2023	As at 1 April 2022	For the year	Deductions	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Land	-	4,576.04	97.08	-	4,673.12	-	-	-	-	4,673.12	-
Building-Factory	-	10,934.58	312.93	-	11,247.51	-	196.60	-	196.60	11,050.91	-
Building-Others	-	287.68	4.30	-	291.98	-	4.86	-	4.86	287.12	-
Temporary sheds	-	34.70	-	-	34.70	-	4.13	-	4.13	30.57	-
Plant and machinery	-	46,944.20	52,985.77	-	99,929.97	-	1,305.70	-	1,305.70	98,624.27	-
Furniture and fixtures	-	11.19	1.07	-	12.26	-	1.18	-	1.18	11.08	-
Office Equipment	-	3.48	-	-	3.48	-	0.43	-	0.43	3.05	-
Computers	-	5.20	187.88	-	193.08	-	11.18	-	11.18	181.90	-
Lease hold improvements	-	-	-	-	-	-	-	-	-	-	-
Vehicle	-	1.52	-	-	1.52	-	0.01	-	0.01	1.51	-
Total	**-**	**62,798.59**	**53,589.03**	**-**	**1,16,387.62**	**-**	**1,524.09**	**-**	**1,524.09**	**1,14,863.53**	**-**
Capital work-in progress	**-**	**26,401.34**	**27,681.51**	**(53,120.97)**	**961.88**	**-**	**-**	**-**	**-**	**961.88**	**-**

Notes:

a) The Group has availed loans from banks against security of the fixed assets (i.e. property, plant and equipment), refer note 54

b) For capital commitment with regards to property plant and equipment, refer note 55.

c) With respect to project expansion of 200 KLPD, which is commissioned on 1 November 2024, specific borrowing cost amounting to INR 685.00 lakhs (31 March 2024 INR 325.20 lakhs) i.e. cost incurred upto the date of capitalization has been included in the value of capital work in progress using a capitalization rate of 10.52%

d) With respect to project expansion of 400 KLPD, which is commissioned on 30 March 2025, specific borrowing cost amounting to INR 2,047.56 lakhs (31 March 2024 INR 650.40 lakhs) i.e. cost incurred upto the date of capitalization has been included in the value of capital work in progress using a capitalization rate of 10.52%.

e) The Group has not revalued its property, plant and equipment for aforementioned years.

Capital-work-in progress ageing schedule

As at 31 March2025

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	277.63	-	-	-	**277.63**

As at 31 March 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	20,125.37	-	-	**20,125.37**

As at 31 March 2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	961.88	-	-	-	**961.88**

There are no projects under Capital Work in progress where the completion is overdue or has exceeded its cost compared to its original plan.

6 Leases

Group as lessee

(a) Information about leases for which the Group is a lessee is as follows.

Right-of-use assets	**Office buildings**	**Land**	**Total**
Balance as at 1 April 2022			
Additions	**-**	**-**	**-**
Depreciation expense	**-**	**-**	**-**
Balance as at 31 March 2023	**-**	**-**	**-**
Additions	**-**	**-**	**-**
Depreciation expense	**-**	**-**	**-**
Balance as at 31 March 2024	**-**	**-**	**-**
Additions	680.38	118.68	**799.06**
Depreciation expense	(113.40)	(7.32)	**(120.72)**
Balance as at 31 March 2025	**566.98**	**111.36**	**678.34**

Lease liabilities	**Year ended 31 March 2025**	**Year ended 31 March 2024**	**Year ended 31 March 2023**
Opening balance	-	-	-
Add: Additions	739.26	-	-
Add: Interest expense on lease liabilities	59.10	-	-
Less: Payments	(112.20)	-	-
Balance as at the end of year	**686.16**	**-**	**-**

	As at 31 March 2025	**As at 31 March 2024**	**As at 31 March 2023**
Classified as:			
Non-current	519.70	-	-
Current	166.46	-	-
	686.16	**-**	**-**

Amounts recognised in the restated statement of profit and loss	**Notes**	**Year ended 31 March 2025**	**Year ended 31 March 2024**	**Year ended 31 March 2023**
Short-term lease expenses (included in miscellaneous expenses)	33	55.46	16.00	15.19
Interest expense on lease liabilities	31	59.10	-	-
Depreciation of right-of-use assets	32	120.72	-	-

Amounts recognised in the restated statement of cash flows	**Year ended 31 March 2025**	**Year ended 31 March 2024**	**Year ended 31 March 2023**
Interest paid on lease liabilities	59.10	-	-
Principal paid on lease liabilities	53.10	-	-
Short-term lease expense	55.46	16.00	15.19
Total cash outflows with respect to leases	**167.66**	**16.00**	**15.19**

b) Terms and conditions of Lease arrangements:
The Group has lease contracts for various land and buildings. Leases of land have a lease term for 99 years and 10 years, buildings generally 5 years. The Group's obligations under its leases are secured by the lessor's title to the leased assets. With the exception of short-term leases,each lease is reflected on the restated statement of assets and liabilities as right-of-use assets and a lease liability. The payments for buildings to be increased by 5% every year from 01 July 2025.

c) Refer Note 41(D) for information about the undiscounted maturity analysis of lease liabilities over the remaining lease term.

7 Other intangible assets and Goodwill

	Gross block					Accumulated amortisation				Net block	
	As at 1 April 2024	Acquisition through Business Combination (Refer Note 35)	Additions	Deductions	As at 31 March 2025	As at 1 April 2024	For the year	Deductions	As at 31 March 2025	As at 31 March 2025	As at 31 March 2024
Software	0.05	-	-	-	0.05	0.05	-	-	0.05	-	-
Customer relationship	11,540.48	-	-	-	11,540.48	1,666.38	1,125.53	-	2,791.91	8,748.57	9,874.10
Total	**11,540.53**	**-**	**-**	**-**	**11,540.53**	**1,666.43**	**1,125.53**	**-**	**2,791.96**	**8,748.57**	**9,874.10**
Goodwill	**5,159.38**	**-**	**-**	**-**	**5,159.38**	**-**	**-**	**-**	**-**	**5,159.38**	**5,159.38**

	Gross block					Accumulated amortisation				Net block	
	As at 1 April 2023	Acquisition through Business Combination (Refer Note 35)	Additions	Deductions	As at 31 March 2024	As at 1 April 2023	For the year	Deductions	As at 31 March 2024	As at 31 March 2024	As at 31 March 2023
Software	-	-	0.05	-	0.05	-	0.05	-	0.05	-	-
Customer relationship	11,059.22	481.26	-	-	11,540.48	550.99	1,115.39	-	1,666.38	9,874.10	10,508.23
Total	**11,059.22**	**481.26**	**0.05**	**-**	**11,540.53**	**550.99**	**1,115.44**	**-**	**1,666.43**	**9,874.10**	**10,508.23**
Goodwill	**4,786.18**	**373.20**	**-**	**-**	**5,159.38**	**-**	**-**	**-**	**-**	**5,159.38**	**4,786.18**

	Gross block					Accumulated amortisation				Net block	
	As at 1 April 2022	Acquisition through Business Combination (Refer Note 35)	Additions	Deductions	As at 31 March 2023	As at 1 April 2022	For the year	Deductions	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Customer relationship	-	11,059.22	-	-	11,059.22	-	550.99	-	550.99	10,508.23	-
Total	**-**	**11,059.22**	**-**	**-**	**11,059.22**	**-**	**550.99**	**-**	**550.99**	**10,508.23**	**-**
Goodwill	**-**	**4,786.18**	**-**	**-**	**4,786.18**	**-**	**-**	**-**	**-**	**4,786.18**	**-**

Notes:

1 Goodwill has been generated on account of the follwing acquisition:

Particulars	31-Mar-25	31 March 2024	31 March 2023
- Distillery Business	4,786.18	4,786.18	4,786.18
- Leafiniti Bioenergy Private Limited	373.20	373.20	-
Total	**5,159.38**	**5,159.38**	**4,786.18**

2 Impairment testing of goodwill

Goodwill arising on acquisition of subsidiary has been allocated to a separate single cash generating unit (CGU) i.e. Leafiniti Bioenergy Private Limited and goodwill arising on acquisition of distillery business has been allocated to a separate single cash generating unit (CGU) i.e. TruAlt Bioenergy Limited. The Company has performed an annual impairment test to ascertain the recoverable amount of such goodwill. The recoverable amount is determined based on value in use calculation. The calculations performed indicate that there is no impairment of CGU of the company as value in use is higher than the carrying amount of goodwill.

These calculations use management assumptions and pre-tax cash flow projections based on financed budgets approved by management covering a 5-year period. The value-in-use calculation for the year used discount rate of 15.20% and terminal year growth rate of 5%.

8 Other non-current assets

	31 March 2025	31 March 2024	31 March 2023
Capital advances	13,667.19	13,169.81	7,647.51
Prepaid expenses	29.16	55.54	420.28
	13,696.35	**13,225.35**	**8,067.79**

9 Inventories

	31 March 2025	31 March 2024	31 March 2023
(Value at lower of cost and net realisable value)			
Raw materials (including in transit amounting to Nil (31 March 2024: INR 40.02 lakhs and 31 March 2023: Nil)	5,807.11	5,697.63	6,026.36
Finished goods *	14,151.56	8,869.62	8,271.14
Store and spares parts including packing materials	1,062.37	1,381.17	1,051.00
	21,021.04	**15,948.42**	**15,348.50**

* The goods are in transit to customers and the same has been delivered subsequent to the year end INR 1,913.21 lakhs (31 March 2024: INR 1,221.66 lakhs and 31 March 2023: Nil).
As per the terms of Letter of Intent, revenue is recognised upon satisfaction of the performance obligations which occurs typically upon delivery.
The Company has availed loans from banks against security of certain assets (Refer note 54).

10 Trade receivables

	31 March 2025	31 March 2024	31 March 2023
Unsecured			
- Considered good*	33,926.65	29,821.34	8,660.50
Less: Loss allowance	-	-	(6.26)
	33,926.65	**29,821.34**	**8,654.24**

@Trade receivables balance includes retention money amounting to INR 2,945.30 lakhs (31 March 2024: INR 1,262.96 lakhs, 31 March 2023: INR 2,906.72 lakhs).

Ageing of Trade Receivables

31 March 2025	**Current**						
Particulars	**Not Due**	**Outstanding for following periods from due date of payment**					
		Less than 6 months	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Trade receivables – considered good	23,321.70	7,015.80	3,378.86	195.20	14.80	0.29	**33,926.65**
Less: Loss allowance							**-**
Total	**23,321.70**	**7,015.80**	**3,378.86**	**195.20**	**14.80**	**0.29**	**33,926.65**

31 March 2024	**Current**						
Particulars	**Not Due**	**Outstanding for following periods from due date of payment**					
		Less than 6 months	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Trade receivables – considered good	28,827.09	959.69	17.56	17.00	-	-	**29,821.34**
Total	**28,827.09**	**959.69**	**17.56**	**17.00**	**-**	**-**	**29,821.34**

31 March 2023	**Current**						
Particulars	**Not Due**	**Outstanding for following periods from due date of payment**					
		Less than 6 months	**6 months - 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Trade receivables – considered good	6,407.78	1,978.45	222.45	51.82	-	-	**8,660.50**
Less: Loss allowance	-	-	-	(6.26)	-	-	**(6.26)**
Total	**6,407.78**	**1,978.45**	**222.45**	**45.56**	**-**	**-**	**8,654.24**

11.1 Cash and cash equivalents	31 March 2025	31 March 2024	31 March 2023
Cash in hand	0.14	0.06	-
Balances with banks:			
On current accounts	3,674.21	2,334.98	477.91
Fixed deposits with original maturity of less than 3 months	11,303.29		
	14,977.64	**2,335.04**	**477.91**

11.2 Bank balances other than cash and cash equivalents	31 March 2025	31 March 2024	31 March 2023
Deposits with original maturity of more than three months but remaining maturity less than twelve months*			
	-	5.00	-
	-	**5.00**	**-**

*Deposit represent security held by bank towards Bank Guarantee issued by the bankers on behalf of the Company.

12 Investments	Current 31 March 2025	Current 31 March 2024	31 March 2023
Investment carried at fair value through profit and loss			
Investment in unquoted mutual funds			
32,27,050.50 (31 March 2024: 32,27,050.50, 31 March 2023: Nil) units in SBI Arbitrage Opportunities Fund growth plan	-	1,000.02	-
49,99,750.01 units (31 March 2024: Nil, 31 March 2023: Nil) units in SBI Innovative Opportunities Fund -Regular growth plan	436.08	-	-
At cost of unquoted mutual funds for the year 31 March 2025 is INR 500.00 lakhs (31 March 2024: INR 999.95 lakhs and 31 March 2023: Nil)			
	436.08	**1,000.02**	**-**
Aggregate amount of unquoted investments	**436.08**	**1,000.02**	**-**

Refer note 40 for fair value measurements and note 41 for information about the Group's exposure to financial risks.

13 Other financial assets	Non current 31 March 2025	Non current 31 March 2024	Non current 31 March 2023	Current 31 March 2025	Current 31 March 2024	Current 31 March 2023
Receivable from third parties	-	-	-	100.00	544.81	13,364.59
Bank deposits with more than 12 months maturity*	112.13	-	-	-	-	-
Receivable from related parties (Refer note 39(C))**	-	-	-	1,507.69	-	3,571.27
Security deposits	80.89	-	-	8.88	5.30	-
Interest accrued	-	-	-	0.17	0.48	-
Advances to employees	-	-	-	0.56	-	-
Other receivables	-	-	-	-	0.48	-
	193.02	**-**	**-**	**1,617.30**	**551.07**	**16,935.86**

*INR 5.00 lakhs (31 March 2024: Nil and 31 March 2023: Nil) represent security held by bank towards Bank Guarantee issued by the bankers on behalf of the Company.
**Receivable from related parties includes INR 1,507.69 lakhs (31 March 2024: Nil and 31 March 2023: Nil) which the Company expects to recover from the selling shareholders on completion of initial public offering.

14 Governments grants	31 March 2025	31 March 2024	31 March 2023
Interest subvention receivable (Refer note 27)	2,948.33	5,003.84	-
Performance linked incentive receivable (Refer note 26)	6,617.66	-	-
Government Incentive Receivable	269.08	36.92	-
	9,835.07	**5,040.76**	**-**

15 Other current assets	31 March 2025	31 March 2024	31 March 2023
Balances with government authorities	17,890.15	9,424.30	4,589.26
Advances to suppliers	5,435.96	589.99	241.51
Prepaid expenses	86.64	423.27	163.03
Others*	813.75	274.86	-
	24,226.50	**10,712.42**	**4,993.80**

* The Company has recognised expenses of INR 813.75 lakhs (31 March 2024: INR 274.86 lakhs, 31 March 2023: Nil) towards proposed Initial Public offering ("IPO") of its equity shares.

16 Share capital

(A) Equity shares

	31 March 2025	31 March 2024	31 March 2023
Authorised share capital			
10,00,00,000 (31 March 2024: 10,00,00,000 and 31 March 2023: 7,00,00,000) Equity Shares of INR 10 each	10,000.00	10,000.00	7,000.00
Issued, subscribed and paid up			
7,06,31,624 (31 March 2024: 6,10,75,820 and 31 March 2023: 6,10,75,820) Equity shares of INR 10 each fully paid	7,063.16	6,107.58	6,107.58
	7,063.16	**6,107.58**	**6,107.58**

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	31 March 2025		31 March 2024		31 March 2023	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	6,10,75,820	6,107.58	6,10,75,820	6,107.58	61,000	6.10
Add: Issued during the year	-	-	-	-	6,10,14,820	6,101.48
Add: Issued during the year on conversion of CCPS into equity shares (Refer Note 16(B)(i))	95,55,804	955.58	-	-	-	-
Outstanding at the end of the year	**7,06,31,624**	**7,063.16**	**6,10,75,820**	**6,107.58**	**6,10,75,820**	**6,107.58**

(ii) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having par value of INR 10/- per share. Each shareholder is entitled to one vote per share held. They entitle the holders to participate in dividends which if declared is payable in Indian Rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	31 March 2025		31 March 2024		31 March 2023	
Name of the shareholder	Number of shares	% of holding in the class	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Equity shares of INR 10 each fully paid						
Vijaykumar Murugesh Nirani	1,53,36,841	21.71%	1,30,36,841	21.35%	89,21,437	14.61%
Vishal Nirani	1,53,25,071	21.70%	1,30,25,071	21.33%	89,13,383	14.59%
Sushmitha Vijaykumar Nirani	1,45,74,868	20.64%	1,22,74,868	20.10%	84,00,000	13.75%
Kamala Murigeppa Nirani	42,27,590	5.99%	42,52,040	6.96%	1,63,54,000	26.78%
Sangamesh Rudrappa Nirani	52,74,450	7.47%	90,10,000	14.75%	90,10,000	14.75%
Dhraksayani S Nirani	52,70,000	7.46%	84,10,000	13.77%	84,10,000	13.77%
Murugesh Rudrappa Nirani	-	-	-	-	-	-

As per the gift deed executed on July 24, 2023, Kamala Murigeppa Nirani gifted 41,15,404 shares to Vijaykumar Nirani, 41,11,688 shares to Vishal Murugesh Nirani and 38,74,868 shares to Sushmitha Vijaykumar Nirani. The Company's records, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, confirm the above shareholding represents both legal and beneficial ownerships of shares.

As per the gift deed executed on 15 April 2024, Dhraksayani S Nirani gifted 31,40,000 shares to Sangamesh Rudrappa Nirani. Sangamesh Rudrappa Nirani gifted 68,75,550 shares to Kamala Murigeppa Nirani. Kamala Murigeppa Nirani gifted 23,00,000 shares to Sushmitha Vijaykumar Nirani, 23,00,000 shares to Vijaykumar Murugesh Nirani and 23,00,000 to Vishal Nirani. The Company's records, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, confirm the above shareholding represents both legal and beneficial ownerships of shares.

(iv)

Details of Shares held by Promoters at the end of the year	31 March 2025			31 March 2024			31 March 2023		
Name of the Promoter	**No. Of Shares**	**% of total shares**	**% Change during the year**	**No. Of Shares**	**% of total shares**	**% Change during the year**	**No. Of Shares**	**% of total shares**	**% Change during the year**
Vijaykumar Murugesh Nirani	1,53,36,841	21.71%	0.37 %	1,30,36,841	21.35%	6.74 %	89,21,437	14.61%	(1.79%)
Vishal Nirani	1,53,25,071	21.70%	0.37 %	1,30,25,071	21.33%	6.73 %	89,13,383	14.59%	(1.80%)
Sushmitha Vijaykumar Nirani	1,45,74,868	20.64%	0.54 %	1,22,74,868	20.10%	6.34 %	84,00,000	13.75%	13.75 %
	4,52,36,780	**64.05%**		**3,83,36,780**	**62.78%**		**2,62,34,820**	**42.95%**	

(v) Shares reserved for issue under options

During the current year shares reserved for issue on conversion of Compulsorily Convertible Preference Shares have been issued, please refer note 16(B) below related to conversion of preference shares.

(vi) No class of shares have been bought back by the Company during the year of five years immediately preceding the end of current year.

(vii) No class of shares have been issued as bonus shares during the year of five years immediately preceeding the end of the current year.

(viii) Right issue of shares

The Board of Directors approved a resolution on 30th June, 2022, for allotment of a rights issue of equity shares and allotted 6,00,00,000 equity shares at par on a rights basis. The Company utilised the proceeds amounting to INR 6,000.00 lakhs from the right issue against general corporate purpose. Such right issue of shares shall rank pari passu with the existing Equity Shares of the Company.

The Board of Directors approved a resolution on 12th September, 2022, for allotment a rights issue of equity shares and allotted 10,14,820 equity shares at par on a rights basis. The Company utilised the proceeds amounting to INR 101.48 lakhs from the right issue against existing unsecured loans received. Such right issue of shares shall rank pari passu with the existing Equity Shares of the Company.

(B) Compulsorily Convertible Preference Shares

	31 March 2025	31 March 2024	31 March 2023
Authorised share capital			
4,70,00,000 (31 March 2024: 4,70,00,000; 31 March 2023: 4,70,00,000) Preference Shares of INR 100 each	47,000.00	47,000.00	47,000.00
	47,000.00	**47,000.00**	**47,000.00**
Issued, subscribed and paid up			
Nil (31 March 2024: 4,69,19,000; 31 March 2023: 4,69,19,000) Compulsory Convertible Preference Shares (CCPS) of INR 100 each fully paid up	-	46,919.00	46,919.00
	-	**46,919.00**	**46,919.00**

(i) Reconciliation of preference shares outstanding at the beginning and at the end of the year

	31 March 2025		31 March 2024		31 March 2023	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	4,69,19,000	46,919.00	4,69,19,000	46,919.00	-	-
Add: Issued during the year	-	-	-	-	4,69,19,000	46,919.00
Less: Converted into equity shares (Refer below)	(4,69,19,000)	(46,919.00)	-	-	-	-
Outstanding at the end of the year	**-**	**-**	**4,69,19,000**	**46,919.00**	**4,69,19,000**	**46,919.00**

During the year, the Company vide its Board of Directors meeting held on 03 May 2024, converted its Compulsorily Convertible Preference Shares (CCPS) to fully paid equity shares of the Company in the ratio of 1:4.91 at an issue price of INR 491 per fully paid equity share (INR 10 for Face value and INR 481 towards Securities Premium). The Company has alloted 95,55,804 equity shares against the 4,69,19,000 Compulsorily Convertible Preference Shares of the Company. The conversion ratio is determined based on the valuation report obtained by the Company from IBBI Registered Valuer as per the terms of CCPS.
Pursuant to the conversion of CCPS to equity, deferred tax liability on outstanding liability component of CCPS amounting to INR 3,730.13 lakhs is also adjusted with retained earnings.

(ii) Details of preference shares held by shareholders holding more than 5% of the aggregate preference shares in the Company

	31 March 2025		31 March 2024		31 March 2023	
Name of the shareholders	Number of shares	% of holding in the class	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Nirani Sugars Limited *	-	-	1,15,94,000	24.71%	1,40,94,000	30.04%
Shri Sai Priya Sugars Limited*	-	-	2,25,25,000	48.01%	2,25,25,000	48.01%
MRN Cane Power India Limited*	-	-	1,03,00,000	21.95%	1,03,00,000	21.95%

*Pursuant to Composite scheme of amalgamation approved by the Hon'ble National Company Law Tribunal, Bengaluru Bench, on 10 January 2024, these companies have merged into MRN Chamundi Canepower and Biorefineries Private Limited. Subsequently, MRN Chamundi Canepower and Biorefineries Private Limited was converted to a public company, MRN Chamundi Canepower and Biorefineries Limited. On 15 July 2024, the name of MRN Chamundi Canepower and Biorefineries Limited was changed to Nirani Sugars Limited.

(iii) Terms of CCPS

The Company had issued Compulsorily Convertible Preference Shares (CCPS) amounting to INR 46,919.00 lakhs at par value of INR 100 per CCPS, in October 2022 as part of purchase consideration for the acquisition of the distillery business. The CCPS were compulsorily convertible into equity shares at the end of 5 years from the date of allotment. The number of equity shares to be issued would be determined based on the Fair Market Value (FMV) as per the valuation done by IBBI Registered Valuer as on that date and therefore the conversion ratio is not fixed. The CCPS also carried a discretionary and cumulative dividend of 1.25% p.a. The dividend when declared and approved will be recognised as distribution, resulting in charge to distributable reserves. The CCPS shall rank senior to all classes of shares currently existing or established hereafter, with respect to distributions and shall not have any voting rights.
The CCPS have been accounted for as a compound financial instrument rather than an equity instrument given that the conversion ratio is not fixed. The financial liability component represents the net present value of the total proceeds from CCPS discounted using the incremental borrowing rate of the Company and balance has been recognised as equity. The details of equity and financial liability component at the year end are set out below:

	31 March 2025	31 March 2024	31 March 2023
Equity component of CCPS (Refer note 17)	-	14,690.38	14,690.38
Liability component of CCPS (Refer note 22)	-	31,813.25	28,680.40
	-	**46,503.63**	**43,370.78**

17 Other equity

	31 March 2025	31 March 2024	31 March 2023
Retained earnings	23,873.32	5,662.70	3,251.51
Equity component of Compound Financial Instruments (Refer note 16(B)(iii))	-	14,690.38	14,690.38
Securities premium	45,963.42	-	-
	69,836.74	**20,353.08**	**17,941.89**

Retained earnings	31 March 2025	31 March 2024	31 March 2023
Opening balance	5,662.70	3,251.51	(1.23)
Add: Profit/(Loss) for the year	14,663.85	3,180.79	3,545.99
Add/(less): Re-measurement gain/(loss) on defined benefit plans (net of taxes)	0.40	(8.23)	-
Less: Transaction with shareholders of subsidiary company	-	(174.88)	-
Less: Dividend on Compuslorily Convertible Preference Shares	(51.42)	(586.49)	(293.25)
Add: Adjustments on Conversion of Compulsorily Convertible Preference Shares	3,597.79	-	-
Closing balance	**23,873.32**	**5,662.70**	**3,251.51**

Securities premium	31 March 2025	31 March 2024	31 March 2023
Opening balance	-	-	-
Issue of equity shares on conversion of CCPS (95,55,804 equity shares * INR 481 per equity share)	45,963.42	-	-
Closing balance	**45,963.42**	**-**	**-**

17.1 Nature and purpose of items in other equity

Securities premium- Amount subscribed for share capital in excess of face value of equity shares. The reserve can be utilised only for limited purposes in accordance with the provisions of Companies Act, 2013.

Retained earnings- Retained earnings are the profits/(losses) that the Group has earned/incurred till date, less any dividends or other distributions paid to shareholders. Retained earnings include re-measurement gain / (loss) on defined benefit plans, net of taxes that will not be reclassified to the statement of profit and loss.

18 Non-current borrowings (carried at amortised cost)	**31 March 2025**	**31 March 2024**	**31 March 2023**
Secured			
Term loan			
From Banks and financial institution			
State Bank of India	19,768.07	23,196.28	-
Indian Renewable Energy Development Agency Limited (IREDA)	1,05,452.40	85,235.43	60,507.80
Union Bank of India	-	-	25,821.73
HDFC	65.94	-	-
Bank of India	16.36	23.85	-
Canara Bank Term Loan	1,723.09	2,744.00	-
	1,27,025.86	**1,11,199.56**	**86,329.53**
Less: Current maturities of term loans from:			
State Bank of India (Refer note 22)	3,596.00	3,596.00	-
Indian Renewable Energy Development Agency Limited (IREDA) (Refer note 22)	11,400.00	9,417.33	5,602.00
Union Bank of India (Refer note 22)	-	-	2,374.64
Bank of India (Refer note 22)	8.19	7.50	-
HDFC (Refer note 22)	12.17	-	-
Canara Bank (Refer note 22)	294.00	220.50	-
	15,310.36	**13,241.33**	**7,976.64**
Unsecured			
Compulsorily Convertible Preference Shares (Refer note 16(B))	-	-	28,680.40
	1,11,715.50	**97,958.23**	**1,07,033.29**

A Terms of repayment

(i) During the financial year 2022–23, the Company has obtained a consortium Term loan 1 from Indian Renewable Energy Development AgencyLimited (IREDA) and Union Bank of India (UBI) amounting to INR 88,400.00 lakhs with a distribution ratio of 70:30. The loan carries an interest rate of 1 year MCLR plus 2.80% p.a. and the disbursed amount of INR 87,306.00 lakhs was scheduled for repayment in 28 quarterly instalments, with monthly interest payments commenced from 27 March 2023. As per the loan agreement, the said loan was taken for the purpose of acquisition of 1400 KLPD ethanol distilleries located at 3 different locations in Karnataka (Refer note 35).

(ii) The Company has obtained a consortium Term loan 2 from Indian Renewable Energy Development Agency Limited (IREDA) and Union Bank of India (UBI) during the year ended 31 March 2024, amounting to INR 45,000.00 lakhs with a distribution ratio of 70:30. The loan carries an interest rate of 1 year MCLR plus 2.80% p.a. and the disbursed amount of INR 45,000.00 lakhs is scheduled for repayment in 28 quarterly instalments, with monthly interest payments commenced from 31 July 2023. As per the loan agreement, the said loan was taken for the purpose of expansion of ethanol distilleries by 600 KLPD located at 3 different locations in Karnataka.

(iii) The Company has obtained Term loan 3 from Indian Renewable Energy Development Agency Limited (IREDA) during the year ended 31 March 2025, amounting to INR 20,766.00 lakhs is scheduled for repayment in 24 quarterly instalments. The loan carries an interest rate of 11.40% plus 0.50% p.a. till the commisioning of the project and the disbursed amount of INR 15,575.00 lakhs, with monthly interest payments commenced from 31 January 2025. The repayment of principal amount will commence from 31 December 2026. As per the loan agreement, the said loan was taken for the purpose of Grain based expansion of ethanol distilleries by 1000 KLPD located at 2 different locations in Karnataka.

(iv) As per the Sanction letter of SBI Letter No: SBI/ADV/BGM/2023-24/07 Dated : 06.01.2024, UBI was replaced by State Bank of India (SBI) as the party to consortium. The interest rate on loan is modified from interest rate of 1 year MCLR plus 2.80% p.a to 6 Month SBI MCLR plus 1.55%.

(v) On 23 January 2024, the consortium agreement for Term loan 2 sanctioned was modified where the entire term loan is taken over by IREDA and UBI is no longer a party to the consortium agreement. The interest rate on loan is modified from interest rate of 1 year MCLR plus 2.80% p.a. to IREDA Grde-4 pertaining to ethanol (with existing sugar plant) which is presently 11.30% plus 0.5% till commissioning. The repayment of principal amount is scheduled to commence from March 31 2025 instead of March 31 2024.However, the current weighted average coming out to be 10.85% p.a.

(vi) The term loan amounting to INR 2,940.00 Lakhs was sanctioned by Canara Bank during the financial year 2020-21. The loan carries an interest rate of 11.25% p.a. and is scheduled for repayment in 96 monthly instalments, with monthly interest payments commencing from October 31, 2022. As per the loan agreement, the said loan was taken for the purpose of expansion of compressed bio gas plant by 10.2 TPD capacity located in Karnataka.

(vii) The vehicle loan amounting to INR 38.37 Lakhs was sanctioned by HDFC which carries an interest rate of 8.60 % p.a. and is scheduled for repayment in 60 monthly instalments, with monthly interest payments commencing from 07 September 2024. The Company has used such borrowings for the purposes as stated in the loan agreement.

(viii) The vehicle loan amounting to INR 24.45 Lakhs was sanctioned by Bank of India which carries an interest rate of 8.85% p.a. and is scheduled for repayment in 36 monthly instalments, with monthly interest payments commencing from March 30, 2024.

(ix) The vehicle loan amounting to INR 32.18 Lakhs was sanctioned by HDFC which carries an interest rate of 8.95 % p.a. and is scheduled for repayment in 60 monthly instalments, with monthly interest payments commencing from 07 February 2025. The Company has used such borrowings for the purposes as stated in the loan agreement.

B Repayment schedule for secured loan taken during the year

	HDFC	**SBI***	**IREDA***	**Bank of India**	**Canara Bank**
Number of instalments due (Nos)	58	20	24	23	67
Rate of Interest (%)	8.77%	10.29%	10.91%	8.85%	11.05% to 13.20%
Within one year	12.17	3,596.00	11,400.00	8.19	294.00
After one year but not more than 5 years	53.72	16,575.68	82,353.00	8.17	1,429.09
More than 5 years	-	-	17,652.50	-	-
	65.89	**20,171.68**	**1,11,405.50**	**16.36**	**1,723.09**

*The difference between carrying value of borrowings and repayment schedule is due to EIR adjustment been made as per Ind AS 109.

Term loans contain certain debt covenants relating to limitation on indebtedness, fixed asset coverage ratio, and debt service coverage ratio. The limitation on indebtedness covenant gets suspended if the Group meets certain prescribed criteria. The debt covenant related to limitation on indebtedness remained suspended as of the date of the authorisation of the financial statements. The Group has satisfied all other debt covenants prescribed in the terms of loan. The Group has not defaulted on any loans payable.

19 Other financial liabilities (carried at amortised cost)	**31 March 2025**	**31 March 2024**	**31 March 2023**
Refundable deposits	0.40	0.40	2.15
Payable towards purchase consideration to related parties (Refer note 39(C))	-	-	1,118.25
	0.40	**0.40**	**1,120.40**

20 Provisions

	Non current			Current		
	31 March 2025	31 March 2024	31 March 2023	31 March 2025	31 March 2024	31 March 2023
Provision for gratuity (unfunded) (Refer note 38(B))	175.06	110.30	58.10	11.67	6.84	4.07
Provision for leave encashment	149.60	88.69	6.52	13.10	7.87	0.59
	324.66	**198.99**	**64.62**	**24.77**	**14.71**	**4.66**

21 Other non-current liabilities

	31 March 2025	31 March 2024	31 March 2023
Deferred Government grant*	760.16	613.67	-
	760.16	**613.67**	**-**

*The Ministry of New and Renewable Energy has issued "Waste to energy programme" under which Central Financial Assistance will be provided in the form of capital subsidy and Grants-in-Aid to companies for installing plants that produce BioCNG from Industrial & Agriculture Waste. The grant has been accordingly accounted for in accordance with Ind AS 20 `Accounting for Government Grants'. (Also refer Note 25)

22 Current borrowings (carried at amortised cost)

	31 March 2025	31 March 2024	31 March 2023
Secured			
Current maturities of long-term borrowings (Refer Note 18)	15,310.36	13,241.33	7,976.64
Working capital loan*	27,941.95	25,455.37	-
Unsecured			
Compulsorily Convertible Preference Shares [Refer Note 16(B)	-	31,813.25	-
	43,252.31	**70,509.95**	**7,976.64**

*Working capital loan secured by current assets (inventories, advances paid, receivables including statutory receivables and other current assets).

Net Debt Reconciliation

Analysis of net debts and movement in net debts for each of the year presented:

As at 31 March 2025

Particulars	Cash adjustments	Non cash adjustments	Amount
Net debt as at 01 April 2024	-	-	**1,68,468.18**
Proceeds from loans (net of transaction cost)	29,930.19		29,930.19
Proceeds from Vehicle loan	70.55	-	70.55
Net increase/decrease in short term borrowings	2,486.58	-	2,486.58
Repayment of loans	(14,525.52)	-	(14,525.52)
Interest on borrowings	-	351.10	351.10
Interest on liability component of CCPS	-	282.47	282.47
Liability component - reversal of CCPS on conversion into equity shares	-	(32,095.74)	(32,095.74)
Net debt as at 31 March 2025 excluding accrued interest recognised as other financial liabilities in note 24	-	-	**1,54,967.81**

As at 31 March 2024

Particulars	Cash adjustments	Non cash adjustments	Amount
Net debt as at 01 April 2023	-	-	**1,15,009.93**
Proceeds from loans (net of transaction cost)	30,544.45	(631.97)	29,912.48
Net increase/decrease in short term borrowings	25,112.62	-	25,112.62
Repayment of loans	(8,061.75)	-	(8,061.75)
Interest on borrowings	-	189.60	189.60
Interest on liability component of CCPS	-	3,132.86	3,132.86
Borrowings acquired through business combination	-	3,172.44	3,172.44
Net debt as at 31 March 2024 excluding accrued interest recognised as other financial liabilities in note 24	-	-	**1,68,468.18**

As at 31 March 2023

Liabilities from financing activities			
Particulars	**Cash adjustments**	**Non cash adjustments**	**Amount**
Net debt as at 01 April 2022	-	-	-
Proceeds from loans (net of transaction cost)	86,352.89	-	86,352.89
Repayment of loans	(23.36)	-	(23.36)
CCPS including interest on liability component of CCPS	-	28,680.40	28,680.40
Net debt as at 31 March 2023 excluding accrued interest recognised as other financial liabilities in note 24	-	-	**1,15,009.93**

The details of financial and non financial assets pledged as security for current and non-current borrowings are disclosed in Note 54.

23 Trade payables (carried at amortised cost)	**31 March 2025**	**31 March 2024**	**31 March 2023**
Total outstanding dues of micro enterprises and small enterprises	1,339.11	23.93	138.46
Total outstanding dues of creditors other than micro enterprises and small enterprises*	47,231.76	15,338.46	30,733.94
	48,570.87	**15,362.39**	**30,872.40**

* INR 36,066.76 lakhs (31 March 2024: INR 11,178.98 lakhs, 31 March 2023: INR 22,396.48 lakhs) of the trade payable balance is payable to related parties (Refer note 39(C))

Trade payables are non-interest bearing and are normally settled within the credit period agreed with the supplier.

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Group:

Particulars	**31 March 2025**	**31 March 2024**	**31 March 2023**
(a) Amount remaining unpaid to any supplier at the end of each year:			
Principal	1,339.11	23.93	138.46
Interest		-	-
Total	**1,339.11**	**23.93**	**138.46**
(a) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each year.	**-**	-	-
(b) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	**-**	-	-
(c) The amount of interest accrued and remaining unpaid at the end of each year.	**-**	-	-
(d) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	**-**	-	-

Trade Payables ageing schedule

31 March 2025	**Current**					
Particulars	**Outstanding for following periods from due date of payment**					
	Not due	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	-	1,339.11	-	-	-	**1,339.11**
(ii) Disputed dues – MSME	-	-	-	-	-	**-**
(iii) Others	57.53	45,145.04	1,263.80	388.04	377.35	**47,231.76**
(iv) Disputed dues - Others	-	-	-	-		**-**
	57.53	**46,484.15**	**1,263.80**	**388.04**	**377.35**	**48,570.87**

31 March 2024	**Current**					
Particulars	**Outstanding for following periods from due date of payment**					
	Not due	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	-	23.93	-	-	-	**23.93**
(ii) Disputed dues – MSME	-	-	-	-	-	**-**
(iii) Others	-	13,209.62	1,714.56	328.97	85.31	**15,338.46**
(iv) Disputed dues - Others	-	-	-	-	-	**-**
	-	**13,233.55**	**1,714.56**	**328.97**	**85.31**	**15,362.39**

31 March 2023	**Current**					
Particulars	**Outstanding for following periods from due date of payment**					
	Not due	**Less than 1 year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) MSME	-	134.12	2.34	2.00	-	**138.46**
(ii) Disputed dues – MSME	-	-	-	-	-	**-**
(iii) Others	-	29,329.95	1,358.89	3.98	41.12	**30,733.94**
(iv) Disputed dues - Others	-	-	-	-	-	**-**
	-	**29,464.07**	**1,361.23**	**5.98**	**41.12**	**30,872.40**

24 Other financial liabilities (carried at amortised cost)

	31 March 2025	31 March 2024	31 March 2023
Interest payable	1.68	210.76	118.86
Dues to related parties (Refer note 39(C))	2,832.13	9,405.05	4,722.79
Employee benefits payable	401.52	288.26	152.56
Creditors for capital goods	7,587.97	8,060.38	-
Others	1,683.64	2,079.56	193.89
	12,506.94	**20,044.01**	**5,188.10**

25 Other current liabilities

	31 March 2025	31 March 2024	31 March 2023
Statutory dues payable	191.99	189.56	211.49
Liability towards Corporate Social Responsibility (Refer note 33)	-	-	-
Deferred government grant (Refer note 21)	35.76	27.48	-
Advance from customers	0.86	-	-
	228.61	**217.04**	**211.49**

26 Revenue from operations	**31 March 2025**	**31 March 2024**	**31 March 2023**
Revenue from contracts with customers			
Sale of finished goods	1,50,732.39	1,18,444.56	74,493.19
Sale of traded goods	31,862.02	3,858.99	1,744.84
Other operating revenue			
Performance linked incentive*	6,617.66	-	-
Provision no longer required written back	1,187.67	-	-
Market development assistance	372.66	36.92	-
	1,90,772.40	**1,22,340.47**	**76,238.03**

Disaggregation of revenue from contracts with customers

(i) Revenue is attributable to sale of ethanol, power and allied products and compressed biogas and it is recognised upon satisfaction of the performance obligations which is typically upon delivery, for Oil Marketing Companies (OMC) and Ex- Works, for companies other than OMCs (i.e., point in time). The Group's primary customers for ethanol and compressed biogas sales are public sector Oil Marketing Companies (OMC) in India.
As of 31 March 2025, 31 March 2024 and 31 March 2023 there are no unsatisfied performance obligations or contractual liabilities.

(ii) Certain customers arrangements consist of bill-and-hold characteristics under which transfer of control has been met (including the passing of title and significant risk and reward of ownership to the customers). Therefore, the customers can direct the use of the bill-and-hold inventory while the Company still retains physical possession of the product until it is shipped to a customer at a point in time in the future.
Under "Bill and hold" arrangement performance obligation is satisfied on unconditional appropriation of the goods to the contract. Normally no obligation towards custodial service exists.

(iii) Revenues from customers: 4 Customers (31 March 2024: 4 Customers and 31 March 2023: 3 Customers) represented more than 10% or more of the Group's revenues amounting to INR INR 1,60,050.79 lakhs (31 March 2024: INR 94,395.60 lakhs and 31 March 2023: INR 69,988.51 lakhs).

* The Government of Karnataka vide its order no.CI 227 SPI 2022(e), Bengaluru dated 11-05-2023, has sanctioned special incentive to the company for their ethanol production at its plants, considering the project as Super Mega Enterprise under the new Industrial Policy 2020-25. On the basis of the above order, the Company has submitted the claim application with the Department of Commerce and Industry for FY 2022-23 and FY 2023-24. For the FY 2024-25, the Company will submit the claim application within the due date and management believes that there is reasonable assurance that it will be realised considering approvals received for earlier years. The company has recognized such amount receivable under the Investment subsidy scheme, being 1.75% of the eligible turnover, as Performance Linked Incentive ('PLI') in its books. As the PLI is directly linked to the operating sale, it is disclosed under the head 'other operating revenue'.

27 Other income	**31 March 2025**	**31 March 2024**	**31 March 2023**
Interest subvention income*	5,902.39	5,017.40	-
Interest Income	0.30	9.34	-
Interest income on income tax refund	18.04	-	-
Fair value gain on investments measured at FVTPL	-	0.07	-
Net gain on sale of quoted equity investments measured at FVTPL	46.53	-	-
Amortisation of deferred government grant**	35.76	18.32	-
Foreign exchange gain (net)	-	7.71	-
Miscellaneous income	77.36	625.46	-
	6,080.38	**5,678.30**	**-**

*With respect to Term Loan 1, the Company is eligible to claim interest subvention from the Department of Food & Public Distribution (DFPD) for the year ended 31 March 2025, as confirmed by the National Bank for Agriculture and Rural Development (NABARD). The Company has received NABARD's approval with respect to claim interest subvention for the five-year period starting 1 April 2023 and additionally, UIN has been created in NABARD's portal in the name of Trualt Bioenergy Limited under which the Company will be claiming the grant.
With respect to Term Loan 2, as per the Department of Food & Public Distribution (DFPD)'s order Company is regular in claiming interest subvention.

**Deferred government grant of INR 850.00 lakhs (31 March 2024: INR 659.46 lakhs and 31 March 2023: Nil) recognised on a systematic basis over the remaining useful life of the plant and machinery of BioCNG plant. The corresponding depreciation is appearing in Note 32.

28 Cost of materials consumed	**31 March 2025**	**31 March 2024**	**31 March 2023**
Inventory at the beginning of the year	5,697.63	6,026.36	-
Add: Purchases	1,04,267.14	76,822.00	62,759.49
Less: Inventory at the end of the year (Refer note 9)	5,807.11	5,697.63	6,026.36
	1,04,157.66	**77,150.73**	**56,733.13**

29 Changes in inventories of finished goods	**31 March 2025**	**31 March 2024**	**31 March 2023**
Inventories at the beginning of the year			
- Finished goods (Refer note 9)	8,869.62	8,271.14	-
	8,869.62	**8,271.14**	-
Less: Inventories at the end of the year			
- Finished goods (Refer note 9)	14,151.56	8,869.62	8,271.14
	14,151.56	**8,869.62**	**8,271.14**
Net decrease/ (increase)	**(5,281.94)**	**(598.48)**	**(8,271.14)**

30 Employee benefits expense	**31 March 2025**	**31 March 2024**	**31 March 2023**
Salaries, wages, bonus and other allowances	3,651.81	2,180.53	803.31
Contribution to Provident Fund and ESI	167.29	113.25	33.52
Gratuity expenses (Refer note 38)	70.12	39.06	12.01
Leave encashment	67.00	88.24	7.10
Staff welfare expenses	29.54	10.50	3.47
	3,985.76	**2,431.58**	**859.41**

31 Finance costs	**31 March 2025**	**31 March 2024**	**31 March 2023**
Interest on borrowings	13,629.69	10,486.33	2,061.68
Interest expense on lease liabilities (Refer note 6)	59.10	-	-
Interest on liability component of CCPS (Refer note 16(B)(iii))	282.47	3,132.86	1,395.24
Bank charges	304.77	688.42	74.14
Others	85.07	-	-
	14,361.10	**14,307.61**	**3,531.06**

32 Depreciation and amortisation expense	**31 March 2025**	**31 March 2024**	**31 March 2023**
Depreciation of property, plant and equipment (Refer note 5)	5,443.12	4,576.35	1,524.09
Amortisation of right of use assets (Refer note 6)	120.72	-	-
Amortisation of intangible assets (Refer note 7)	1,125.53	1,115.44	550.99
	6,689.37	**5,691.79**	**2,075.08**

33 Other expenses	**31 March 2025**	**31 March 2024**	**31 March 2023**
Consumption of stores & spares and consumables	2,600.77	2,358.15	1,590.51
Manufacturing expenses	2,780.99	3,666.12	1,831.78
Power and fuel	9,608.59	8,703.75	6,039.51
Service fee (Refer note 39)	-	141.21	1,152.08
Selling and distribution expenses	6,466.09	3,729.88	2,859.67
Repairs and maintenance - Plant and Machinery	349.58	271.16	103.71
Repairs and maintenance - others	92.90	136.73	65.32
Legal and professional charges	1,269.10	584.25	234.36
Business promotion expenses	137.00	23.10	335.49
Rates and taxes	3,884.58	512.32	393.40
Insurance expenses	205.77	214.20	15.23
Security charges	143.50	115.59	32.64
Travel and conveyance	474.42	137.33	25.40
Labour Charges	21.32		
Fair value loss on investments measured at FVTPL	3.96		
Foreign exchange loss (net)	2.65	-	-
Miscellaneous expenses*	668.99	112.34	54.83
	28,710.21	**20,706.13**	**14,733.93**

*Note : This amount includes Corporate Social Responsibility (CSR) expenditure

	31 March 2025	**31 March 2024**	**31 March 2023**
Corporate Social Responsibility (CSR) expenditure	65.45	49.00	NA
Amount required to be spent by the Company during the year	65.45	49.00	NA
Amount of expenditure incurred on:			
(i) Construction/acquisition of any assets	-	-	NA
(ii) On purposes other than (i) above	65.45	49.00	NA
Shortfall at the end of the year	-	-	NA
Total of previous year shortfall	Nil	NA	NA
Reason for shortfall	NA	NA	NA

CSR activites include initiatives in education, skill development, healthcare, and environmental sustainability, through contributions to the MRN Foundation.

34 Income Tax and Deferred Tax

Components of Deferred tax

(A) Deferred Tax Liabilities (Net)	**31 March 2025**	**31 March 2024**	**31 March 2023**
Deferred tax assets			
On provision for employee benefits	101.17	40.56	4.81
On unabsorbed depreciation and carry forward business losses	1,601.99	1,660.50	1,074.21
On leases, net	172.69	-	-
On security deposits, net	10.86	-	-
On borrowings	88.36	-	-
On investments valued at fair value	16.08	-	-
On deferral of income from government grant	136.58	110.02	-
On others	0.04	12.79	6.68
Total Deferred tax asset	**2,127.77**	**1,823.87**	**1,085.70**
Deferred tax liabilities			
On account of business combination [Refer Note No 35]	(184.44)	(2,967.82)	(2,783.38)
On intangible assets	(908.87)	-	-
On property, plant and equipment	(8,619.74)	(5,256.55)	(2,550.51)
On right of use assets	(170.72)	-	-
On compulsorily convertible preference shares (Refer note 16(B))	-	(3,801.22)	(4,589.95)
On others	(246.81)	(250.66)	(238.72)
Total Deferred tax liabilities	**(10,130.58)**	**(12,276.25)**	**(10,162.56)**
Deferred tax asset/(liability), net	**(8,002.81)**	**(10,452.38)**	**(9,076.86)**

(B) Reconciliation of deferred tax assets/ (liabilities) (net):	**31 March 2025**	**31 March 2024**	**31 March 2023**
Opening balance as of 1 April	(10,452.38)	(9,076.86)	-
On acquisition through business combination (Refer Note 35)	-	(71.60)	(2,783.24)
Tax liability recognised in Restated Statement of Profit and Loss	(1,280.43)	(1,306.62)	(1,352.52)
Deferred tax on conversion of Compulsorily Convertible Preference Shares adjusted with retained earnings (Refer Note 16(B)(i))	3,730.13	-	-
Tax liability recognised in Restated OCI		-	-
On re-measurements gain/(loss) of post-employment benefit obligations	(0.13)	2.70	-
Tax liability recognised directly in equity		-	-
On compulsorily convertible preference shares	-	-	(4,941.10)
Closing balance	**(8,002.81)**	**(10,452.38)**	**(9,076.86)**

(C) Income tax expense	**31 March 2025**	**31 March 2024**	**31 March 2023**
(i) Income tax expense in the restated statement of profit and loss comprises:			
- Current tax expense	-	-	-
- Deferred tax charge / (income)	1,280.43	1,306.62	1,352.52
Income tax expense recognised in restated statement of profit and loss	**1,280.43**	**1,306.62**	**1,352.52**
(ii) Restated Other Comprehensive income /(loss)			
- Re-measurement (loss)/ gain on defined benefit plans	(0.13)	2.70	-
Income tax recognised in restated other comprehensive income/(loss) for the year	**(0.13)**	**2.70**	**-**

(D) Reconciliation of tax charge	**31 March 2025**	**31 March 2024**	**31 March 2023**
Accounting profit/(loss) before tax	15,944.28	4,487.41	4,898.51
Applicable tax rate	25.17%	25.17%	25.17%
Income tax expense at tax rates applicable	4,012.86	1,129.40	1,232.86
Tax effects of:			
- Expenses not allowed as per tax rules	285.78	79.16	119.66
- Deferred tax pertaining to unabsorbed depreciation	-	65.86	-
- Deferred tax impact due to change in tax rate of subsidiary company	(61.68)	14.52	-
- Impact of depreciation on customer relationship not considered in tax WDV in earlier years	(2,785.48)		
- Previous year Losses set-off against profit	-	17.78	-
- Other miscellaneous items	(171.05)	(0.10)	-
Income tax charged to restated statement of profit and loss	**1,280.43**	**1,306.62**	**1,352.52**

The calculation of the Group's total tax charge involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with tax authorities. Whilst the ultimate liability for such matters may vary from the amounts provided and is dependent upon the outcome of agreements with the relevant tax authorities, or litigation where appropriate, the Group continues to consider that it has made appropriate provision for periods which are open and not yet agreed by the tax authorities. Each year management completes a detailed review of uncertain tax positions across the Group and makes provisions based on the probability of the liability arising.

35 Business combinations

Leafiniti Bioenergy Private Limited

The Board of Directors of the Company at its meeting held on 18 September 2023 has approved the purchase of 72,19,494 equity shares of Leafiniti Bioenergy Private Limited. ('LBPL') from its shareholders. On 4 October 2023, the Company has invested INR 866.34 lakhs constituting 51.22% of the paid-up share capital of LBPL, resulting to gain of control as per Ind AS , thereby making LBPL a subsidiary of the Company. Details of the fair value of the identifiable tangible and intangible assets alongside the goodwill have been set out in the table below:

Property, plant and equipment	4,867.76
Intangible assets (customer relationship)	481.26
Capital advances	519.25
Net working capital	(1,450.23)
Debt and debt like items	(3,203.00)
Deferred tax	118.11
Total Fair value of Net Assets	**1,333.15**
Non Controlling interest	650.30
Total Fair value of Net Assets acquired (A)	**682.85**
Less: Consideration transferred	
Cash paid	866.34
Total consideration paid (B)	**866.34**
Goodwill (excluding deferred tax liability) (B) - (A)	**183.49**
Deferred tax attributable to the Company	97.17
Deferred tax attributable to Non-controlling interest	92.54
Goodwill / (Capital Reserve)	**373.20**

In a subsequent meeting on 6 November 2023, the Board approved an additional investment of INR 63.94 lakhs for purchase of 5,32,829 equity shares constituting 3.78% of shareholding in LBPL, which was executed on 27 December 2023.

Furthermore, the Company has invested INR 761.24 lakhs on 24 February 2024, to acquire the remaining 45% of LBPL's paid-up share capital, thereby making LBPL a wholly owned subsidiary.

Acquisition of distillery business

The Company acquired the distillery business from Shri Sai Priya Sugars Limited (SSPSL), Nirani Sugars Limited (NSL) and MRN Cane Power India Limited (MRNCPIL) (collectively referred to as Sellers) through a Business Transfer Agreement (BTA) effective 1 October 2022. The distillery business represents manufacturing and sale of ethanol which is the principal business activity of the Company. The acquisition has been accounted for in accordance with the principles of acquisition method as set out in Ind AS 103 - Business combinations. Transaction cost directly attributable with the acquisition has been expensed through the restated statement of profit and loss. The consideration has been settled partly through cash and issuance of CCPS. A portion of consideration payable in cash was expected to be settled within a year from the acquisition date. However, the same has been settled after one year but within three months from the end of the current period. Details of the fair value of the identifiable tangible and intangible assets alongside the goodwill have been set out in the table below:

Property, plant and equipment	62,798.59
Capital Work in Progress (CWIP)	26,401.34
Intangible assets (customer relationship)	11,059.22
Capital advances	36,581.70
Net working capital	(3,518.48)
Total Fair value of Net Assets acquired (A)	**1,33,322.37**
Less: Consideration transferred	
Cash paid (Reflected in cash flow under Investing activities)	87,303.84
Cash consideration to be paid (Refer note 39(C))	1,102.33
CCPS [Refer note 16 (B) for details]	46,919.00
Total consideration paid (B)	**1,35,325.17**
Goodwill (excluding deferred tax liability) (B)-(A)	**2,002.80**
Deferred tax liability (Refer note 34)	2,783.38
Goodwill	**4,786.18**

Notes:

(a) Pursuant to the acquisition, the Company also executed a Transition Services Agreement (TSA) with the Sellers whereby the Sellers continued to facilitate the sale of ethanol to the customers on behalf of the Company alongside providing other relevant services to facilitate the business. The Sellers were paid a fixed service fee per litre of ethanol produced and sold aggregating to INR 141.21 lakhs (31 March 2023:INR 1,152.08 lakhs) which has been disclosed as part of Other expenses in note 33.

(b) On 1 October 2022, the Company under the Business Transfer Agreement (BTA) acquired the distillery business of three of its group companies, viz. Nirani Sugars Limited, Shri Sai Priya Sugars Limited and MRN Cane Power India Limited (collectively referred to as 'Sellers') under Slump Sale Agreements entered into separately with the said companies for an aggregate consideration of INR 1,35,325.17 lakhs.

(c) The said consideration was to be settled partly by issue of Compulsorily Convertible Preference Shares of INR 100/- each for an aggregate amount of INR 46,919.00 lakhs, and the balance consideration was to be settled by actual payment.

(d) Since getting the transfer of the manufacturing (M2) license effected from each of the Sellers in the name of the Company, was going to be a time consuming process, in order to ensure an uninterrupted supply of ethanol to the Oil Companies, the Sellers entered into a Transition Services Agreement (TSA) under which it was agreed by and between the Company and the Sellers that they would continue to manufacture ethanol under their respective licenses, however that they would be acting as agents on behalf of the Company under an principal-agent relationship. The manufacturing licenses of the Sellers were eventually transferred in the name of the Company on 24 April 2023.

(e) Consequently, during the period from 1 October 2022 to 18 March 2023, the Sellers continued to bill the Oil Companies in their own name under their respective GST registrations and also continued to make purchases from the Vendors in their own name.

(f) On 19 March 2023, the Sellers, with the concurrence of the Oil Companies, suspended the sale of ethanol to them, so as to enable the Oil Companies to onboard the Company as a supplier in place of the Sellers. The supplies were resumed by the Company in its own name after it obtained the M2 licenses for all the three distilleries on 24 April 2023.

(g) The Company has, by virtue of the BTA and the TSA entered into with the Sellers, recognised the sale of Ethanol effected by the Sellers to the Oil Companies, during the period from 1 October 2022, to 24 April 2023, as its own revenue since the TSA has created a principal – agent relationship between the Company and the Sellers. Similarly, it has recognised all expenses incurred by the Sellers on the distillery business as its own. This is in accordance with the requirements of Ind AS 115 – Revenue from contracts with customers.

36 Earnings/(loss) per share

Basic earnings per share are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share are calculated by dividing the profit attributable to equity holders (after adjusting for interest and dividend on the compulsorily convertible preference shares) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31 March 2025	31 March 2024	31 March 2023
Profit/(Loss) for the year attributable to equity holders of the parent	14,663.85	3,180.79	3,545.99
Less: Dividend on Compulsorily Convertible Preference Shares (Refer note 16(B))	(51.42)	(586.49)	(293.25)
Profit/(Loss) attributable to equity holders	**14,612.43**	**2,594.30**	**3,252.74**
Add: Interest on Compulsorily Convertible Preference Shares (Refer note 31)	282.47	3,132.86	1,395.24
Add: Dividend on Compulsorily Convertible Preference Shares (Refer note 16(B))	51.42	586.49	293.25
Profit/(Loss) attributable to equity holders adjusted for the effect of dilution	**14,946.32**	**6,313.65**	**4,941.23**
Number of equity shares outstanding at the end of the year			
Weighted average number of equity shares for basic EPS	6,97,67,675	6,10,75,820	4,58,25,326
Weighted average number of equity shares for diluted EPS*	7,06,31,624	10,79,94,820	6,92,20,553
Basic earnings/(loss) per share (INR)	20.94	4.25	7.10
Diluted earnings/(loss) per share (INR)**	20.94	4.25	7.10

*The weighted average number of equity shares and potential equity shares for diluted EPS have been computed considering the CCPS issued pursuant to the acquisition of the distillery business as set out in note 35.
**Potential equity shares are anti-dilutive hence both Basic and Diluted earnings per share are equal for current and previous year.

37 Segment reporting

The Group's is primarily engaged in the business of manufacturing, selling of ethanol and compressed biogas and other products derived from distillery processes . As such, the Group operates in a single segment and there are no separate reportable segments. The same is basis confirmation received from the Chief Operating Decision Maker (CODM).

38 Employee benefits

(A) Defined Contribution Plans	**31 March 2025**	**31 March 2024**	**31 March 2023**
During the year, the Group has recognised the following amounts in the Restated Statement of Profit and Loss			
Employers' Contribution to Provident Fund and Employee State Insurance (Refer note 30)	**167.29**	**113.25**	**33.52**

(B) Defined benefit plans

Gratuity Plan

The employees' Gratuity Fund Scheme, which is a defined benefit plan, is unfunded. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the gratuity plan, every employee who has completed at least five years of service gets a gratuity on departure at 15 days of last drawn basic salary for each completed year of service. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Interest Risk

The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting year on Government securities. A decrease in yields will increase the fund liabilities and vice-versa.

Longevity Risk

The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary Escalation Risk

The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. Deviation in the rate of increase of salary in future for plan participants from rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

i) Actuarial assumptions	**31 March 2025**	**31 March 2024**	**31 March 2023**
Discount rate (per annum)	6.75%	7.15%	7.45%
Rate of increase in salary	7.50%	7.50%	7.50%
Expected average remaining working lives of employees (years)	28 to 29	28 to 30	28
Attrition rate	7.50%	7.50%	7.50%

ii) Changes in the present value of defined benefit obligation	**31 March 2025**	**31 March 2024**	**31 March 2023**
Present value of obligation at the beginning of the year	**117.12**	**62.17**	**-**
Current service cost	61.75	34.41	15.41
Net interest cost on the Net Defined Benefit Liability	8.37	4.64	-
Actuarial (gain)/ loss on obligations	(0.53)	10.93	-
Past Service cost	-	-	46.76
On acquisition of subsidiary company	-	4.97	-
Present value of obligation at the end of the year*	**186.71**	**117.12**	**62.17**

*Included in provision for employee benefits (Refer note 20)

iii) Expense recognised in the Restated Statement of Profit and Loss

	31 March 2025	31 March 2024	31 March 2023
Current service cost	61.75	34.41	9.41
Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset)	8.36	4.64	-
Past Service cost	-	-	2.60
Total expenses recognised in the Restated Statement Profit and Loss	**70.11**	**39.05**	**12.01**

iv) Expense recognised in the Restated Other Comprehensive Income for current year

	31 March 2025	31 March 2024	31 March 2023
Actuarial (gain)/loss on obligation for the year	(0.53)	10.93	-
Net (Income)/Expense for the year recognised in Restated OCI	**(0.53)**	**10.93**	**-**

v) Assets and liabilities recognised in the Restated Statement of Assets and Liabilities:

	31 March 2025	31 March 2024	31 March 2023
Present value of unfunded obligation as at the end of the year	186.71	117.12	62.17
Unfunded net (liability) recognised in Restated Statement of Assets and Liabilities*	**(186.71)**	**(117.12)**	**(62.17)**

*Included in provision for employee benefits (Refer note 20)

vi) A quantitative sensitivity analysis for significant assumption is as shown below:

Impact on defined benefit obligation	31 March 2025		31 March 2024		31 March 2023	
	Decrease	Increase	Decrease	Increase	Decrease	Increase
Discount rate (+/-1)	208.59	168.34	130.44	105.89	68.61	56.67
(% change compared to base due to sensitivity)	11.60% to 13.00%	(9.80%) to (10.80%)	11.30% to 13.30%	(11.10%) to (9.50%)	10.40%	(8.80%)
Salary Growth rate (+/-1)	168.46	207.83	105.82	130.26	56.62	68.54
(% change compared to base due to sensitivity)	(9.70%) to (10.90%)	11.2% to 12.8%	(11.10%) to (9.60%)	11.10% to 13.10%	(8.95%)	10.20%
Mortality Rate (- / + 10% of mortality rates)	186.75	186.70	117.13	117.12	62.17	62.17
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%	0.00 %	0.00 %
Attrition Rate (- / + 50% of attrition rates)	200.81	175.67	123.82	111.62	63.93	60.63
(% change compared to base due to sensitivity)	7.30% to 10.70%	(5.80%) to (8.50%)	5.50% to 10.70%	(4.50%) to (9.20%)	2.80 %	(2.50%)

vii) Maturity profile of defined benefit obligation (value on undiscounted basis)

	31 March 2025	31 March 2024	31 March 2023
Expected future cash flows			
1 Year	11.67	6.84	4.07
2-5 years	54.78	36.86	21.81
6-10 years	79.58	52.54	30.43
More than 10 years	320.25	207.69	98.73

39 Related Party Disclosures:

(A) **Names of related parties and description of relationship as identified and certified by the Group:**

(i) KMP

Vijaykumar Murugesh Nirani, Managing Director
Anand Kishore, Chief Financial Officer with effect from 19 February 2025.
Debnath Mukhopadhyay, Chief Financial Officer with effect from 08 May 2023 upto 08 January 2025
Vishal Nirani, Director
Sushmitha Vijaykumar Nirani, Director with effect from 18 September 2023
Chandrasekhar Kanekal, Director with effect from 18 September 2023
Sangamesh Rudrappa Nirani, Director effective upto 18 September 2023
Mallikarjun Bhimappa Dyaberi with effect from 6 December 2023
Yagati Badarinarayana Ramakrishna with effect from 26 December 2023
Sudheer Sannapaneni, Company Secretary with effect from 01 July 2023 till 22 July 2024 (re-appointment on 13 August 2024)
Mohith Kumar Khandelwal, Company Secretary with effect from 22 July 2024 upto 13 August 2024
Durairaj Anand Murugan Jakkampati, Director with effect from 06 December 2023

(ii) Affiliates - Companies in which Key Management Personnel (KMP) have significant influence:

Badami Sugars Limited*
Shri Sai Priya Sugars Limited*
Nirani Sugars Limited*
MRN Cane Power India Limited*
Shree Kedarnath Sugar And Agro Products Limited*
MRN Chamundi Canepower And Biorefineries Private Limited*
TruAlt Gas Private Limited
Nirani Holdings Private Limited

*Pursuant to Composite scheme of amalgamation approved by the Hon'ble National Company Law Tribunal, Bengaluru Bench, on 10 January 2024, these companies have merged into MRN Chamundi Canepower and Biorefineries Private Limited. Subsequently, MRN Chamundi Canepower and Biorefineries Private Limited was converted to a public company MRN Chamundi Canepower and Biorefineries Limited. On 15 July 2024, the name of MRN Chamundi Canepower and Biorefineries Limited was changed to Nirani Sugars Limited.

(B) **Details of transactions with related party in the ordinary course of business for the year ended:**

	31 March 2025	31 March 2024	31 March 2023
Sale of power, steam, diesel and chemicals			
- Erstwhile Nirani Sugars Limited	-	3.72	1.01
- Shri Sai Priya Sugars Limited	-	17.95	61.86
- Nirani Sugars Limited (erstwhile MRN Chamundi Canepower And Biorefineries Private Limited)	7,730.35	115.02	-
- MRN Cane Power India Limited	-	695.68	440.42
Total	**7,730.35**	**832.37**	**503.29**
Purchase of raw materials			
- Erstwhile Nirani Sugars Limited	-	23,383.86	13,774.58
- Badami Sugar Limited	-	3,621.68	3,421.02
- Shree Kedarnath Sugar & Agro Products Limited	-	5,838.01	1,194.44
- Shri Sai Priya Sugars Limited	-	21,818.18	29,511.91
- MRN Cane Power India Limited	-	9,054.95	10,400.56
- Nirani Sugars Limited (erstwhile MRN Chamundi Canepower And Biorefineries Private Limited)	1,08,130.02	20,943.54	-
Total	**1,08,130.02**	**84,660.22**	**58,302.51**
Purchase consideration paid in cash (Refer note 35)			
- Nirani Sugars Limited	-	-	40,906.00
- MRN Cane Power India Limited	-	-	18,716.09
- Shri Sai Priya Sugars Limited	-	-	27,681.75
- Vijaykumar Murugesh Nirani	-	845.76	-
Total	**-**	**845.76**	**87,303.84**
Issue of CCPS (Refer note 16)			
- Nirani Sugars Limited	-	-	14,094.00
- MRN Cane Power India Limited	-	-	10,300.00
- Shri Sai Priya Sugars Limited	-	-	22,525.00
Total	**-**	**-**	**46,919.00**
Service fees (Refer note 33)			
- Nirani Sugars Limited	-	63.06	309.15
- MRN Cane Power India Limited	-	25.67	286.68
- Shri Sai Priya Sugars Limited	-	52.48	556.30
Total	**-**	**141.21**	**1,152.13**
Expenses towards secondary sale of shares			
- Nirani Holdings Private Limited	1,507.69	-	-
	1,507.69	**-**	**-**
Corporate guarantee charges			
- Nirani Sugars Limited	-	-	6.16
Total	**-**	**-**	**6.16**
Issue of shares*			
- Vijaykumar Murugesh Nirani	-	-	891.14
- Vishal Nirani	-	-	890.34
- Sushmita Vijaykumar Nirani	-	-	840.00
- Sangamesh Rudrappa Nirani	-	-	900.00
Total	**-**	**-**	**3,521.48**

*During the year ended 31 March 2023, the Company issued equity shares through a right issue. The cash consideration was adjusted against the loan amount, including accrued interest.(Refer note 16(A)(viii))

Dividend on CCPS (Refer note 17)			
- Erstwhile Nirani Sugars Limited	8.21	174.81	88.09
- MRN Cane Power India Limited	18.51	128.75	64.38
- Shri Sai Priya Sugars Limited	4.73	281.56	140.78
-Nirani Holdings Private Limited	11.51	-	-
Total	**42.96**	**585.12**	**293.25**
Remuneration paid to KMP			
- Debnath Mukhopadhyay	96.64	95.39	-
- Sannapaneni Sudheer	24.03	17.98	-
- Vijaykumar Nirani	261.03	102.62	-
- Durairaj Anand Murugan Jakkampati	57.06	14.79	-
-Vishal Nirani	261.03	-	-
-Mohit Kumar Khandelwal	1.58	-	-
- Sushmitha Vijaykumar Nirani	-	1.50	-
- Chandrasekhar Kanekal	-	1.50	-
- Mallikarjun Bhimappa Dyaberi	-	1.50	-
- Yagati Badarinarayana Ramakrishna	-	1.00	-
- Anand Kishore*	16.28	-	-
Total	**717.65**	**236.28**	**-**

*KMP with effect from 19 February 2025

	31 March 2025	31 March 2024	31 March 2023
Interest paid on loan from related party			
-Vijaykumar Murugesh Nirani	-	8.36	-
Total	**-**	**8.36**	**-**
Rent expense			
- Nirani Sugars Limited (erstwhile MRN Chamundi Canepower And Biorefineries Private Limited)	13.50	13.50	-
	13.50	**13.50**	**-**
Rent income			
- TruAlt Gas Private Limited	2.89	-	-
	2.89	**-**	**-**
Purchase of land			
- Shree Kedarnath Sugar & Agro Products Limited	-	801.12	-
	-	**801.12**	**-**

(C) Amount (due to)/from related party as on:

	31 March 2025	31 March 2024	31 March 2023
Trade payables to related party (Refer note 23)			
- Badami Sugars Limited	(0.12)	-	(16.23)
- Shree Kedarnath Sugar And Agro Products Limited	-	-	(231.73)
-Nirani Sugars Limited			-
- Erstwhile Nirani Sugars Limited	(14.71)	(370.73)	(12,344.70)
- MRN Cane power India Limited	-	-	(1,630.42)
- Shri Sai Priya Sugars Limited	-	(1,177.33)	(8,173.40)
- Nirani Sugars Limited (erstwhile MRN Chamundi Canepower And Biorefineries Private Limited)	(36,051.93)	(9,630.92)	-
	(36,066.76)	**(11,178.98)**	**(22,396.48)**

	31 March 2025	31 March 2024	31 March 2023
Advances to related parties			
- Shri Sai Priya Sugars Limited	140.26	-	-
- Nirani Sugars Limited (erstwhile MRN Chamundi Canepower And Biorefineries Private Limited)	1,329.05	-	-
	1,469.31	**-**	**-**

	31 March 2025	31 March 2024	31 March 2023
Receivable/(Payable) towards purchase consideration to related parties (Refer note 35)			
- MRN Cane Power India Limited*	-	-	16.09
- Shri Sai Priya Sugars Limited	-	-	(1,118.25)
- Vijaykumar Nirani, Managing Director**	-	-	-
	-	**-**	**(1,102.16)**

*INR 16.09 lakhs is also included in "Receivable from related parties".
**This amount doesn't include INR 5.33 lakhs payable towards acquiring additional 3.78% equity shares in the subsidiary company.

	31 March 2025	31 March 2024	31 March 2023
Balance dues from/(to) related parties for transactions undertaken on behalf of the Group (Refer note 24)*			
- Nirani Sugars Limited (erstwhile MRN Chamundi Canepower And Biorefineries Private Limited)**	(2,789.18)	(7,615.25)	(5,034.53)
- MRN Cane Power India Limited	-	242.31	(446.96)
- Shri Sai Priya Sugars Limited	-	(1,446.99)	758.70
- Nirani Holdings Private Limited	1,507.69	-	-
- TruAlt Gas Private Limited	2.89	-	-
	(1,278.60)	**(8,819.93)**	**(4,722.79)**

**Post adjustments of interest subvention receivable from NABARD related to pre Business Transfer Agreement (BTA) period.
**It includes rent payable of INR 13.50 lakhs (31 March 2024 - INR 4.05 lakhs and 31 March 2023 - Nil)

	31 March 2025	31 March 2024	31 March 2023
Receivable from related parties (Refer note 13)			
- Nirani Sugar Limited	-	-	1,823.17
- MRN Cane Power India Limited	-	-	1,141.59
- Shri Sai Priya Sugars Limited	-	-	606.51
	-	**-**	**3,571.27**
Payable to related parties			
- Debnath Mukhopadhyay	-	(17.33)	-
- Sannapaneni Sudheer	(2.04)	(1.89)	-
- Vijaykumar Nirani	(27.80)	(27.02)	-
- Durairaj Anand Murugan Jakkampati	(3.44)	(1.18)	-
-Vishal Nirani	(27.80)	-	-
- Anand Kishore	(8.73)		
	(69.81)	**(47.42)**	**-**
Loans from related parties			
- Vijay Murugesh Nirani	-	-	-
	-	**-**	**-**
Dividend payable			
- Erstwhile Nirani Sugars Limited	(8.21)	(174.81)	(88.09)
- MRN Cane Power India Limited	(18.51)	(128.75)	(64.38)
- Shri Sai Priya Sugars Limited	(4.73)	(281.56)	(140.78)
- Nirani Holdings Private Limited	(11.51)	-	-
	(42.96)	**(585.12)**	**(293.25)**
Payable towards purchase of land			
- Shree Kedarnath Sugar & Agro Products Limited	-	(801.12)	-
	-	**(801.12)**	**-**

(D) Transactions and outstanding balances within the Group that are eliminated in Restated Financial Information (as per Schedule VI(Para 11(I)(A)(i)(g) of ICDR Regulations):

TruAlt Bioenergy Limited transactions and outstanding balances with Leafiniti Bioenergy Private Limited

	31 March 2025	31 March 2024	31 March 2023
Transactions during the year:			
Investment in equity shares	-	1,691.52	-
Intercorporate loan given	250.00	107.00	-
Interest income on intercorporate loan given	16.33	2.41	-
Cost of services	43.91	-	-
Rent income	3.61	-	-
Reimbursement of expenses	128.75	-	-
Balance as at the end of the year:			
Intercorporate loan	250.00	-	-
Receivable from related party	16.33	0.18	-
Trade payables	26.82	-	-

Refer Note 54 for details of share pledged by the promoters (Vijaykumar Murugesh Nirani, Sangamesh Rudrappa Nirani, Vishal Murugesh Nirani, Kamala Murigeppa Nirani, Draksyani S Nirani and Sushmita Vijay Nirani) as security for borrowings availed by the Company.

(E) Terms and conditions of transactions with related parties

1. Outstanding balances of related parties at the year-end are unsecured and interest free (except loans) and settlement takes place in cash.
2. Remuneration does not include Provision for Leave Encashment and Gratuity as it is provided in the books on the basis of actuarial valuation for the Group as a whole and hence individual figures cannot be identified. The amounts are not expected to be material.
3. Transaction entered into with related parties are made on terms equivalent to those that prevail in arm's length transactions.
4. There have been no guarantees provided or received for any related party receivables or payables.
5. For the year ended 31 March 2025, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2024:Nil and 31 March 2023:Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
6. All above figures are net of taxes wherever applicable.

40 Disclosures of financial instruments

The Group subsequently measured financial assets and liabilities at amortised cost and therefore there are no financial instruments which are subsequently measured at fair value except investments in mutual funds. The financial liabilities is primarily relates to floating rate borrowings. The management has assessed that fair value of financial assets and financial liabilities except investments in mutual funds, is not significantly different from its amortised cost.

40.1 Financial assets and liabilities

The following tables presents the carrying value and fair value of each of financial assets and liabilities:

(a) **Financial assets measured at fair value through profit and loss**	31 March 2025	31 March 2024	31 March 2023
Investments in mutual funds - Unquoted	436.08	1,000.02	-

(b) **Financial assets measured at amortised cost**	31 March 2025	31 March 2024	31 March 2023
Trade receivables	33,926.65	29,821.34	8,654.24
Cash and cash equivalents	14,977.64	2,335.04	477.91
Bank balance other than Cash and Cash Equivalents	-	5.00	-
Other financial assets	1,810.32	551.07	16,935.86
(c) **Financial liabilities measured at amortised cost@**			
Liability component of Compulsorily convertible preference shares (Refer note 16(B))	-	31,813.25	28,680.40
Borrowings (non-current) (Refer note 18)	1,11,715.50	97,958.23	78,352.89
Current maturity of long-term borrowings (Refer note 22)	15,310.36	13,241.33	7,976.64
Borrowings (current) (Refer note 22)	27,941.95	25,455.37	-
Trade payables (Refer note 23)	48,570.87	15,362.39	30,872.40
Other financial liabilities (Refer note 19 & 24)	12,507.34	20,044.41	6,308.50

@excluding lease liabilities

Notes:

1 The fair value of cash and cash equivalents, other bank balances, trade receivables, security deposits given and other financial assets, trade payables, trade credits and other financial assets and liabilities approximate their carrying amount largely due to the nature of these instruments. The Group's borrowings have been primarily contracted at variable market rates of interest. Accordingly, the carrying value of such borrowings approximate fair value.

2 Investments in mutual funds is recorded at fair value. The fair values represent the Net Asset Value ("NAV") as stated by the issuers of these mutual fund units in the published statements. NAVs represent the price at which the issuer will issue further units in the mutual fund and the price at which the issuer will redeem such units from the investors.

3 The Group has not disclosed fair value of lease liabilities in accordance with Ind AS 107.

40.2 Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

		Fair Value as at		
Financial assets/Financial liabilities	**Fair Value hierarchy**	**31 March 2025**	**31 March 2024**	**31 March 2023**
Financial assets:				
Investments in mutual funds - Unquoted	Level 1	436.08	1,000.02	-

Notes:

1 There have been no transfers between Level 1 and Level 2 during the year.

2 No financial liabilities subsequently measured at fair value.

41 Financial risk management objectives and policies

The Group is exposed to various financial risks. These risks are categorised into market risk, credit risk and liquidity risk. The Group's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Group does not engage in trading of financial assets for speculative purposes.

(A) **Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group manages its interest rate risk by monitoring the variable rate loans and borrowings.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/ decrease	Effect on profit before tax (INR)
31 March 2025		
INR	+40	(507.77)
INR	-40	507.77
31 March 2024		
INR	+40	(377.95)
INR	-40	377.95
31 March 2023		
INR	+40	(6.43)
INR	-40	6.43

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

Foreign currency sensitivity:

Net unhedged exposure of the Group to foreign currency assets and liabilities (in foreign currency) is as follows:

	Assets as at			Liabilities as at		
Currency	**31 March 2025**	**31 March 2024**	**31 March 2023**	**31 March 2025**	**31 March 2024**	**31 March 2023**
Great Britain Pound	-	-	-	-	5,000.00	-
United States Dollar (USD)	-	-	-	-	-	-
Swiss Franc	-	-	-	-	1,25,000.00	-

5% increase and decrease in the foreign exchange rates will have the following impact on profit before tax (in foreign currency):

Particulars	**Sensitivity analysis assets**			**Sensitivity analysis liabilities**		
	31 March 2025	**31 March 2024**	**31 March 2023**	**31 March 2025**	**31 March 2024**	**31 March 2023**
Increase by 5%						
Great Britain Pound (GBP)	-	-	-	-	(250.00)	-
Swiss Franc	-	-	-	-	(6,250.00)	-
United States Dollar (USD)	-	-	-	-	-	-
Decrease by 5%						
Great Britain Pound (GBP)	-	-	-	-	250.00	-
Swiss Franc	-	-	-	-	6,250.00	-
United States Dollar (USD)	-	-	-	-	-	-

(B) **Commodity price risk**

The Group is exposed to commodity price risk as operates in production and selling of ethanol to customers. The ethanol prices are announced by the Central Government which are based on Fair and Remunerative Price (FRP) of sugarcane, cost of production of sugar and realisation of by-products.

(C) **Credit risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, thereby leading to a financial loss. The Group conduct thorough credit assessments before granting credit terms and limits to customers, who are then monitored closely for adherence. The Group's ethanol sales are primarily made to Public Oil Marketing Companies ("OMCs") thereby the credit default risk is significantly mitigated. Further, the Group keeps a close watch on the realisation of the outstanding amounts which are collected within 12 months and has not experienced any significant default.
Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Group result in material concentration of credit risk, except for trade receivables.

Trade receivables including retention money

Customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on credit terms of 21 to 27 days. The Group follows 'simplified approach' for recognition of loss allowance on Trade receivables. An impairment analysis is performed at each reporting date on an individual basis for major customers. The calculation is based on historical data of expected credit loss, actual credit loss and party-wise review of credit risk. The Group does not hold collateral as security. Given that the trade receivables are from public sector OMC companies, no credit risk is observed and the payments are usually settled within one year and therefore the loss from time value of money is also not significant. Accordingly, no loss allowance is computed for the year ended 31 March 2025.
The customers retain 3% of the invoice amount which is settled at the end of the season which is typically within a year. Retention money that is not settled within a year is tested for impairment.
The ageing analysis of trade receivables (net of loss allowance) as of the reporting date is as follows:

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
Up to 6 months	30,337.50	29,786.78	8,386.23
More than 6 months	3,589.15	34.56	268.00

(D) **Liquidity risk**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The Group has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted cash flows:

	Less than 12 months	1 to 5 years	More than 5 years	Total
31 March 2025				
Borrowings*@	29,099.15	1,32,009.61	19,621.12	**1,80,729.88**
Trade payables	48,570.87	-	-	**48,570.87**
Lease liabilities	174.34	638.66	74.00	**887.00**
Other financial liabilities	12,506.94	0.40	-	**12,507.34**
	90,351.30	**1,32,648.67**	**19,695.12**	**2,42,695.09**
31 March 2024				
Borrowings*@	38,696.70	72,912.02	25,046.21	**1,36,654.93**
Trade payables	15,362.39	-	-	**15,362.39**
Other financial liabilities	20,044.01	0.40	-	**20,044.41**
	74,103.10	**72,912.42**	**25,046.21**	**1,72,061.73**
31 March 2023				
Borrowings*@	7,976.64	66,000.00	12,352.89	**86,329.53**
Trade payables	30,872.40	-	-	**30,872.40**
Other financial liabilities	5,188.10	1,120.40	-	**6,308.50**
	44,037.13	**67,120.40**	**12,352.89**	**1,23,510.42**

*Borrowings is excluding CCPS - financial liability as it will be settled by issuing variable number of equity shares (Refer note 16(B)).
@Borrowings include interest payable in future reflecting applicable interest rates at the reporting date and these amounts may change as applicable interest rates change in future.

42 Title deeds of Immovable Properties not held in name of the Group

The Group does not have any immoveable property, whose title deeds are not held in name of the Group.

43 Details of Benami Property held

The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

44 Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

45 Registration of charges or satisfaction with Registrar of Companies

The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

46 Utilisation of Borrowed funds and share premium:

(i) The Group has not advanced or loaned or invested funds to any other person(s) or entity(is), :
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
(b)provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The Group has not received any fund from any person(s) or entity(is), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

47 Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous years. Also refer note 35 for business combination.

48 Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

49 Crypto Currency

The Group has not traded or invested in crypto currency or virtual currency during the year.

50 Wilful Defaulter

The Group is not declared as wilful defaulter by any Bank or Financial Institution or Other lenders.

51 Group information

31 March 2025

Name of the Entity	Net assets (total assets-total liabilities)		Share of profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amounts	As a % of consolidated profit or loss	Amounts	As % of consolidated other comprehensive income	Amounts	As % of total comprehensive income	Amounts
Parent								
TruAlt Bioenergy Limited	99.81%	76,753.22	95.89 %	14,061.53	90.01%	0.36	95.89 %	14,061.89
Indian Subsidiary								
Leafiniti Bioenergy Private Limited	1.23%	946.41	4.32 %	633.04	9.99 %	0.04	4.32 %	633.08
Non-controlling interest	0.00%	-	0.00%	-	0.00 %	-	0.00 %	-
Total eliminations/ consolidation adjustment	(1.04%)	(799.73)	(0.21%)	(30.72)	(0.00%)	(0.00)	(0.22%)	(30.72)
Total	**100.00%**	**76,899.90**	**100.00%**	**14,663.85**	**100.00%**	**0.40**	**100.00%**	**14,664.25**

31 March 2024

Name of the Entity	Net assets (total assets-total liabilities)		Share of profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amounts	As a % of consolidated profit or loss	Amounts	As % of consolidated other comprehensive income	Amounts	As % of total comprehensive income	Amounts
Parent								
TruAlt Bioenergy Limited	101.72%	26,916.34	108.81 %	3461.13	94.46%	(7.77)	108.85 %	3453.36
Indian Subsidiary								
Leafiniti Bioenergy Private Limited	1.18%	313.33	(8.32%)	(264.61)	5.54 %	(0.46)	(8.35%)	(265.07)
Non-controlling interest	0.00%	0.00	0.00 %	-	0.00 %	-		
Total eliminations/ consolidation adjustment	(2.90%)	(768.96)	(0.49%)	(15.68)	0.00 %	-	(0.50%)	(15.68)
Total	**100.00%**	**26,460.71**	**100.00%**	**3,180.84**	**100.00%**	**(8.23)**	**100.00%**	**3,172.61**

52 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, compulsorily convertible preference shares, securities premium and all other equity reserves attributable to the equity holders. The primary objective of the Group's capital management is to maximise the shareholder value and to ensure the Group's ability to continue as a going concern.

The Group monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of non-current borrowings which represents liability component of Convertible Preference Shares and term loans from banks and financial institution. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

		31 March 2025	31 March 2024	31 March 2023
Equity		7,063.16	6,107.58	6,107.58
CCPS (Equity component - Refer note 16(B)(iii))		-	14,690.38	14,690.38
Other equity		69,836.74	5,662.70	3,251.51
Total equity	**(i)**	**76,899.90**	**26,460.66**	**24,049.47**
Borrowings other than CCPS		1,54,967.81	1,36,654.93	86,329.53
CCPS (Financial liability component - Refer note 16(B)(iii))		-	31,813.25	28,680.40
Less: Cash and cash equivalents		(14,977.64)	(2,335.04)	(477.91)
Net debt	(ii)	**1,39,990.17**	**1,66,133.14**	**1,14,532.02**
Total financing	(iii) = (i) + (ii)	2,16,890.07	1,92,593.80	1,38,581.49
Gearing ratio	(ii)/ (iii)	0.65	0.86	0.83

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2025 as compared to years ended 31 March 2024 and 31 March 2023.

53 Ratios

S No.	Ratio	Formula	Particulars		31 March 2025		31 March 2024		31 March 2023		Ratio as on	Ratio as on	Ratio as on
			Numerator	Denominator	Numerator	Denominator	Numerator	Denominator	Numerator	Denominator	31 March 2025	31 March 2024	31 March 2023
(a)	Current Ratio	Current Assets / Current Liabilities	Current Assets= Inventories + Current Investment + Trade Receivable + Cash & Cash Equivalents + Other Current Assets +Income tax assets (net)+ Assets held for Sale+ Other financial assets	Current Liability= Short term borrowings + Trade Payables + Other financial Liability+ Current tax (Liabilities) + Contract Liabilities+ Provisions + Other Current Liability	1,06,220.02	1,04,749.96	65,813.22	1,06,148.10	46,410.32	44,253.29	1.01	0.62	1.05
(b)	Debt-Equity Ratio	Debt / Equity	Debt= long term borrowing and current maturities of long-term borrowings and redeemable preference shares treated as financial liability	Equity= Equity + Reserve and Surplus	1,54,967.81	76,899.90	1,68,468.18	26,460.71	1,15,009.93	24,049.47	2.02	6.37	4.78
(c)	Debt Service Coverage Ratio (DSCR)	Net Operating Income / Debt Service	Net Operating Income= Net profit after taxes + Non-cash operating expenses + finance cost	Debt Service = Interest & Lease Payments + Principal Repayments	35,714.32	28,267.41	23,180.19	18,548.08	9,152.13	2,085.04	1.26	1.25	4.39
(d)	Return on Equity Ratio	Profit after tax less pref. Dividend x 100 / Average Shareholder's Equity	Net Income= Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	14,612.43	51,680.28	2,594.30	25,255.09	3,252.74	12,027.17	0.28	0.10	0.27
(e)	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	Cost of Goods Sold	(Opening Inventory + Closing Inventory)/2	1,27,162.06	18,484.73	80,394.25	15,648.46	50,140.04	7,674.25	6.88	5.14	6.53
(f)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables	Net Credit Sales	(Opening Trade Receivables + Closing Trade Receivable)/2	1,82,594.41	31,874.00	1,22,340.47	19,237.79	76,238.03	4,327.12	5.73	6.36	17.62
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables	Net Credit Purchases	(Opening Trade Payables + Closing Trade Payables)/2	1,32,553.48	31,966.63	80,664.00	23,117.40	64,437.54	15,436.20	4.15	3.49	4.17
(h)	Net Capital Turnover Ratio	Net Sales / Working Capital	Net Sales	Working Capital= Current assets – Current liabilities	1,90,772.40	1,470.06	1,22,340.47	(40,334.83)	76,238.03	2,157.03	129.77	(3.03)	35.36
(i)	Net Profit Ratio	Net Profit / Net Sales	Net Profit	Net Sales	14,663.85	1,90,772.40	3,180.79	1,22,340.47	3,545.99	76,238.03	0.08	0.03	0.05
(j)	Return on Average Capital Employed	EBIT / Capital Employed	EBIT= Earnings before interest and taxes	Average Capital Employed= (Total Equity + Non-current borrowings + Current maturities of Non current borrowings+ Current borrowings + Deferred tax liabilities)/2	24,225.00	2,22,663.70	13,116.72	1,76,758.77	8,429.57	74,070.57	0.11	0.07	0.11
(k)	Return on Investment	Net Profit / Net Investment	Net Profit	Net Investment= Net Equity	14,663.85	76,899.90	3,180.79	26,460.66	3,545.99	24,049.69	0.19	0.12	0.15
(l)	Fixed assets coverage ratio	Net fixed assets/ Total long term debts	Net fixed assets	Total long term debts	1,67,999.78	1,27,025.86	1,27,635.01	1,11,199.56	1,14,863.53	86,329.53	1.32	1.15	1.33

54 Assets Pledged as Security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	Notes	31 March 2025	31 March 2024	31 March 2023
Current assets				
Inventories	9	21,021.04	15,948.42	15,348.50
Trade receivables	10	33,926.65	29,821.34	8,654.24
Cash and cash equivalents	11.1	14,782.67	1,738.09	477.91
Bank balance other than cash and cash equivalents	11.2	-	5.00	-
Investments	12	436.08	1,000.02	-
Other financial assets	13	1,515.47	550.59	-
Government grant	14	9,561.50	4,999.32	-
Income tax assets		170.98	397.13	-
Other current assets	15	23,812.15	10,295.01	-
Total Current assets pledged as security		**1,05,226.54**	**64,754.92**	**24,480.65**
Non-Current assets				
Freehold land	5	6,937.13	6,691.82	4,673.12
Temporary Shed		14.09	-	-
Buildings	5	11,003.89	11,428.24	11,338.03
Plant and machinery	5	1,49,135.41	1,09,276.09	98,624.27
Furniture and fixtures	5	206.60	-	-
Office Equipment	5	69.09	-	-
Computers	5	138.98	-	-
Vehicles	5	95.16	-	-
Other financial assets	13	5.00	-	-
Total Non-Current assets pledged as security		**1,67,605.35**	**1,27,396.15**	**1,14,635.42**
Shares pledged*		1,588.00	1,560.23	1,560.23
Total Assets pledged as security		**2,74,419.89**	**1,93,711.30**	**1,40,676.30**

Notes:

* As per the Facility Agreement dated 21 February 2023, the Company availed term loan facility from Union Bank of India and India Renewable Energy Development Agency Limited (referred to as the "Original Lenders") against which 1,56,02,293 equity shares held by the promoters were pledged for Original Lenders. Subsequently, the term loan facility was taken over by State Bank of India and India Renewable Energy Development Agency Limited (referred to as the "New Lenders") under a new Facility Agreement dated 23 February 2024. Upon transition from Original Lenders to New lenders, 1,56,02,293 equity shares which were previously pledged for Old Lenders were temporarily released on 14 March 2024 and subsequently 1,58,80,000 shares were repledged for New Lenders on 24 April 2024.

(a) Sanctioned limit with SBI, IREDA has been secured by hypothecation of first charge on stock-in-trade, present and future, consisting of raw materials, goods in process of manufacturing finished goods, and other merchandise whatsoever being movable properties and all the debts, that is, all the book debts, outstanding's, monies receivables, claims, bills, invoice documents, contracts, guarantees, and rights which are now due and owing or which may at any time hereafter during the continuance of this security becomes due and owing to the Company. The loan is also supported by first charge by way of an equitable mortgage of industrial land (by deposit of title deeds) and subservient charge on entire movable fixed assets and current assets (present and future) of the borrower.

(b) Sanctioned limit with Canara bank has been secured by hypothecation of first charge on immovable assets of Leafiniti Bioenergy Private Limited.

55 Commitments

	31 March 2025	31 March 2024	31 March 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	22,240.69	15,424.57	-

56 Statement of restatement adjustment to Restated Financial Information

Summarised below are the restatement adjustments made to the equity of the audited consolidated financial statements of the Company for the year ended 31 March 2025 and 31 March 2024 and to the audited standalone financial statements of the Company for the year ended 31 March 2023 and their consequential impact on the equity of the Company:

	As at 31 March 2025	As at 31 March 2024	As at 31 March 2023
A. Total equity before restatement as per audited consolidated/standalone financial statements	**76,899.90**	**26,460.66**	**24,049.47**
B. Adjustments (refer note a, b, c below)	-	-	-
Material restatement adjustment			
(i) Audit qualifications	-	-	-
(ii) Adjustments due to change in accounting policy / prior period items / other adjustments	-	-	-
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable	-	-	-
C. Total impact of restatement adjustments (i + ii + iii)	-	-	-
D. Total Equity as per restated statement of assets and liabilities (A+C)	**76,899.90**	**26,460.66**	**24,049.47**

Summarised below are the restatement adjustments made to the net profit of the audited consolidated financial statements of the Company for the year ended 31 March 2025 and for the years ended 31 March 2024 and to the audited standalone financial statements of the Company for the year ended 31 March 2023 and their consequential impact on the equity of the Company:

	For the year ended 31 March 2025	For the year ended 31 March 2024	For the year ended 31 March 2023
A. Profit/(loss) after tax as per audited consolidated financial statements	**14,663.85**	**3,180.79**	**3,545.99**
B. Adjustments (refer note a, b, c below)			
Material restatement adjustment			
(i) Audit qualifications	-	-	-
(ii) Adjustments due to change in accounting policy / prior period items / other	-	-	-
(iii) Deferred tax impact on adjustments in (i) and (ii), as applicable	-	-	-
C. Total impact of restatement adjustments (i + ii + iii)	-	-	-
D. Profit/(loss) after tax as restated statement of profit and loss (A+C)	**14,663.85**	**3,180.79**	**3,545.99**

Notes to adjustment

a) Adjustments for audit qualification: None
b) Significant errors, non-provisions, material regrouping and other adjustments: None
c) Changes in accounting policies: None

56 Statement of restatement adjustment to Restated Financial Information (Contd.)

Emphasis of Matters for the respective years, which do not require any adjustments in the restated fianancial information are as follows:

For the year ended 31 March 2023:

In respect of the distilleries taken over by the Company from its group companies, viz. Nirani Sugars Limited and Shri Sai Priya Sugars Limited on October 1, 2022, under a Business Transfer Agreement (BTA) entered into with each of the said companies, the expansion of the distillery facilities which was undertaken by the said companies in the year 2021 under a turnkey contract was completed between November 2022 and January 2023, the componentisation of the assets in terms of Ind AS 16 - Property Plant and Equipment is in progress. Consequently, the updation of the fixed assets register is pending.

Clause (vii) of CARO 2020 order

In the standalone audited financial statements of the subsidiaries for the years ended 31 March 2025 and 31 March 2024, auditors were required to comment upon the matters included in the Companies (Auditor's Report) Order, 2020 ("the CARO 2020")/ Companies (Auditor's Report) Order, 2016 ("the CARO 2016 Order") (as applicable) issued by the Central Government of India under sub-section (11) of Section 143 of Companies Act, 2013 for the financial years ended 31 March 2025 and 31 March 2024 respectively. Restated Financial Information does not contain any qualifications requiring adjustments. However certain qualifications/ comments included in the CARO in the standalone financial statements, which do not require any corrective adjustments in the Restated Financial Information are reproduced below in relation to subsidiary:

Leafiniti Bioenergy Private Limited

For the year ended 31 March 2024, the Subsidiary Company has generally been regular in depositing with the appropriate authorities undisputed statutory dues, including provident fund, employees' state insurance, income-tax, customs duty, goods and service tax, cess and other statutory dues, applicable to it, with the appropriate authorities. There are undisputed statutory dues of INR 39.29 lakhs in respect of tax deducted at source remaining outstanding for the period exceeding six months as at the date of the Balance Sheet, which have since been paid.

57 Undisclosed income

The Group does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income for the year ended 31 March 2025 and corresponding previous years in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

58 Subsequent events

There were no significant adjusting events that occurred other than those disclosed/given effect to, in these restated financial information as of 31 March 2025.

59 Contingent liabilities and contingent assets

The Group does not have contingent liabilities and contingent assets for the year ended 31 March 2025, 31 March 2024 and 31 March 2023.

60 The Code on Social Security 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. Further, the Ministry of Labour and Employment has released draft rules for the Code on November 13, 2020. However, the effective date from which the changes are applicable is yet to be notified and rules for quantifying the financial impact are also not yet issued.

The Group will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

61 Figures for previous year have been regrouped / reclassified wherever considererd necessary and are not material to these Restated Financial Information.

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

For and on behalf of the Board of Directors of
TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
CIN: U15400KA2021PLC145978

Santosh Burande
Partner
Membership No. : 214451

Place: Bengaluru
Date: 13 May 2025

Vijaykumar Murugesh Nirani
Managing Director
DIN: 07413777

Vishal Nirani
Director
DIN: 08434032

Anand Kishore
Chief Financial Officer

Place: Bengaluru
Date: 13 May 2025

Sudheer Sannapaneni
Company Secretary
Membership No: 55105

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE COMPILATION OF PROFORMA CONDENSED COMBINED FINANCIAL INFORMATION INCLUDED IN THE DRAFT RED HERRING PROSPECTUS

The Board of Directors,
TruAlt Bioenergy Limited,
9th floor, World Trade Center,
Brigade Gateway Campus,
Malleshwaram, Rajajinagar,
Bengaluru 560055.

Dear Sirs,

Report on the Compilation of Proforma Condensed Combined Financial Information included in the Draft Red Herring Prospectus prepared by TruAlt Bioenergy Limited

1. We have completed our assurance engagement to report on the compilation of Proforma Condensed Combined Financial Information of TruAlt Bioenergy Limited ('the **Company**') prepared by the management of the Company ('the **Management**'). The Proforma Condensed Combined Financial Information consists of the Proforma Condensed Combined Balance Sheet as at March 31, 2023, March 31, 2022 and March 31, 2021, the Proforma Condensed Combined Statement of Profit and Loss (including Other Comprehensive Income) for the years ended March 31, 2023, March 31, 2022 and March 31, 2021, respectively and the Proforma Condensed Combined Statement of Cash Flow for the years then ended and select explanatory notes to the Proforma Financial Information (collectively '**Proforma Condensed Combined Financial Information**'). The applicable criteria on the basis of which the management has compiled the Proforma Condensed Combined Financial Information are specified in Clause (11)(I)(B)(iii) of Part A of Schedule VI Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the '**ICDR Regulations**') issued by Securities and Exchange Board of India (the '**SEBI**') and described in note 2 of the Proforma Condensed Combined Financial Information. Because of its nature, Proforma Condensed Combined Financial Information does not represent the Company's actual financial position and performance.

2. The Proforma Condensed Combined Financial Information has been compiled by the management to illustrate the impact of acquisition of the distillery business of Shri Sai Priya Sugars Limited (SSPSL), Nirani Sugars Limited (NSL) and MRN Cane Power India

Limited (MRN) on October 1, 2022 as set out in note 1 and 2 of the Proforma Condensed Combined Financial Information on the Company's financial position and the Company's financial performance as if such acquisition had consummated at April 1, 2020. As a part of this process, information about the Company's financial position as at March 31, 2023, March 31, 2022 and March 31, 2021, financial performance for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 has been extracted by the management of the Company from the Company's restated financial statements as at and for the year ended March 31, 2023 and March 31, 2022 and on which an examination report dated May 3, 2024 has been issued by us and from the Special Purpose Ind AS Combined Carve-Out Financial Statement for the six months ended September 30, 2022 and years ended March 31, 2022 and March 31, 2021 on which Special Purpose Audit Reports each dated May 3, 2024 have been issued by us for the respective periods. This assurance report needs to be read in conjunction with the aforementioned Examination Report and Special Purpose Audit Reports.

Management's Responsibility for the Proforma Condensed Combined Financial Information

3. Management is responsible for compiling the Proforma Condensed Combined Financial Information on the basis as set out in note 2 to the Proforma Condensed Combined Financial Information which has been approved by the Board of Directors of the company (the '**Board**') on May 3, 2024. This responsibility includes the responsibility for designing, implementing and maintaining internal control relevant for compiling the Proforma Condensed Combined Financial Information on the basis as set out in note 2 to the Proforma Condensed Combined Financial Information that is free from material misstatement, whether due to fraud or error. The management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of Proforma Condensed Combined Financial Information.

Auditor's Responsibilities

4. Our responsibility is to express an opinion, as required by ICDR Regulations, about whether the Proforma Condensed Combined Financial Information has been compiled, in all material respects, by the management on the basis as set out in note 2 to the Proforma Condensed Combined Financial Information.

5. We conducted our engagement in accordance with Standard on Assurance Engagements (SAE) 3420, Assurance Engagements to Report on the Compilation of Proforma Condensed Combined Financial Information Included in a Prospectus issued by the Institute of Chartered Accountants of India ('ICAI'). This standard requires that the Auditor comply with the ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the management has complied, in all material aspects, the Proforma Condensed Combined Financial Information on the basis set out in note 2 thereto.

6. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Proforma Condensed Combined Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Proforma Condensed Combined Financial Information.

7. Our work has not been carried out in accordance with the auditing or other standards and practice generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the ICDR Regulations in connection with the proposed IPO.

8. The purpose of the Proforma Condensed Combined Financial Information included in the DRHP is solely to illustrate the impact of the above-mentioned acquisition of the distillery businesses on unadjusted restated financial information of the Company as if the acquisition of the distillery businesses had occurred at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the above-mentioned acquisition as at March 31, 2022 and March 31, 2021 or for the years then ended would have been, as presented.

9. A reasonable assurance engagement is to report on whether the Proforma Condensed Combined Financial Information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the management in the compilation of the Proforma Condensed Consolidated Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the above mentioned acquisition, and to obtain sufficient appropriate evidence about whether:

    - The proforma adjustments give appropriate effect to those criteria; and
    - The Proforma Condensed Combined Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

    The procedures selected depend on the Auditor's judgement, having regard to the Auditor's understanding of the nature of the company, the event or transaction in respect of which the Proforma Condensed Combined Financial Information has been compiled, and other relevant engagement circumstances.

    The engagement also involves evaluating the overall presentation of the Proforma Condensed Combined Financial Information.

10. This report should not in any way be construed as re-issuance or re-dating of any of the previous audit reports issued by us on the financial statements of the Company. We have no responsibility to update our report for events and circumstances occurring after the date of this report.

11. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

12. In our opinion, the Proforma Condensed Combined Financial Information has been compiled, in all material respect, on the basis set out in note 2 of the Proforma Condensed Combined Financial Information.

Restriction on Use

13. Our report is intended solely for use of the Board for inclusion in the DRHP to be filed with SEBI in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing, The Proforma Condensed Combined Financial Information is not a complete set of financial statements of the company prepared in accordance with the IND AS prescribed under section 133 of the Act, as applicable, and is not intended to give a true and fair view of the financial position of the company as at March 31, 2023, March 31, 2022 and March 31, 2021 and of its financial performance (including other comprehensive income) for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 in accordance with the IND AS prescribed under Section 133 of the Act, as applicable. As a result, this Proforma Condensed Combined Financial Information may not be suitable for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration Number: 108296W

Santosh Burande
Partner
Membership Number: 214451
UDIN: 24214451BKBLUL4358

Place: Bengaluru
Date: May 3, 2024

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Proforma condensed combined Balance Sheet
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Notes	As at 31 March 2023	As at 31 March 2022			As at 31 March 2021
		Restated financial information	Restated financial information	Special purpose Ind AS combined carve-out financial statements	Proforma condensed combined financial information	Special purpose Ind AS combined carve-out financial statements
ASSETS						
Non-current assets						
Property, plant and equipment	4	1,14,863.53	-	49,201.60	49,201.60	32,767.33
Capital work-in-progress	4	961.88	-	15,514.27	15,514.27	1,168.15
Goodwill	5	4,786.18	-	-	-	-
Other intangible assets	5	10,508.23	-	0.07	0.07	0.17
Financial assets						
(i) Other financial assets	6	-	-	12.09	12.09	-
Other non-current assets	7	8,067.79	-	25,821.29	25,821.29	3,867.93
Total non-current assets		**1,39,187.61**	**-**	**90,549.32**	**90,549.32**	**37,803.58**
Current assets						
Inventories	8	15,348.50	-	8,554.07	8,554.07	7,662.55
Financial assets						
(i) Trade receivables	9	8,654.24	-	8,222.07	8,222.07	8,170.25
(ii) Cash and cash equivalents	10	477.91	6.10	2,100.60	2,106.70	6,706.20
(iii) Other financial assets	11	16,935.86	-	3.32	3.32	17.30
Government grant	12	-	-	1,994.50	1,994.50	415.07
Other current assets	13	4,993.81	0.05	5,087.65	5,087.70	388.15
Total current assets		**46,410.32**	**6.15**	**25,962.21**	**25,968.36**	**23,359.52**
Total assets		**1,85,597.93**	**6.15**	**1,16,511.53**	**1,16,517.68**	**61,163.10**
EQUITY AND LIABILITIES						
Equity						
Owner's net investment	14	24,049.47	4.87	10,970.45	10,975.32	7,209.26
Total equity		**24,049.47**	**4.87**	**10,970.45**	**10,975.32**	**7,209.26**
Liabilities						
Non-current liabilities						
Financial liabilities						
(i) Borrowings	15	1,07,033.29	-	63,171.97	63,171.97	31,367.02
(ii) Other financial liabilities	16	1,120.40	-	2.18	2.18	0.03
Provisions	17	64.62	-	51.01	51.01	35.80
Deferred tax liabilities (net)		9,076.86	-	2,872.96	2,872.96	1,786.99
Total non-current liabilities		**1,17,295.17**	**-**	**66,098.12**	**66,098.12**	**33,189.84**
Current liabilities						
Financial liabilities						
(i) Borrowings	18	7,976.64	-	13,939.69	13,939.69	9,090.49
(ii) Trade payables	19	30,872.40	-	13,053.28	13,053.28	7,365.47
(iii) Other financial liabilities	20	5,188.10	1.28	12,182.49	12,183.77	3,336.26
Provisions	17	4.66	-	2.91	2.91	1.93
Current tax liabilities (net)	22	-	-	179.30	179.30	952.77
Other current liabilities	21	211.49	-	85.29	85.29	17.08
Total current liabilities		**44,253.29**	**1.28**	**39,442.96**	**39,444.24**	**20,764.00**
Total liabilities		**1,61,548.46**	**1.28**	**1,05,541.08**	**1,05,542.36**	**53,953.84**
Total equity and liabilities		**1,85,597.93**	**6.15**	**1,16,511.53**	**1,16,517.68**	**61,163.10**

The accompanying notes 1 to 30 are an integral part of the financial information.

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

For and on behalf of the Board of Directors
TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
CIN: U15400KA2021PLC145978

Santosh Burande
Partner
Membership No. : 214451

Vijaykumar M Nirani
Director
DIN: 07413777

Vishal M Nirani
Director
DIN: 08434032

Place: Bengaluru
Date: May 03, 2024

Debnath Mukhopadhyay
Chief Financial Officer

Sudheer Sannapaneni
Company Secretary
Membership No: 55105

Place: Bengaluru
Date: May 03, 2024

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Proforma condensed combined Statement of Profit and loss
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Notes	For the year ended 31 March 2023			For the year ended 31 March 2022			For the year ended 31 March 2021		
		Restated financial information	Special purpose Ind AS combined carve-out financial statements	Proforma condensed combined financial information	Restated financial information	Special purpose Ind AS combined carve-out financial statements	Proforma condensed combined financial information	Restated financial information	Special purpose Ind AS combined carve-out financial statements	Proforma condensed combined financial information
Revenue										
Revenue from operations	23	76,238.03	39,800.98	1,16,039.01	-	69,557.98	69,557.98	-	52,538.49	52,538.49
Other Income	24	-	33.73	33.73	-	66.42	66.42	-	54.04	54.04
Total income		**76,238.03**	**39,834.71**	**1,16,072.74**	**-**	**69,624.40**	**69,624.40**	**-**	**52,592.53**	**52,592.53**
Expenses										
Cost of material consumed	25	58,411.18	21,016.65	79,427.83	-	43,699.15	43,699.15	-	29,649.34	29,649.34
Changes in inventories of finished goods	26	(8,271.14)	4,898.41	(3,372.73)	-	1,628.04	1,628.04	-	5,691.74	5,691.74
Employee benefits expense	27	859.41	557.04	1,416.45	-	906.25	906.25	-	618.11	618.11
Finance costs	28	3,531.06	2,320.90	5,851.96	-	4,141.47	4,141.47	-	2,765.99	2,765.99
Depreciation and amortization expense	29	2,075.08	878.06	2,953.14	-	1,775.78	1,775.78	-	647.17	647.17
Other expenses	30	14,733.93	8,353.33	23,087.26	1.23	12,446.76	12,447.99	-	6,605.69	6,605.69
Total expenses		**71,339.52**	**38,024.39**	**1,09,363.91**	**1.23**	**64,597.45**	**64,598.68**	**-**	**45,978.04**	**45,978.04**
Profit/(Loss) before tax		**4,898.51**	**1,810.32**	**6,708.83**	**(1.23)**	**5,026.95**	**5,025.72**	**-**	**6,614.49**	**6,614.49**
Tax expense										
Current tax		-	(103.17)	(103.17)	-	(179.30)	(179.30)	-	(952.77)	(952.77)
Deferred tax		(1,352.52)	(352.45)	(1,704.97)	-	(1,086.01)	(1,086.01)	-	(712.03)	(712.03)
Total income tax expense		**(1,352.52)**	**(455.62)**	**(1,808.14)**	**-**	**(1,265.31)**	**(1,265.31)**	**-**	**(1,664.80)**	**(1,664.80)**
Profit/(Loss) for the period/year		**3,545.99**	**1,354.70**	**4,900.69**	**(1.23)**	**3,761.64**	**3,760.41**	**-**	**4,949.69**	**4,949.69**
Other comprehensive income/(loss)										
Items that will not be reclassified to profit or loss										
Re-measurement gains/ (losses) on defined benefit plans		-	-	-	-	(0.60)	(0.60)	-	-	-
Income tax effect		-	-	-	-	0.15	0.15	-	-	-
		-	**-**	**-**	**-**	**(0.45)**	**(0.45)**	**-**	**-**	**-**
Other comprehensive income for the period/year, net of tax		**-**	**-**	**-**	**-**	**(0.45)**	**(0.45)**	**-**	**-**	**-**
Total comprehensive income for the period/year		**3,545.99**	**1,354.70**	**4,900.69**	**(1.23)**	**3,761.19**	**3,759.96**	**-**	**4,949.69**	**4,949.69**

Earnings / (Loss) per share

The accompanying notes 1 to 30 are an integral part of the financial information.

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

Santosh Burande
Partner
Membership No. : 214451

Place: Bengaluru
Date: May 03, 2024

For and on behalf of the Board of Directors of
TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
CIN: U15400KA2021PLC145978

Vijaykumar M Nirani
Director
DIN: 07413777

Vishal M Nirani
Director
DIN: 08434032

Debnath Mukhopadhyay
Chief Financial Officer

Place: Bengaluru
Date: May 03, 2024

Sudheer Sannapaneni
Company Secretary
Membership No: 55105

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Proforma condensed combined Statement of Cash Flows
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Year ended 31 March 2023	Year ended 31 March 2022			Year ended 31 March 2021
	Proforma condensed combined financial information	Restated financial information	Special purpose Ind AS combined carve-out financial statements	Proforma condensed combined financial information	Special purpose Ind AS combined carve-out financial statements
Cash flow from Operating activities					
Profit before tax	6,708.83	(1.23)	5,026.95	5,025.72	6,614.49
Adjustments for:					
Depreciation and amortization expenses	2,953.14	-	1,775.78	1,775.78	647.17
Finance cost	5,851.96	-	4,141.47	4,141.47	2,765.99
Interest on fixed deposits	(31.73)	-	(64.42)	(64.42)	(50.55)
Rental income	(2.00)	-	(2.00)	(2.00)	(3.49)
Allowances for trade receivable	6.26	-	-	-	-
Provision for gratuity and leave encashment	19.11	-	16.19	16.19	-
Operating profit before working capital changes	**15,505.57**	**(1.23)**	**10,893.97**	**10,892.74**	**9,973.61**
Changes in working capital					
Increase / (Decrease) in trade payables	17,819.12	-	5,687.81	5,687.81	853.02
(Increase) / Decrease in inventories	(6,794.42)	-	(891.52)	(891.52)	5,816.70
(Increase) / Decrease in trade receivables	(438.43)		(51.82)	(51.82)	(2,944.20)
Increase / (Decrease) in other current liabilities	126.20	-	68.21	68.21	(1,034.19)
Increase / (Decrease) in other financial liabilities	(6,047.12)	1.26	8,040.88	8,042.14	(15,103.62)
(Increase) / Decrease in other financial assets	(14,925.95)	(0.03)	(1,591.49)	(1,591.52)	(359.04)
(Increase) / Decrease in other current assets	(85.41)	-	(4,699.56)	(4,699.56)	(299.06)
Cash generated from/(used in) operations	**5,159.56**	**-**	**17,456.48**	**17,456.48**	**(3,096.78)**
Income tax paid	-	-	-	-	-
Net cash flows from/(used in) Operating activities (A)	**5,159.56**	**-**	**17,456.48**	**17,456.48**	**(3,096.78)**
Cash flow from Investing activities					
Cash outflow on acquisition of distillery business					
Purchase of property plant and equipment including CWIP (net)	(48,820.12)	-	(54,509.77)	(54,509.77)	(5,536.79)
Movement in bank deposits (net)	1,404.20	-	(610.08)	(610.08)	(380.15)
Interest on fixed deposits	31.73	-	64.42	64.42	50.55
Rental income	2.00	-	2.00	2.00	3.49
Net cash flow used in Investing activities (B)	**(47,382.19)**	**-**	**(55,053.43)**	**(55,053.43)**	**(5,862.90)**
Cash flow from Financing activities					
Movement of Owner's Net Investment	9,785.82	6.10	(0.10)	6.00	(0.27)
Proceeds from loans (net)	36,503.03	-	36,654.15	36,654.15	16,614.51
Interest paid	(4,290.81)	-	(4,286.75)	(4,286.75)	(2,765.99)
Net cash flow from Financing activities (C)	**41,998.04**	**6.10**	**32,367.30**	**32,373.40**	**13,848.25**
Net increase in cash and cash equivalents (A+B+C)	(224.59)	6.10	(5,229.65)	(5,223.55)	4,888.57
Cash and cash equivalents at the beginning of the year	702.50	-	5,926.05	5,926.05	1,037.48
Cash and cash equivalents at the end of the year	**477.91**	**6.10**	**696.40**	**702.50**	**5,926.05**
The above statement of cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".					
Cash and cash equivalents comprise (Refer note 10 (a))					
Balances with banks					
On current accounts	477.91	6.10	696.40	702.50	5,926.05
Total cash and bank balances at end of the year	**477.91**	**6.10**	**696.40**	**702.50**	**5,926.05**

The accompanying notes 1 to 30 are an integral part of the financial information.

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

For and on behalf of the Board of Directors of
TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
CIN: U15400KA2021PLC145978

Santosh Burande
Partner
Membership No. : 214451
Date: May 03, 2024

Vijaykumar M Nirani
Director
DIN: 07413777

Vishal M Nirani
Director
DIN: 08434032

Debnath Mukhopadhyay
Chief Financial Officer

Sudheer Sannapaneni
Company Secretary
Membership No: 55105

Place: Bengaluru
Date: May 03, 2024

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Notes to proforma condensed combined financial information

1 Background

TruAlt Bioenergy Limited (the "Company" or "TruAlt") is an Indian public company and was incorporated on 31 March 2021 under the provisions of the Companies Act, 2013, as amended (referred to as 'the Act'). Its registered and principal office of business is located at Kulali Cross, Jamkhandi Mudhol Road, Mudhol. The Company is primarily engaged in the business of producing ethanol, rectified spirit, deoxyribonucleic acid and other products derived from the distillation processes.

The Company acquired the distillery business of Shri Sai Priya Sugars Limited (SPSL), Nirani Sugars Limited (NSL) and MRN Cane Power India Limited (MRNCPIL) (collectively, the “Acquired Business”, and these seller entities, collectively the “Seller Companies”) pursuant to separate Business Transfer Agreements each dated 26 September 2022 (collectively, the “BTAs”) and with effect from 1 October 2022.

2 Purpose and basis of preparation

2.1 **Purpose of preparation**

The Proforma Condensed Combined Financial Information have been prepared by the management of the Company for the purpose of inclusion in the draft red herring prospectus (“DRHP”), Red herring prospectus ("RHP") and Prospectus to be filed by the Company in connection with its proposed initial public offering (“IPO”).The management may also use the Proforma Condensed Combined Financial Information for any other purposes as deemed appropriate.

Considering the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “ICDR Regulations”), the Company is not required to present the Proforma Condensed Combined Financial Information in the DRHP as the acquisition of the Acquired Business had been consummated as at October 1, 2022, before the latest period for which financial information is disclosed in the DRHP i.e., March 31, 2024. However, the Company has presented the Proforma Condensed Combined Financial Information as at and for years ended March 31, 2023, March 31, 2022 and March 31, 2021 on a voluntary basis.

The purpose of preparing the Proforma Condensed Combined Financial Information is to indicate the results of operations that would have resulted had the acquisition been completed at the beginning of the period presented i.e., April 1, 2020 and the combined financial position had the acquisition been completed during the year ended March 31 , 2023, but are not intended to be indicative of expected results or operations in the future periods or the future financial position of TruAlt. The Company believes that such information is important for the investors considering that the Company did not have any business operations prior to the acquisition of the Acquired Business and consequently such acquisition was a material acquisition for the Company.

The Proforma Condensed Combined Financial Information have been approved by the Board of Directors on May 03, 2024.

2.2 **Basis of preparation**

a) The Proforma Condensed Combined Financial Information comprises the proforma condensed combined balance sheet as at March 31, 2023, March 31, 2022 and March 31, 2021 and proforma condensed combined statement of profit and loss and proforma condensed combined cash flow statement for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 and selected explanatory notes (collectively hereinafter referred as “Proforma Condensed Combined Financial Information”), have been prepared in accordance with the Guidance Note on Combined and Carve Out Financial Statements and Guide to Reporting on Proforma Financial Statements issued by the Institute of Chartered Accountants of India ('ICAI') ('Guidance Note').

b) The Seller Companies prior to the execution of the BTAs, were collectively managed and operated by members of the Promoter Group, and were each engaged in the business activity of “sugar production and distillery”. The BTAs executed by the Company with the Seller Companies were executed concurrently with similar terms and form part of a single business acquisition. The Company has accounted for the acquisition of the Acquired Business from each of the Seller Companies through single purchase price allocation as on the date of acquisition. Following the guidance outlined in the Guidance Note on Combined and Carve Out Financial Statements, combined carve out financial statements have been prepared on a combined business for the Acquired Business, i.e. combined for all the three businesses acquired from the Seller Companies as the Company acquired a common business. Accordingly, the proforma financial information has been presented on a combined basis rather than for individual distillery business in the Acquired Business acquired from each of the Seller Companies.

c) The Proforma financial information has been prepared taking into consideration:

i. Restated financial information of the Company for the years ended March 31, 2023 and March 31, 2022 prepared in accordance with Ind AS prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India;

ii. The special purpose audited Ind AS combined carve-out financial statements of the Acquired Business (the “Acquired Business Audited Combined Carve-Out Financial Statements” for the period/years ended September 30, 2022, March 31, 2022 and March 31, 2021,

iii. In the Acquired Business Audited Combined Carve-Out Financial Statements, Ind AS and reclassification adjustments have been made to the special purpose audited Ind AS combined carve-out financial statements of the distillery business of each of the Sellers to ensure compliance with Ind AS which is the accounting framework followed by the Company. For this purpose principles of Ind AS have been applied with effect from 1 April 2020 including relevant exemptions and exceptions provided under Ind AS 101 - First-time adoption of Ind AS;

iv. Adjustments to recognise the impact of acquisition of each distillery business have been appropriately considered as per the principles of acquisition accounting under Ind AS 103 - Business Combinations.

v. The depreciation on Property, Plant, and Equipment (PPE) recorded in the special purpose combined carveout financial statements is based on the useful life estimate of the Sugar companies, which is not in alignment with TruAlt’s useful life estimate.

vi. The carrying value of inventory as of do September 30, 2022 has been carried as per BTA and corresponding impact of changes in inventories have been included in the restated financial information for the financial year ended March 31, 2023.

d) **Proforma adjustments**

The Proforma Condensed Combined Financial Information has been prepared based on Restated financial information and Ind AS combined carve-out financial statements which already incorporate the impacts pursuant to Ind AS 103 for the Acquired Business and adjustments for alignment of accounting policies for Ind AS implementation, respectively alongside other key adjustments set out below. Accordingly, the effects of such adjustments have not been disclosed separately as Proforma adjustments.

- Adjustments relating to acquisition accounting under Ind AS 103 details of which has been provided in Note 32 to the Restated financial information including:
  o The fair value adjustments arising from purchase price allocation ('PPA') including recognition of goodwill and intangible assets
  o Adjustment reflecting depreciation/amortisation expense based on the estimated fair value of property, plant and equipment, right-of-use assets, other intangible asset
  o Alignment of accounting policies between the Acquired business and the Company
- Adjustments pertaining to first time implementation of Ind AS
- Intercompany eliminations on account of absence of any intra-group transactions between the Company and the Acquired Business like purchase, sale, loans, receivables and payables
- Shared service costs due to absence of mutual expenses or charges incurred between the Company and Acquired Business like shared accounting services, HR services, software licences and administrative overheads
- Evaluation of the deferred tax impact associated with any adjustments made

e) The Proforma Condensed Combined Financial Information has not been prepared in accordance with generally accepted accounting principles including accounting standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been prepared in accordance with those principles and standards. Accordingly, the degree of reliance placed by anyone in other jurisdictions on such Proforma Condensed Combined Financial Information should be limited. In addition, the rules and regulations related to the preparation of proforma financial information in other jurisdictions may also vary significantly from the basis of preparation of these proforma financial information as set out in these notes.

Because of their nature, the Proforma Condensed Combined Financial Information addresses a hypothetical situation and therefore, do not represent the Company's factual financial position or results. Accordingly, the Proforma Condensed Combined Financial Information does not necessarily reflect what the Company's financial condition or results of operations would have been had the acquisition occurred on the dates indicated and is also not intended to be indicative of expected financial position or results of operations in future periods. The actual statements of Assets and Liabilities and statement of profit and loss may differ significantly from the proforma amounts reflected herein due to variety of factors.

They purport to indicate the results of operations that would have resulted had the acquisitions been completed at the beginning of the period presented and the financial position had the acquisitions been completed as at year end but are not intended to be indicative of expected results or operations in the future periods or the future financial position of the Company.

f) The Proforma Condensed Combined Financial Information for the above mentioned period is not a complete set of financial statements and does not include all disclosures in accordance with the Indian Accounting Standards (referred to as 'Ind AS') prescribed under Section 133 of the Act and Schedule III of the Act, as applicable and is not intended to give a true and fair view of the financial position or the financial performance of the Company for the period, in accordance with Ind AS prescribed under Section 133 of the Act. As a result, these Proforma Financial Information may not be comparable and suitable for any purpose other than as stated in Note 2.1 above. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance. Hence, these Proforma Condensed Combined Financial Information have been indicated as condensed financial information.

3 Statement of compliance, basis of measurement and estimates

(a) **Statement of compliance with Ind AS**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.

(b) **Basis of measurement**

The financial statements have been prepared on a historical cost convention, using the accrual basis of accounting, except for the following material items that have been measured at fair value, as required by the relevant Ind AS:-

i) Certain financial assets and liabilities are measured at fair value (refer accounting policy on financial instruments)

ii) Employee defined benefit assets/(obligations) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligations.

(c) **Use of estimates**

In preparation of these financial statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively.

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Notes to proforma condensed combined financial information
(Amount in Indian Rupees Lakhs, unless otherwise stated)

4 Property, Plant and Equipment

	Gross block			Accumulated depreciation			Net block	
	As at 1 April 2022	Adjustments (Footnote 1)	As at 31 March 2023	As at 1 April 2022	Adjustments (Footnote 2)	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Owned assets								
Land	829.05	3,844.07	4,673.12	-	-	-	4,673.12	829.05
Building-Factory	11,011.31	236.20	11,247.51	985.32	(788.72)	196.60	11,050.91	10,025.99
Building-Others	277.84	14.14	291.98	42.35	(37.49)	4.86	287.12	235.49
Plant and machinery	42,692.80	57,237.17	99,929.97	4,620.56	(3,314.86)	1,305.70	98,624.27	38,072.24
Temporary sheds	33.57	1.13	34.70	9.49	(5.36)	4.13	30.57	24.08
Furniture and fixtures	8.55	3.71	12.26	5.36	(4.18)	1.18	11.08	3.19
Office Equipment	11.16	(7.68)	3.48	8.24	(7.81)	0.43	3.05	2.92
Computers	24.28	168.80	193.08	16.42	(5.24)	11.18	181.90	7.86
Vehicles	0.85	0.67	1.52	0.07	(0.06)	0.01	1.51	0.78
Total	**54,889.41**	**61,498.21**	**1,16,387.62**	**5,687.81**	**(4,163.72)**	**1,524.09**	**1,14,863.53**	**49,201.60**
Capital work-in progress	**15,514.27**	**(14,552.39)**	**961.88**	**-**	**-**	**-**	**961.88**	**15,514.27**

Restated financial information - A	Gross block			Accumulated depreciation			Net block	
	As at 1 April 2021	Adjustments	As at 31 March 2022	As at 1 April 2021	Adjustments	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Owned assets								
Land	-	-	-	-	-	-	-	-
Building-Factory	-	-	-	-	-	-	-	-
Building-Others	-	-	-	-	-	-	-	-
Plant and Machinery	-	-	-	-	-	-	-	-
Temporary sheds	-	-	-	-	-	-	-	-
Furniture and Fixtures	-	-	-	-	-	-	-	-
Office Equipment	-	-	-	-	-	-	-	-
Computers	-	-	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Capital work-in progress		**-**	**-**	**-**	**-**	**-**		

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Notes to proforma condensed combined financial information
(Amount in Indian Rupees Lakhs, unless otherwise stated)

4 Property, Plant and Equipment (Contd.)

	Gross block			Accumulated depreciation			Net block	
AS combined carve-out financial statements - B	**As at 1 April 2021**	**Adjustments**	**As at 31 March 2022**	**As at 1 April 2021**	**Adjustments**	**As at 31 March 2022**	**As at 31 March 2022**	**As at 31 March 2021**
Owned assets								
Land	264.67	564.38	829.05	-	-	-	829.05	264.67
Building-Factory	7,719.34	3,291.97	11,011.31	638.16	347.16	985.32	10,025.99	7,081.18
Building-Others	277.84	-	277.84	34.01	8.34	42.35	235.49	243.83
Plant and Machinery	28,362.29	14,330.51	42,692.80	3,225.55	1,395.01	4,620.56	38,072.24	25,136.74
Land	33.57	-	33.57	8.43	1.06	9.49	24.08	25.14
Furniture and Fixtures	8.28	0.27	8.55	4.80	0.56	5.36	3.19	3.48
Office Equipment	10.63	0.53	11.16	7.63	0.61	8.24	2.92	3.00
Computers	22.05	2.23	24.28	12.76	3.66	16.42	7.86	9.29
Vehicles	-	0.85	0.85	-	0.07	0.07	0.78	-
Total	**36,698.67**	**18,190.74**	**54,889.41**	**3,931.34**	**1,756.47**	**5,687.81**	**49,201.60**	**32,767.33**
Capital work-in progress	**1,168.15**	**14,346.12**	**15,514.27**	**-**	**-**	**-**	**15,514.27**	**1,168.15**

	Gross block			Accumulated depreciation			Net block	
Total - (A+B)	**As at 1 April 2021**	**Adjustments**	**As at 31 March 2022**	**As at 1 April 2021**	**Adjustments**	**As at 31 March 2022**	**As at 31 March 2022**	**As at 31 March 2021**
Owned assets								
Land	264.67	564.38	829.05	-	-	-	829.05	264.67
Building-Factory	7,719.34	3,291.97	11,011.31	638.16	347.16	985.32	10,025.99	7,081.18
Building-Others	277.84	-	277.84	34.01	8.34	42.35	235.49	243.83
Plant and Machinery	28,362.29	14,330.51	42,692.80	3,225.55	1,395.01	4,620.56	38,072.24	25,136.74
Temporary sheds	33.57	-	33.57	8.43	1.06	9.49	24.08	25.14
Furniture and Fixtures	8.28	0.27	8.55	4.80	0.56	5.36	3.19	3.48
Office Equipment	10.63	0.53	11.16	7.63	0.61	8.24	2.92	3.00
Computers	22.05	2.23	24.28	12.76	3.66	16.42	7.86	9.29
Vehicles	-	0.85	0.85	-	0.07	0.07	0.78	-
Total	**36,698.67**	**18,190.74**	**54,889.41**	**3,931.34**	**1,756.47**	**5,687.81**	**49,201.60**	**32,767.33**
Capital work-in progress	**1,168.15**	**14,346.12**	**15,514.27**	**-**	**-**	**-**	**15,514.27**	**1,168.15**

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Notes to proforma condensed combined financial information
(Amount in Indian Rupees Lakhs, unless otherwise stated)

4 Property, Plant and Equipment (Contd.)

	Gross block			Accumulated depreciation			Net block	
	As at 1 April 2020	Adjustments	As at 31 March 2021	As at 1 April 2020	Adjustments	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
Owned assets								
Land	264.67	-	264.67	-	-	-	264.67	264.67
Building-Factory	2,081.96	5,637.38	7,719.34	508.43	129.73	638.16	7,081.18	1,573.53
Building-Others	277.84	-	277.84	25.78	8.23	34.01	243.83	252.06
Plant and Machinery	24,695.75	3,666.54	28,362.29	2,720.94	504.61	3,225.55	25,136.74	21,974.81
Temporary sheds	33.57	-	33.57	7.37	1.06	8.43	25.14	26.20
Furniture and Fixtures	6.56	1.72	8.28	4.35	0.45	4.80	3.48	2.21
Office Equipment	7.53	3.10	10.63	7.29	0.34	7.63	3.00	0.24
Computers	15.79	6.26	22.05	10.25	2.51	12.76	9.29	5.54
Total	**27,383.67**	**9,315.00**	**36,698.67**	**3,284.41**	**646.93**	**3,931.34**	**32,767.33**	**24,099.26**
Capital work-in progress	**8,814.30**	**(7,646.15)**	**1,168.15**	**-**	-	**-**	**1,168.15**	**8,814.30**
							-	

Footnote:

1 Adjustments in gross block includes additions (53,628.74 lakhs), deductions (462.91 lakhs) and fair value adjustments pursuant business combination (8,332.38 lakhs).

2 Adjustments in accumulated depreciation includes the charge for the year 2,402.15 lakhs, deductions (44.09 lakhs) and fair value adjustments pursuant business combination (6,521.74 lakhs).

3 The Company has availed loans from banks against security of the property, plant and equipment, refer note 15.

5 Other intangible assets and goodwill

	Gross block			Accumulated amortisation			Net block	
	As at 1 April 2022	Adjustments (Footnote 1)	As at 31 March	As at 1 April	Adjustments (Footnote 2)	As at 31 March 2023	As at 31 March	As at 31 March
Computer software	1.53	(1.53)	-	1.46	(1.46)	-	-	0.07
Customer relationship	-	11,059.22	11,059.22	-	550.99	550.99	10,508.23	-
Total	**1.53**	**11,057.69**	**11,059.22**	**1.46**	**549.53**	**550.99**	**10,508.23**	**0.07**
Goodwill	-	**4,786.18**	**4,786.18**	-	-	**-**	**4,786.18**	**-**

Restated financial information - A	Gross block			Accumulated amortisation			Net block	
	As at 1 April 2021	Adjustments	As at 31 March 2022	As at 1 April 2021	Adjustments	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Computer software	-	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Special purpose Ind AS combined carve-out financial statements - B	Gross block			Accumulated amortisation			Net block	
	As at 1 April 2021	Adjustments	As at 31 March 2022	As at 1 April 2021	Adjustments	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Computer software	1.53	-	1.53	1.36	0.10	1.46	0.07	0.17
Total	**1.53**	**-**	**1.53**	**1.36**	**0.10**	**1.46**	**0.07**	**0.17**

Total - (A+B)	Gross block			Accumulated amortisation			Net block	
	As at 1 April 2021	Adjustments	As at 31 March 2022	As at 1 April 2021	Adjustments	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Computer software	1.53	-	1.53	1.36	0.10	1.46	0.07	0.17
Total	**1.53**	**-**	**1.53**	**1.36**	**0.10**	**1.46**	**0.07**	**0.17**

	Gross block			Accumulated amortisation			Net block	
	As at 1 April 2020	Adjustments	As at 31 March 2021	As at 1 April 2020	Adjustments	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
Computer software	1.53	-	1.53	1.12	0.24	1.36	0.17	0.41
Total	**1.53**	**-**	**1.53**	**1.12**	**0.24**	**1.36**	**0.17**	**0.41**

Footnote:

1 Adjustments in gross block includes customer relationship (11,059.22 lakhs) and goodwill (4,786.10 lakhs) arising pursuant to business combination.

2 Goodwill acquired on acquisition of distillery business having indefinite useful lives have been allocated to a separate single cash generating unit (CGU) i.e. Trualt Bioenergy Limited. As at 31 March 2023 basis economic conditions there are no indicators of impairment identified.

		As at 31 March 2023	As at 31 March 2022			As at 31 March 2021
		Restated financial information	Restated financial information	Special purpose Ind AS combined carve-out financial statements	Proforma condensed combined financial information	Special purpose Ind AS combined carve-out financial statements
6	**Other financial assets**					
	Security deposits	-	-	12.09	12.09	-
	Total	**-**	**-**	**12.09**	**12.09**	**-**
7	**Other non-current assets**					
	Capital advance	7,647.51	-	25,821.29	25,821.29	3,867.93
	Prepaid expenses	420.28	-	-	-	-
	Total	**8,067.79**	**-**	**25,821.29**	**25,821.29**	**3,867.93**
8	**Inventories**					
	Raw material	6,026.36	-	2,743.52	2,743.52	619.29
	Finished goods	8,271.14	-	4,898.41	4,898.41	6,526.45
	Store and spares parts including packing material	1,051.00	-	912.14	912.14	516.81
	Total	**15,348.50**	**-**	**8,554.07**	**8,554.07**	**7,662.55**
9	**Trade receivable**					
	Secured, considered good					
	Unsecured					
	- Considered good	8,660.50	-	8,222.07	8,222.07	8,170.25
	Less - Loss allowance	(6.26)	-	-	-	-
	Total	**8,654.24**	**-**	**8,222.07**	**8,222.07**	**8,170.25**
10	**Cash and cash equivalents**					
(a)	Cash in hand	-	-	-	-	0.01
	Balances with banks:					
	On current accounts	477.91	6.10	696.40	702.50	5,926.04
		477.91	**6.10**	**696.40**	**702.50**	**5,926.05**
(b)	Other bank balances					
	Deposits with maturity more than three months but less than 12 months	-	-	1,404.20	1,404.20	780.15
		-	**-**	**1,404.20**	**1,404.20**	**780.15**
	Total	**477.91**	**6.10**	**2,100.60**	**2,106.70**	**6,706.20**
11	**Other current financial assets**					
	Receivable from related parties	3,571.27	-	-	-	-
	Receivable from third parties	13,364.59	-	-	-	-
	Security deposits	-	-	3.32	3.32	2.19
	Interest accrued on fixed deposits with banks	-	-	-	-	15.11
	Total	**16,935.86**	**-**	**3.32**	**3.32**	**17.30**
12	**Government grant**					
	Interest subvention receivable*	-	-	1,994.50	1,994.50	415.07
	Total	**-**	**-**	**1,994.50**	**1,994.50**	**415.07**
	*As at March 31, 2023, the Seller companies have submitted claim for government grants related to interest subvention, with the respective amount being recoverable from related parties.					
13	**Other current assets**					
	Balance with Government authorities	4,589.26	0.05	3,493.13	3,493.18	45.82
	Prepaid expenses	163.04	-	110.68	110.68	109.77
	Advance to third parties	241.51	-	1,483.84	1,483.84	232.56
	Total	**4,993.81**	**0.05**	**5,087.65**	**5,087.70**	**388.15**

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Notes to proforma condensed combined financial information
(Amount in Indian Rupees Lakhs, unless otherwise stated)

		As at 31 March 2023	As at 31 March 2022			As at 31 March 2021
		Restated financial information	Restated financial information	Special purpose Ind AS combined carve-out financial statements	Proforma condensed combined financial information	Special purpose Ind AS combined carve-out financial statements
14	**Owner's net investment**					
	As at beginning	10,975.32	-	7,209.26	7,209.26	2,259.57
	Changes during the year	8,173.45	-	-	-	-
	Share capital	6,107.58	6.10	-	6.10	-
	Profit during the period/year	4,900.69	(1.23)	3,761.19	3,759.96	4,949.69
	As at end	**24,049.47**	**4.87**	**10,970.45**	**10,975.32**	**7,209.26**
15	**Non-current borrowings**					
	Secured					
	Term loan					
	From Bank and financial institution					
	Indian Renewable Energy Development Authority (IREDA)	60,507.80	-	17,647.27	17,647.27	8,546.22
	Union Bank of India	25,821.73	-	14,286.14	14,286.14	2,449.93
	Bank of India	-	-	2,238.06	2,238.06	-
	SDF Loan	-	-	4,019.18	4,019.18	5,358.91
	Loan from co-operative banks	-	-	33,222.04	33,222.04	18,575.91
		86,329.53	**-**	**71,412.69**	**71,412.69**	**34,930.97**
	Less: Current maturities of loan from Indian Renewable Energy Development Authority (IREDA) (Refer note 18)	5,602.00	-	-	-	-
	Less: Current maturities of loan from national banks (Refer note 18)	2,374.64	-	2,190.12	2,190.12	1,859.42
	Less: Current maturities of loan from co-opertaive banks (Refer note 18	-	-	4,710.88	4,710.88	1,704.53
	Less: Current maturities of SDF Loan (Refer note 18)	-	-	1,339.72	1,339.72	-
		7,976.64	**-**	**8,240.72**	**8,240.72**	**3,563.95**
	Unsecured					
	Compulsorily Convertible Preference Shares*	28,680.40	-	-	-	-
	Total	**1,07,033.29**	**-**	**63,171.97**	**63,171.97**	**31,367.02**

*The Company has issued Compulsorily Convertible Preference Shares (CCPS) amounting to INR 46,919 lakhs at par value of INR 100 per CCPS, in October 2022 as part of purchase consideration for the acquisition of the distillery business. The CCPS have been accounted for as a compound financial instrument rather than an equity instrument given that the conversion ratio is not fixed. The financial liability component represents the net present value of the total proceeds from CCPS discounted using the incremental borrowing rate of the company and balance has been recognised as equity.

Sanctioned limit with IREDA, Union Bank and Co-operative Banks has been secured by pari-pasu first charge on the entire fixed assets i.e., mortgaged project lands and building/immovable properties and hypothecation of all movable fixed assets viz. Plants and Machineries of Ethanol units. The loan is also secured by second pari-pasu first charge on current asset of the Company (including stocks and receivables) both present and future.

16	**Other financial liabilities**					
	Refundable deposits	2.15	-	2.18	2.18	0.03
	Payable towards purchase consideration to related parties	1,118.25	-	-	-	-
	Total	**1,120.40**	**-**	**2.18**	**2.18**	**0.03**
17	**Provisions**					
				Current		
	Provision for gratuity (unfunded)	4.07	-	2.91	2.91	1.93
	Provision for leave encashment	0.59	-	-	-	-
	Total	**4.66**	**-**	**2.91**	**2.91**	**1.93**
				Non-Current		
	Provision for gratuity (unfunded)	58.10	-	51.01	51.01	35.80
	Provision for leave encashment	6.52	-	-	-	-
	Total	**64.62**	**-**	**51.01**	**51.01**	**35.80**
18	**Current borrowings**					
	Current maturities of long-term borrowings	7,976.64	-	8,240.72	8,240.72	3,563.95
	Secured					
	Loans from banks	-	-	5,698.97	5,698.97	5,526.54
	Total	**7,976.64**	**-**	**13,939.69**	**13,939.69**	**9,090.49**
19	**Trade payables**					
				Current		
	Outstanding dues	30,872.40	-	13,053.28	13,053.28	7,365.47
	Total	**30,872.40**	**-**	**13,053.28**	**13,053.28**	**7,365.47**
20	**Other financial liabilities**					
	Interest payable	118.86	-	572.24	572.24	443.94
	Other financial liabilities	346.45	1.28	266.78	268.06	408.33
	Due to related parties	4,722.79	-	11,343.47	11,343.47	2,483.99
	Total	**5,188.10**	**1.28**	**12,182.49**	**12,183.77**	**3,336.26**
21	**Other current liabilities**					
	Statutory dues payable	211.49	-	85.29	85.29	17.08
	Total	**211.49**	**-**	**85.29**	**85.29**	**17.08**
22	**Current tax liabilities (net)**					
	Current tax payable	-	-	179.30	179.30	952.77
	Total	**-**	**-**	**179.30**	**179.30**	**952.77**

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Notes to proforma condensed combined financial information
(Amount in Indian Rupees Lakhs, unless otherwise stated)

		For the year ended 31 March 2023			For the year ended 31 March 2022			For the year ended 31 March 2021		
		Restated financial information	Special purpose Ind AS combined carve-out financial statements	Proforma condensed combined financial information	Restated financial information	Special purpose Ind AS combined carve-out financial statements	Proforma condensed combined financial information	Restated financial information	Special purpose Ind AS combined carve-out financial statements	Proforma condensed combined financial information
23	**Revenue from operations**									
	Sale of goods	76,238.03	39,800.98	1,16,039.01	-	69,557.98	69,557.98	-	52,538.49	52,538.49
	Total	**76,238.03**	**39,800.98**	**1,16,039.01**	**-**	**69,557.98**	**69,557.98**	**-**	**52,538.49**	**52,538.49**
24	**Other income**									
	Interest on fixed deposits	-	31.73	31.73	-	64.42	64.42	-	50.55	50.55
	Miscellaneous Income	-	2.00	2.00	-	2.00	2.00	-	3.49	3.49
	Total	**-**	**33.73**	**33.73**	**-**	**66.42**	**66.42**	**-**	**54.04**	**54.04**
25	**Cost of material consumed**									
	Inventory at the beginning of the year	-	2,743.52	2,743.52	-	619.29	619.29	-	933.12	933.12
	Add: Purchases	64,437.54	18,273.13	82,710.67	-	45,823.38	45,823.38	-	29,335.51	29,335.51
	Less: Inventory at the end of the period/year*	6,026.36	-	6,026.36	-	2,743.52	2,743.52	-	619.29	619.29
	Cost of material consumed	**58,411.18**	**21,016.65**	**79,427.83**	**-**	**43,699.15**	**43,699.15**	**-**	**29,649.34**	**29,649.34**
26	**Changes in inventories of finished goods**									
	Inventories at the beginning of the year									
	- Finished goods	-	4,898.41	4,898.41	-	6,526.45	6,526.45	-	12,218.19	12,218.19
		-	**4,898.41**	**4,898.41**	**-**	**6,526.45**	**6,526.45**	**-**	**12,218.19**	**12,218.19**
	Less: Inventories at the end of the period/year									
	- Finished goods*	8,271.14	-	8,271.14	-	4,898.41	4,898.41	-	6,526.45	6,526.45
		8,271.14	**-**	**8,271.14**	**-**	**4,898.41**	**4,898.41**	**-**	**6,526.45**	**6,526.45**
	Net decrease/(increase)	**(8,271.14)**	**4,898.41**	**(3,372.73)**	**-**	**1,628.04**	**1,628.04**	**-**	**5,691.74**	**5,691.74**

*The special purpose Ind AS combined carve-out financial statements for the period ending September 30, 2022, excludes the closing stock of inventories pertaining to the distillery business, as the distillery business was acquired by the Company during the year ending March 31, 2023. Consequently, the such inventories are disclosed as part of the closing inventories in the Balance Sheet as at March 31, 2023.

27	**Employee benefits expense**									
	Salaries, wages, bonus and other allowances including contribution to PF and ESI	836.83	557.03	1,393.86	-	890.65	890.65	-	580.38	580.38
	Gratuity and compensated absences expenses	12.01	-	12.01	-	15.59	15.59	-	37.73	37.73
	Leave encashment	7.10	-	7.10	-	-	-	-	-	-
	Staff welfare expenses	3.47	0.01	3.48	-	0.01	0.01	-	-	-
	Total	**859.41**	**557.04**	**1,416.45**	**-**	**906.25**	**906.25**	**-**	**618.11**	**618.11**
28	**Finance costs**									
	Interest on borrowing	2,024.17	2,266.64	4,290.81	-	3,978.47	3,978.47	-	2,706.19	2,706.19
	Interest on liability component of CCPS	1,395.24	-	1,395.24	-	-	-	-	-	-
	Bank charges	74.14	28.26	102.40	-	59.45	59.45	-	59.80	59.80
	Others	37.51	26.00	63.51	-	103.55	103.55	-	-	-
	Total	**3,531.06**	**2,320.90**	**5,851.96**	**-**	**4,141.47**	**4,141.47**	**-**	**2,765.99**	**2,765.99**

TruAlt Bioenergy Limited
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Notes to proforma condensed combined financial information
(Amount in Indian Rupees Lakhs, unless otherwise stated)

		For the year ended 31 March 2023			For the year ended 31 March 2022			For the year ended 31 March 2021		
		Restated financial information	Special purpose Ind AS combined carve-out financial statements	Proforma condensed combined financial information	Restated financial information	Special purpose Ind AS combined carve-out financial statements	Proforma condensed combined financial information	Restated financial information	Special purpose Ind AS combined carve-out financial statements	Proforma condensed combined financial information
29	**Depreciation and amortization expense**									
	Depreciation of property, plant and equipment (Refer note 4)	1,524.09	878.06	2,402.15	-	1,775.68	1,775.68	-	646.93	646.93
	Amortization of intangible assets (Refer note 5)	550.99	-	550.99	-	0.10	0.10	-	0.24	0.24
	Total	**2,075.08**	**878.06**	**2,953.14**	**-**	**1,775.78**	**1,775.78**	**-**	**647.17**	**647.17**
30	**Other expenses**									
	Consumption of stores & spares and consumables	1,590.51	708.76	2,299.27	-	1,233.92	1,233.92	-	618.74	618.74
	Manufacturing expenses	1,831.78	790.54	2,622.32	-	626.13	626.13	-	481.63	481.63
	Power and fuel	6,039.51	4,596.78	10,636.29	-	6,625.33	6,625.33	-	2,952.51	2,952.51
	Service fee	1,152.08	-	1,152.08	-	-	-	-	-	-
	Selling and distribution expenses	2,859.67	1,845.45	4,705.12	-	2,943.89	2,943.89	-	1,424.19	1,424.19
	Repairs and maintenance - Plant and Machinery	103.71	117.04	220.75	-	247.93	247.93	-	198.01	198.01
	Repairs and maintenance - others	65.32	23.70	89.02	-	48.72	48.72	-	61.19	61.19
	Legal and professional charges*	234.36	25.41	259.77	0.65	19.26	19.91	-	12.58	12.58
	Business promotion expenses	335.49	54.48	389.97	-	81.82	81.82	-	61.95	61.95
	Rates and taxes	393.40	3.64	397.04	0.09	189.99	190.08	-	412.23	412.23
	Insurance expenses	15.23	82.49	97.72	-	71.36	71.36	-	24.87	24.87
	Security charges	32.64	57.27	89.91	-	93.26	93.26	-	15.80	15.80
	Travel and conveyance	25.40	3.31	28.71	-	4.85	4.85	-	5.18	5.18
	Miscellaneous expenses	54.83	44.46	99.29	0.49	260.30	260.79	-	336.81	336.81
	Total	**14,733.93**	**8,353.33**	**23,087.26**	**1.23**	**12,446.76**	**12,447.99**	**-**	**6,605.69**	**6,605.69**
	*Note : Following is the break-up of Auditors remuneration (exclusive of GST)									
	As auditor:									
	Statutory audit	25.00	-	25.00	0.25	11.34	11.59	-	5.00	5.00
	In other capacity:									
	Other matters	10.00	-	10.00	-	-	-	-	-	-
		35.00	**-**	**35.00**	**0.25**	**11.34**	**11.59**	**-**	**5.00**	**5.00**

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

Santosh Burande
Partner
Membership No. : 214451

Place: Bengaluru
Date: May 03, 2024

For and on behalf of the Board of Directors
TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
CIN: U15400KA2021PLC145978

Vijaykumar M Nirani
Director
DIN: 07413777

Vishal M Nirani
Director
DIN: 08434032

Debnath Mukhopadhyay
Chief Financial Officer

Place: Bengaluru

Sudheer Sannapaneni
Company Secretary
Membership No: 55105

TruAlt Bioenergy Limited
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Notes to proforma condensed combined financial information
(Amount in Indian Rupees Lakhs, unless otherwise stated)

For the year ended 31 March 2023			For the year ended 31 March 2022			For the year ended 31 March 2021		
Restated financial information	Special purpose Ind AS combined carve-out financial statements	Proforma condensed combined financial information	Restated financial information	Special purpose Ind AS combined carve-out financial statements	Proforma condensed combined financial information	Restated financial information	Special purpose Ind AS combined carve-out financial statements	Proforma condensed combined financial information

Date: May 03, 2024

Independent Auditors' Report
To the Board of Directors of TruAlt Bioenergy Limited

Report on the Audit of the Special Purpose Ind AS Combined Carve-out Financial Statement

Opinion

We have audited the accompanying Special Purpose Ind AS Combined Carve-out Financial Statements of TruAlt Bioenergy Limited ('the Company'), which comprise of Special Purpose Ind AS Combined Carve-out Balance Sheet as at March 31, 2021, the Special Purpose Ind AS Combined Carve-out Statement of Profit and Loss (including other comprehensive income), the Special Purpose Ind AS Combined Carve-out Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Special Purpose Ind AS Combined Carve-out Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Ind AS Combined Carve-out Financial Statements give a true and fair view and have been prepared, in all material respects in accordance with the accounting principles generally accepted in India.

Basis for Opinion

We conducted our audit of the Special Purpose Ind AS Combined Carve-out Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Special Purpose Ind AS Combined Carve-out Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the Special Purpose Ind AS Combined Carve-out Financial Statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Management for the Special Purpose Ind AS Combined Carve-out Financial Statements

The Combined Carve-out Financial Statement comprise of three entities namely Nirani Sugars Limited (NSL), Shri Sai Priya Sugars Limited (SSPSL) and MRN Cane Power India Limited (MRN) and have been prepared in accordance with accounting principles generally accepted in India (Indian GAAP). These Combined Carve-out Financial Statement have been audited by YCRJ & Associates who have issued an unmodified audit opinion in their audit report dated May 3, 2024 on the same. The Company's Management is responsible for the conversion of these Combined Carve-out Financial Statement prepared as per Indian GAAP into Special Purpose Ind AS Combined Carve-out Financial Statements. This responsibility also includes the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Combined Carve-out Financial Statements as per Indian GAAP and subsequently the Special Purpose Ind AS Combined Carve-out Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error and selecting and applying appropriate accounting policies that are consistent with the recognition and measurement criteria of Ind AS.

The aforesaid Special Purpose Ind AS Combined Carve-out Financial Statements have been prepared by the Management of the Company solely for inclusion of the same in the Draft Red Herring Prospectus of the Company and should be read in that context.

Auditor's Responsibilities for the Audit of the Special Purpose Ind AS Combined Carve-out Financial Statements

Our objectives are to obtain, reasonable assurance about whether the Special Purpose Ind AS Combined Carve-out Financial Statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit, in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Special Purpose Ind AS Combined Carve-out Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Evaluate the overall presentation, structure and content of the Special Purpose Ind AS Combined Carve-out Financial Statements, including the disclosures, and whether the Special Purpose Ind AS Combined Carve-out Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Companies to express an opinion on the Special Purpose Ind AS Combined Carve-out Financial Statements. For entities included in the Special Purpose Ind AS Combined Carve-out Financial Statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by him. We remain solely responsible for our audit opinion.

Other Matter

We did not audit Combined Carve-out Financial Statements on which the management of the Company has carried out Ind AS adjustments and which is included in the Special Purpose Ind AS Combined Carve-out Financial Statements and whose financial statement and financial information have been audited by YCRJ & Associates and whose audit report has been furnished to us. Our opinion in respect thereof is based solely on the audit report of YCRJ & Associates.

This report is intended solely for the use of the Company for inclusion in the Draft Red Herring Prospectus of the Company and is not intended to be and should not be used by any other person without our prior written approval.

For N. M. Raiji & Co.
Chartered Accountants
Firm Registration No - 108296W

Santosh Burande
Partner
Membership No: 214451
UDIN : 24214451BKBLUN6686

Place: Bengaluru
Date: May 3, 2024

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Special purpose Ind AS combined carve-out Balance Sheet
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Notes	As at 31 March 2021
ASSETS		
Non-current assets		
Property, plant and equipment	4	32,767.33
Capital work-in-progress	4	1,168.15
Other intangible assets	5	0.17
Financial assets		
(i) Other financial assets	6	-
Other non-current assets	7	3,867.93
Total non-current assets		**37,803.58**
Current assets		
Inventories	8	7,662.55
Financial assets		
(i) Trade receivables	9	8,170.25
(ii) Cash and cash equivalents	10	6,706.20
(iii) Other financial assets	11	17.30
Government grant	12	415.07
Other current assets	13	388.15
Total current assets		**23,359.52**
Total assets		**61,163.10**
EQUITY AND LIABILITIES		
Equity		
Owner's net investment	14	7,209.26
Total equity		**7,209.26**
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	15	31,367.02
(ii) Other financial liabilities	16	0.03
Provisions	17	35.80
Deferred tax liabilities (net)		1,786.99
Total non-current liabilities		**33,189.84**
Current liabilities		
Financial liabilities		
(i) Borrowings	18	9,090.49
(ii) Trade payables	19	7,365.47
(iii) Other financial liabilities	20	3,336.26
Provisions	17	1.93
Current tax liabilities (net)	22	952.77
Other current liabilities	21	17.08
Total current liabilities		**20,764.00**
Total liabilities		**53,953.84**
Total equity and liabilities		**61,163.10**

The accompanying notes 1 to 30 are an integral part of the financial information.

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

For and on behalf of the Board of Directors
TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
CIN: U15400KA2021PLC145978

Santosh Burande
Partner
Membership No. : 214451

Place: Bengaluru
Date: May 03, 2024

Vijaykumar M Nirani
Director
DIN: 07413777

Vishal M Nirani
Director
DIN: 08434032

Debnath Mukhopadhyay
Chief Financial Officer

Place: Bengaluru
Date: May 03, 2024

Sudheer Sannapaneni
Company Secretary
Membership No: 55105

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Special purpose Ind AS combined carve-out Statement of Profit and Loss
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Notes	For the year ended 31 March 2021
Revenue		
Revenue from operations	23	52,538.49
Other Income	24	54.04
Total income		**52,592.53**
Expenses		
Cost of material consumed	25	29,649.34
Changes in inventories of finished goods	26	5,691.74
Employee benefits expense	27	618.11
Finance costs	28	2,765.99
Depreciation and amortization expense	29	647.17
Other expenses	30	6,605.69
Total expenses		**45,978.04**
Profit before tax		**6,614.49**
Tax expense		
Current tax		(952.77)
Deferred tax		(712.03)
Total income tax expense		**(1,664.80)**
Profit for the year		**4,949.69**
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Re-measurement gains/ (losses) on defined benefit plans		-
Income tax effect		-
		-
Other comprehensive income for the year, net of tax		**-**
Total comprehensive income for the year		**4,949.69**

The accompanying notes 1 to 30 are an integral part of the financial information.

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

For and on behalf of the Board of Directors of
TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
CIN: U15400KA2021PLC145978

Santosh Burande
Partner
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Vijaykumar M Nirani
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Place: Bengaluru
Date: May 03, 2024

Debnath Mukhopadhyay
Chief Financial Officer

Sudheer Sannapaneni
Company Secretary
Membership No: 55105

Place: Bengaluru
Date: May 03, 2024

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Special purpose Ind AS combined carve-out Statement of Cash Flows
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Year ended 31 March 2021
Cash flow from Operating activities	
Profit before tax	6,614.49
Adjustments for:	
Depreciation and amortization expenses	647.17
Finance cost	2,765.99
Interest on fixed deposits	(50.55)
Rental income	(3.49)
Operating profit before working capital changes	**9,973.61**
Changes in working capital	
Increase in trade payables	853.02
Decrease in inventories	5,816.70
Increase in trade receivables	(2,944.20)
Decrease in other current liabilities	(1,034.19)
Decrease in other financial liabilities	(15,103.62)
Increase in other financial assets	(359.04)
Increase in other current assets	(299.06)
Cash generated used in operations	**(3,096.78)**
Income tax paid	-
Net cash flows used in Operating activities (A)	**(3,096.78)**
Cash flow from Investing activities	
Purchase of property plant and equipment including CWIP (net)	(5,536.79)
Movement in bank deposits (net)	(380.15)
Interest on fixed deposits	50.55
Rental income	3.49
Net cash flow used in Investing activities (B)	**(5,862.90)**
Cash flow from Financing activities	
Movement of Owner's Net Investment	(0.27)
Proceeds from loans (net)	16,614.51
Interest paid	(2,765.99)
Net cash flow from Financing activities (C)	**13,848.25**
Net increase in cash and cash equivalents (A+B+C)	4,888.57
Cash and cash equivalents at the beginning of the year	1,037.48
Cash and cash equivalents at the end of the year	**5,926.05**

1. The above statement of cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

Cash and cash equivalents comprise (Refer note 10 (a))	
Balances with banks	
On current accounts	5,926.05
Total cash and bank balances at end of the year	**5,926.05**

The accompanying notes 1 to 30 are an integral part of the financial information.

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

Santosh Burande
Partner
Membership No. : 214451

Place: Bengaluru
Date: May 03, 2024

For and on behalf of the Board of Directors of
TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
CIN: U15400KA2021PLC145978

Vijaykumar M Nirani
Director
DIN: 07413777

Vishal M Nirani
Director
DIN: 08434032

Debnath Mukhopadhyay
Chief Financial Officer

Place: Bengaluru
Date: May 03, 2024

Sudheer Sannapaneni
Company Secretary
Membership No: 55105

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Notes to special purpose Ind AS Combined Carve-out financial statement

1 Background

TruAlt Bioenergy Limited (Formerly known as TruAlt Energy Limited) (the "Company" or "TruAlt") is a public company domiciled in India and was incorporated on 31 March 2021 under the provisions of the Companies Act, 2013 applicable in India. Its registered and principal office of business is located at Kulali Cross, Jamkhandi Mudhol Road, Mudhol. The Company is primarily engaged in the business of producing ethanol, rectified spirit, deoxyribonucleic acid and other products derived form distillery processes.

Nirani Sugars Limited (NSL), Shri Sai Priya Sugars Limited (SPSL) and MRN Cane Power India Limited (MRNCPIL) (collectively referred to as “Seller Companies”) are public companies incorporated and domiciled in India. The Seller Companies is engaged in the manufacturing and refining of sugar, ethyl alcohol, ethanol, generation and sale of power. The distillery business from Nirani Sugars Limited (NSL), Shri Sai Priya Sugars LLimited (SPSL) and MRN Cane Power India Limited (MRNCPIL) (collectively referred to as “Distillery Group”) were transferred on a going concern basis through a Business Transfer Agreement (BTA) effective from October 1, 2022.

2 Purpose and basis of preparation

2.1 Purpose of preparation

The special purpose Ind AS combined carve-out financial information have been prepared by the management of the Company to prepare the proforma combined condensed financial information for the purpose of inclusion in the draft red herring prospectus (“DRHP”), Red herring prospectus ("RHP") and Prospectus to be filed by the Company in connection with its proposed Initial Public Offer (“IPO”). The management may also use the special purpose Ind AS combined carve-out financial information for any other purposes as deemed appropriate.

The purpose of preparing the special purpose Ind AS combined carve-out financial information is to indicate the results of operations that would have resulted had the acquisitions been completed at the beginning of the period presented and the financial position had the acquisitions been completed as at 1 April 2020. The Company believes that such information is important for the investors considering the significance of the acquisitions.

2.2 Basis of preparation

a) The special purpose Ind AS combined carve-out financial information of the Distillery Group, which comprises the special purpose Ind AS combined carve-out Balance Sheet as at 31 March 2021, the special purpose Ind AS combined carve-out Statement of Profit and Loss for the year ended 31 March 2021, the special purpose Ind AS combined carve-out Statement of Cash Flow for the year ended 31 March 2021 and notes to special purpose Ind AS combined carve-out financial information, including a summary of material accounting policies [collectively the "special purpose Ind AS combined carve-out financial information”] have been prepared:

a) applying measurement and recognition principle of generally accepted accounting principles in India Indian Accounting Standards (referred to as 'Ind AS') and comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and

b)in accordance with Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accountants of India ("ICAI") (the "Guidance Note").

b) The special purpose Ind AS combined carved-out financial statements have been prepared on a going concern basis under the historical cost convention.

These special purpose Ind AS combined carved-out financial statements may not include all the actual expenses that would have been incurred had the combined carve-out business operated as a standalone company during the periods presented and may not reflect the financial position and financial performance had it operated as standalone company during such periods. Actual costs that would have been incurred if carve-out combined business had operated as a standalone company would depend on multiple factors, including organizational structure, capital structure, strategic and tactical decisions made in various areas, including information technology and infrastructure.

Therefore, the resulting financial position and financial performance in these special purpose Ind AS combined carved-out financial statements may not be that which might have existed if the combined carve-out business had been a standalone company. Further, the information may not be representative of the financial position and financial performance which may prevail after the transaction.

The procedure followed for the preparation of these special purpose Ind AS combined carved out financial statements has been provided in the paragraphs below.

(i) Assets, liabilities, income and expenses recognised in these special purpose Ind AS combined carve-out financial statements that are directly attributable to Distillery Group are based on the books of accounts and underlying accounting records maintained by the Seller Companies in accordance with recognition and measurement principles prescribed by IGAAP, on which necessary Ind AS adjustments have been adjusted to prepare special purpose Ind AS combined carved-out financial statements and as per conditions set out in the BTA.

Assets, liabilities, income and expenses recognised in these special purpose Ind AS combined carve-out financial statements that are either not readily identifiable from the books of accounts maintained by the Seller Companies or not directly attributable to Distillery Group have been allocated on a reasonable basis. While preparing the special purpose Ind AS combined carved-out financial statements following adjustments has been recorded:

a) Common expenses identified such as audit fees have been allocated equally or reasonable basis since this was considered an appropriate method for the allocation by the management.

b) Assets and liabilities items not transferred under BTA such as investments, balances with government authorities (TDS, TCS etc.) have been retained with Sugar divisions. The corresponding income and expenses also have been retained with Sugar divisions.

c) Adjustments entries for inventory, previously recorded at the Seller Companies level, are now recorded at Distillery Group level.

2.2 Basis of preparation (Contd.)

(ii) The transfer of goods, namely bagasse, syrup, and molasses, from the Seller Companies to its distillery unit for ethanol production is recorded at market prices. Inter-unit transactions entered between distillery, Sugar and Power business has been recorded under inter-segment receivable/payable.

(iii) Pursuant to the requirement of paragraph 32 and 33 of the Guidance Note on Combined and Carve-Out Financial Statements issued by the Institute of Chartered Accountants of India, tax expense has been determined for the Distillery Group as if the carve-out business is a separate taxable entity.

(iv) Since these carved-out financial statements have been prepared on a carve-out basis, it is not meaningful to show share capital or provide an analysis of reserves. Owner's net investment, therefore, represents the difference between the assets and liabilities pertaining to distillery business.

(v) Since the primary purpose of combined carve-out statement of Profit and Loss is to present the historical operations of the carve-out combined business and reflect all the costs of doing business and corresponding revenue for the distillery business. Therefore, these special purpose Ind AS combined carve-out statement of profit and loss includes the relevant costs and revenue as if the carve-out business operated as a separate entity in the periods presented.

(vi) The special purpose Ind AS combined carve-out financial statements as presented are not legal entity financial statements and hence, no earnings per share (EPS), basic and diluted, has been computed and disclosed.

(vii) These special purpose Ind AS combined carve-out financial statements have been prepared on a carved-out combined basis to present the assets and liabilities of the distillery business of the Seller Companies at these dates, as if the TruAlt Bioenergy Limited (formerly known as TruAlt Energy Limited) had been in existence as at these dates, in order to reflect the impact of the acquisition. As a result, these financial statements may not be suitable for any other purpose.

(viii) These special purpose Ind AS combined carved-out financial statements were approved by the Board of Directors of the Company on May 03, 2024 for the use of the management of the Company.

(ix) The special purpose Ind AS combined carve-out financial statements of the distillery business of the Seller Companies are presented in INR (₹) and all values are rounded to the nearest lakhs, except when otherwise indicated.

3 Significant accounting policies

Significant accounting policies adopted by the Company are as under:

3.1 Statement of compliance, basis of measurement and estimates

(a) **Statement of compliance with Ind AS**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.

(b) **Basis of measurement**

The financial statements have been prepared on a historical cost convention, using the accrual basis of accounting, except for the following material items that have been measured at fair value, as required by the relevant Ind AS:-

i) Certain financial assets and liabilities are measured at fair value (refer accounting policy on financial instruments)

ii) Employee defined benefit assets/(obligations) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligations.

(c) **Use of estimates**

In preparation of these financial statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively.

3.2 Summary of significant accounting policy

(a) Current versus non current classification

The Company presents assets and liabilities in the special purpose Ind AS combined carve-out balance sheet based on current/ noncurrent classification. An asset is treated as current when it is:

i) Expected to be realised or intended to be sold or consumed in the normal operating cycle;

ii) Held primarily for the purpose of trading;

iii) Expected to be realised within twelve months from the reporting period; or

iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months from the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period .The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(b) Fair value measurement

The Company measures financial instruments at fair value at each special purpose Ind AS combined carve-out balance sheet date .

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

► In the principal market for the asset or liability, or

► In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instruments.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(c) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue contracts are on a principal to principal basis and the Company is primarily responsible for fulfilling the identified performance obligation.

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, on delivery of the goods. Payment for the sale is made as per the credit terms in the agreements with the customers. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods and services, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Contract balances - Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

(d) Government grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the assistance are provided by the governments in the form of reimbursement of interest paid on term loans, the effect of this interest subvention is regarded as government grant. The benefit received is adjusted from the finance cost required in the special purpose Ind AS combined carve-out statement of profit and loss.

(e) Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current income tax relating to items recognised outside the special purpose Ind AS combined carve-out statement of profit and loss is recognised outside profit or loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognized in special purpose Ind AS combined carve-out statement of profit and loss., except to the extent that it relates to items recognised in OCI or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively.

(f) Property, plant and equipment and Capital work-in progress

Property, plant and equipment are stated at historical cost less depreciation & impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. For this purpose, cost includes deemed cost on the date of transition and acquisition price, including nonrecoverable duties and taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. In addition, interest on borrowings used to finance the construction of qualifying assets is capitalized as part of the asset's cost until such time that the asset is ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to special purpose Ind AS combined carve-out statement of profit and loss during the year in which they are incurred.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.
Advances paid towards the acquisition of property, plant and equipment outstanding at each special purpose Ind AS combined carve-out balance sheet date are classified as capital advances under Other Non-current Assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives
The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method over the estimated useful lives of the assets prescribed under Schedule II to the Companies Act 2013. The estimated useful lives of assets are as follows:

Property, plant and equipment	Years
Factory Building	30-60
Other Buildings	30-60
Plant & Machinery	10-30
Furniture and Fixtures	8-10
Vehicles	8-10
Office Equipment	5
Computers	3

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives, different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on a pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount. These are included in the special purpose Ind AS combined carve-out statement of profit and loss 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and are adjusted prospectively, as appropriate.

(g) Other intangible assets
Intangible assets are stated at acquisition cost, net of accumulated amortization & impairment.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

The Company amortizes intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	Years
Computer Software	3

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

(h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds and also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(i) Inventories

Inventories are valued at the lower of cost and net realisable value.
Costs incurred in bringing each product to its present location and condition are accounted for as follows:
- Raw materials and stores and spare parts: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.
- Finished goods and work-in-progress: cost is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

(j) Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in the Statement of Profit and Loss and are reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the special purpose Ind AS combined carve-out Statement of profit and loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

(k) Provisions and contingent liabilities

(a) Provisions are recognized when there is a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the special purpose Ind AS combined carve-out balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

(b) Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

(c) Contingent asset is not recognized in the standalone financial statements; however, is disclosed where an inflow of economic benefits is probable.

(d) Provisions, Contingent liabilities, and Contingent assets are reviewed at each special purpose Ind AS combined carve-out balance sheet date.

(l) Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the special purpose Ind AS combined carve-out balance sheet.

Other long-term employee benefit obligations

Defined contribution plan

Contribution towards Provident Fund and Employees' State Insurance Scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the special purpose Ind AS combined carve-out statement of profit and loss.

Defined benefit plans

The Company provides for gratuity, a defined benefit unfunded plan (the 'Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides for a lump sum payment to be made to vested employees at the time of retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the OCI in the year in which they arise.

Leave encashment

The liabilities for earned leave are not expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service. They are, therefore, measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as determined by actuarial valuation. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the special purpose Ind AS combined carve-out statement of profit and loss. The obligations are presented as Current Liabilities in thespecial purpose Ind AS combined carve-out balance sheet, if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(m) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

The financial assets include trade receivables, cash and cash equivalents, and other financial assets. Financial assets are initially measured at fair value. Transaction costs directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or are deducted from the fair value of the financial assets as appropriate on initial recognition. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified under the following categories:
a) at amortized cost; or
b) at fair value through OCI; or
c) at fair value through profit or loss.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair Value through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through Other Comprehensive Income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses, which are recognized in the special purpose Ind AS combined carve-out statement of profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to the Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income, using the effective interest rate method.

Fair Value Through Profit or Loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Impairment of financial assets

In accordance with Ind AS 109 - Financial Instruments, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost.
The Company follows 'simplified approach' for recognition of impairment loss allowance on trade and contract revenue receivables, loans and other financial assets.

(i) Financial assets (Contd.)

Derecognition of financial assets

A financial asset is derecognized only when:

a) the right to receive cash flows from the financial asset is transferred; or

b) the Company retains the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where a financial asset is transferred, it is derecognized only if substantially all risks and rewards of ownership of the financial asset are transferred. Where the entity has not transferred substantially all risks and rewards of ownership of a financial asset, the financial asset is not derecognized.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the special purpose Ind AS combined carve-out statement of profit and loss.

Amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost, using the Effective Interest Rate (EIR) method. Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the special purpose Ind AS combined carve-out statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the special purpose Ind AS combined carve-out statement of profit and loss as a finance costs.

(iii) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the special purpose Ind AS combined carve-out balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(n) Cash and cash equivalents

Cash and cash equivalent in the special purpose Ind AS combined carve-out balance sheet comprise of cash in hand and cash at banks only.

(o) Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs as per requirement of Schedule III of the Act, unless otherwise stated.

3.3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

3.3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the period end/year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company bases its assumptions and estimates on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) **Taxes**

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses to the extent that taxable profit would probably be available against which the losses could be utilized. Significant judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Company reviews the carrying amount of deferred tax assets and liabilities at each special purpose Ind AS combined carve-out balance sheet date with consequential change being given effect to in the year of determination.

(b) **Defined benefit plans (gratuity benefits)**

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on a long term basis.

(c) **Estimation of net realizable value for inventories**

Inventory is stated at the lower of cost and net realizable value (NRV). NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified.

(d) **Useful life of property, plant and equipment and intangible asset**

The Company reviews the useful life of property, plant and equipment/intangible assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Notes to special purpose Ind AS Combined Carve-out financial statement
(Amount in Indian Rupees Lakhs, unless otherwise stated)

4 Property, Plant and Equipment

	Gross block			Accumulated depreciation			Net block	
	As at 1 April 2020	Adjustments (Footnote)	As at 31 March 2021	As at 1 April 2020	Adjustments (Footnote)	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
Owned assets								
Land	264.67	-	264.67	-	-	-	264.67	264.67
Building-Factory	2,081.96	5,637.38	7,719.34	508.43	129.73	638.16	7,081.18	1,573.53
Building-Others	277.84	-	277.84	25.78	8.23	34.01	243.83	252.06
Plant and Machinery	24,695.75	3,666.54	28,362.29	2,720.94	504.61	3,225.55	25,136.74	21,974.81
Temporary sheds	33.57	-	33.57	7.37	1.06	8.43	25.14	26.20
Furniture and Fixtures	6.56	1.72	8.28	4.35	0.45	4.80	3.48	2.21
Office Equipment	7.53	3.10	10.63	7.29	0.34	7.63	3.00	0.24
Computers	15.79	6.26	22.05	10.25	2.51	12.76	9.29	5.54
Total	**27,383.67**	**9,315.00**	**36,698.67**	**3,284.41**	**646.93**	**3,931.34**	**32,767.33**	**24,099.26**
Capital work-in progress	**8,814.30**	**(7,646.15)**	**1,168.15**	**-**	-	**-**	**1,168.15**	**8,814.30**

Footnote:

1. Adjustments in gross block includes additions (9,315.00 lakhs), deductions (Nil)
2. Adjustments in accumulated depreciation includes depreciation for the year (646.93 lakhs) and deductions (Nil).

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5 Other intangible assets

	Gross block			Accumulated amortisation			Net block	
	As at 1 April 2020	Adjustments (Footnote)	As at 31 March 2021	As at 1 April 2020	Adjustments (Footnote)	As at 31 March 2021	As at 31 March 2021	As at 31 March 2020
Computer software	1.53	-	1.53	1.12	0.24	1.36	0.17	0.41
Total	**1.53**	**-**	**1.53**	**1.12**	**0.24**	**1.36**	**0.17**	**0.41**

Footnote:

1. Adjustments in gross block includes additions (Nil), deductions (Nil)
2. Adjustments in accumulated amortisation includes amortisation for the year (0.24 lakhs) and deductions (Nil).

		As at 31 March 2021
6	**Other financial assets**	
	Security deposits	-
	Total	**-**
7	**Other non-current assets**	
	Capital advance	3,867.93
	Total	**3,867.93**
8	**Inventories**	
	Raw material	619.29
	Finished goods	6,526.45
	Store and spares parts including packing material	516.81
	Total	**7,662.55**
9	**Trade receivable**	
	Secured, considered good	
	Unsecured	
	- Considered good	8,170.25
	Less - Loss allowance	-
	Total	**8,170.25**
10	**Cash and cash equivalents**	
(a)	Cash in hand	0.01
	Balances with banks:	
	On current accounts	5,926.04
		5,926.05
(b)	Other bank balances	
	Deposits with maturity more than three months but less than 12 months	780.15
		780.15
	Total	**6,706.20**
11	**Other current financial assets**	
	Security deposits	2.19
	Interest accrued on fixed deposits with banks	15.11
	Total	**17.30**
12	**Government grant**	
	Interest subvention receivable	415.07
	Total	**415.07**
13	**Other current assets**	
	Balance with Government authorities	45.82
	Prepaid expenses	109.77
	Advance to third parties	232.56
	Total	**388.15**

		As at 31 March 2021
14	**Owner's net investment**	
	As at beginning	2,259.57
	Profit during the year	4,949.69
	As at end	**7,209.26**
15	**Non-current borrowings**	
	Secured	
	Term loan	
	From Bank and financial institution	
	Indian Renewable Energy Development Authority (IREDA)	8,546.22
	Union Bank of India	2,449.93
	SDF Loan	5,358.91
	Loan from co-operative banks	18,575.91
		34,930.97
	Less: Current maturities of loan from national banks (Refer note 18)	1,859.42
	Less: Current maturities of loan from co-opertaive banks (Refer note 18)	1,704.53
		3,563.95
	Total	**31,367.02**

Sanctioned limit with IREDA, Union Bank and Co-operative Banks has been secured by pari-pasu first charge on the entire fixed assets i.e., mortgaged project lands and building/immovable properties and hypothecation of all movable fixed assets viz. Plants and Machineries of Ethanol units. The loan is also secured by second pari-pasu first charge on current asset of the Company (including stocks and receivables) both present and future.

16	**Other financial liabilities**	
	Refundable deposits	0.03
	Total	**0.03**
17	**Provisions**	
		Current
	Provision for gratuity (unfunded)	1.93
	Total	**1.93**
		Non-Current
	Provision for gratuity (unfunded)	35.80
	Total	**35.80**
18	**Current borrowings**	
	Current maturities of long-term borrowings	3,563.95
	Secured	
	Loans from banks	5,526.54
	Total	**9,090.49**
19	**Trade payables**	**Current**
	Outstanding dues	7,365.47
	Total	**7,365.47**
20	**Other financial liabilities**	
	Interest payable	443.94
	Other financial liabilities	408.33
	Due to related parties	2,483.99
	Total	**3,336.26**
21	**Other current liabilities**	
	Statutory dues payable	17.08
	Total	**17.08**
22	**Current tax liabilities (net)**	
	Current tax payable	952.77
	Total	**952.77**

		For the year ended 31 March 2021
23	**Revenue from operations**	
	Sale of goods	52,538.49
	Total	**52,538.49**
24	**Other income**	
	Interest on fixed deposits	50.55
	Miscellaneous Income	3.49
	Total	**54.04**
25	**Cost of material consumed**	
	Inventory at the beginning of the year	933.12
	Add: Purchases	29,335.51
	Less: Inventory at the end of the year	619.29
	Cost of material consumed	**29,649.34**
26	**Changes in inventories of finished goods**	
	Inventories at the beginning of the year	
	- Finished goods	12,218.19
		12,218.19
	Less: Inventories at the end of the year	
	- Finished goods	6,526.45
		6,526.45
	Net decrease/ (increase)	**5,691.74**
27	**Employee benefits expense**	
	Salaries, wages, bonus and other allowances including contribution to PF and ESI	580.38
	Gratuity and compensated absences expenses	37.73
	Total	**618.11**
28	**Finance costs**	
	Interest on borrowing	2,706.19
	Bank charges	59.80
	Total	**2,765.99**
29	**Depreciation and amortization expense**	
	Depreciation of property, plant and equipment (Refer Note 4)	646.93
	Amortization of intangible assets (Refer Note 5)	0.24
	Total	**647.17**

	For the year ended 31 March 2021
30 Other expenses	
Consumption of stores & spares and consumables	618.74
Manufacturing expenses	481.63
Power and fuel	2,952.51
Selling and distribution expenses	1,424.19
Repairs and maintenance - Plant and Machinery	198.01
Repairs and maintenance - others	61.19
Legal and professional charges*	12.58
Business promotion expenses	61.95
Rates and taxes	412.23
Insurance expenses	24.87
Security charges	15.80
Travel and conveyance	5.18
Miscellaneous expenses	336.81
Total	**6,605.69**

*Note : Following is the break-up of Auditors remuneration (exclusive of GST)

As auditor:	
Statutory audit	5.00
	5.00

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

Santosh Burande
Partner
Membership No. : 214451

Place: Bengaluru
Date: May 03, 2024

For and on behalf of the Board of Directors of
TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
CIN: U15400KA2021PLC145978

Vijaykumar M Nirani
Director
DIN: 07413777

Vishal M Nirani
Director
DIN: 08434032

Debnath Mukhopadhyay
Chief Financial Officer

Place: Bengaluru
Date: May 03, 2024

Sudheer Sannapaneni
Company Secretary
Membership No: 55105

Independent Auditors' Report
To the Board of Directors of TruAlt Bioenergy Limited

Report on the Audit of the Special Purpose Ind AS Combined Carve-out Financial Statement

Opinion

We have audited the accompanying Special Purpose Ind AS Combined Carve-out Financial Statements of TruAlt Bioenergy Limited ('the Company'), which comprise of Special Purpose Ind AS Combined Carve-out Balance Sheet as at March 31, 2022, the Special Purpose Ind AS Combined Carve-out Statement of Profit and Loss (including other comprehensive income), the Special Purpose Ind AS Combined Carve-out Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Special Purpose Ind AS Combined Carve-out Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Ind AS Combined Carve-out Financial Statements give a true and fair view and have been prepared, in all material respects in accordance with the accounting principles generally accepted in India.

Basis for Opinion

We conducted our audit of the Special Purpose Ind AS Combined Carve-out Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Special Purpose Ind AS Combined Carve-out Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the Special Purpose Ind AS Combined Carve-out Financial Statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Management for the Special Purpose Ind AS Combined Carve-out Financial Statements

The Combined Carve-out Financial Statement comprise of three entities namely Nirani Sugars Limited (NSL), Shri Sai Priya Sugars Limited (SSPSL) and MRN Cane Power India Limited (MRN) and have been prepared in accordance with accounting principles generally accepted in India (Indian GAAP). These Combined Carve-out Financial Statement have been audited by YCRJ & Associates who have issued an unmodified audit opinion in their audit report dated May 3, 2024 on the same. The Company's Management is responsible for the conversion of these Combined Carve-out Financial Statement prepared as per Indian GAAP into Special Purpose Ind AS Combined Carve-out Financial Statements. This responsibility also includes the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Combined Carve-out Financial Statements as per Indian GAAP and subsequently the Special Purpose Ind AS Combined Carve-out Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error and selecting and applying appropriate accounting policies that are consistent with the recognition and measurement criteria of Ind AS.

The aforesaid Special Purpose Ind AS Combined Carve-out Financial Statements have been prepared by the Management of the Company solely for inclusion of the same in the Draft Red Herring Prospectus of the Company and should be read in that context.

Auditor's Responsibilities for the Audit of the Special Purpose Ind AS Combined Carve-out Financial Statements

Our objectives are to obtain, reasonable assurance about whether the Special Purpose Ind AS Combined Carve-out Financial Statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit, in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Special Purpose Ind AS Combined Carve-out Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Evaluate the overall presentation, structure and content of the Special Purpose Ind AS Combined Carve-out Financial Statements, including the disclosures, and whether the Special Purpose Ind AS Combined Carve-out Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Companies to express an opinion on the Special Purpose Ind AS Combined Carve-out Financial Statements. For entities included in the Special Purpose Ind AS Combined Carve-out Financial Statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by him. We remain solely responsible for our audit opinion.

Other Matter

We did not audit Combined Carve-out Financial Statements on which the management of the Company has carried out Ind AS adjustments and which is included in the Special Purpose Ind AS Combined Carve-out Financial Statements and whose financial statement and financial information have been audited by YCRJ & Associates and whose audit report has been furnished to us. Our opinion in respect thereof is based solely on the audit report of YCRJ & Associates.

This report is intended solely for the use of the Company for inclusion in the Draft Red Herring Prospectus of the Company and is not intended to be and should not be used by any other person without our prior written approval.

For N. M. Raiji & Co.
Chartered Accountants
Firm Registration No - 108296W

Santosh Burande
Partner
Membership No: 214451
UDIN : 24214451BKBLUO8116

Place: Bengaluru
Date: May 3, 2024

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Special purpose Ind AS combined carve-out Balance Sheet
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Notes	As at 31 March 2022
ASSETS		
Non-current assets		
Property, plant and equipment	4	49,201.60
Capital work-in-progress	4	15,514.27
Other intangible assets	5	0.07
Financial assets		
(i) Other financial assets	6	12.09
Other non-current assets	7	25,821.29
Total non-current assets		**90,549.32**
Current assets		
Inventories	8	8,554.07
Financial assets		
(i) Trade receivables	9	8,222.07
(ii) Cash and cash equivalents	10	2,100.60
(iii) Other financial assets	11	3.32
Government grant	12	1,994.50
Other current assets	13	5,087.65
Total current assets		**25,962.21**
Total assets		**1,16,511.53**
EQUITY AND LIABILITIES		
Equity		
Owner's net investment	14	10,970.45
Total equity		**10,970.45**
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	15	63,171.97
(ii) Other financial liabilities	16	2.18
Provisions	17	51.01
Deferred tax liabilities (net)		2,872.96
Total non-current liabilities		**66,098.12**
Current liabilities		
Financial liabilities		
(i) Borrowings	18	13,939.69
(ii) Trade payables	19	13,053.28
(iii) Other financial liabilities	20	12,182.49
Provisions	17	2.91
Current tax liabilities (net)	22	179.30
Other current liabilities	21	85.29
Total current liabilities		**39,442.96**
Total liabilities		**1,05,541.08**
Total equity and liabilities		**1,16,511.53**

The accompanying notes 1 to 30 are an integral part of the financial information.

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

For and on behalf of the Board of Directors
TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
CIN: U15400KA2021PLC145978

Santosh Burande
Partner
Membership No. : 214451

Place: Bengaluru
Date: May 03, 2024

Vijaykumar M Nirani
Director
DIN: 07413777

Vishal M Nirani
Director
DIN: 08434032

Debnath Mukhopadhyay
Chief Financial Officer

Place: Bengaluru
Date: May 03, 2024

Sudheer Sannapaneni
Company Secretary
Membership No: 55105

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Special purpose Ind AS combined carve-out Statement of Profit and Loss
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Notes	For the year ended 31 March 2022
Revenue		
Revenue from operations	23	69,557.98
Other Income	24	66.42
Total income		**69,624.40**
Expenses		
Cost of material consumed	25	43,699.15
Changes in inventories of finished goods	26	1,628.04
Employee benefits expense	27	906.25
Finance costs	28	4,141.47
Depreciation and amortization expense	29	1,775.78
Other expenses	30	12,446.76
Total expenses		**64,597.45**
Profit before tax		**5,026.95**
Tax expense		
Current tax		(179.30)
Deferred tax		(1,086.01)
Total income tax expense		**(1,265.31)**
Profit for the year		**3,761.64**
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Re-measurement gains/ (losses) on defined benefit plans		(0.60)
Income tax effect		0.15
		(0.45)
Other comprehensive income for the year, net of tax		**(0.45)**
Total comprehensive income for the year		**3,761.19**

The accompanying notes 1 to 30 are an integral part of the financial information.

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

For and on behalf of the Board of Directors of
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(Formerly known as TruAlt Energy Limited)
CIN: U15400KA2021PLC145978

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Company Secretary
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TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Special purpose Ind AS combined carve-out Statement of Cash Flows
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Year ended 31 March 2022
Cash flow from Operating activities	
Profit before tax	5,026.95
Adjustments for:	
Depreciation and amortization expenses	1,775.78
Finance cost	4,141.47
Interest on fixed deposits	(64.42)
Rental income	(2.00)
Provision for gratuity and leave encashment	16.19
Operating profit before working capital changes	**10,893.97**
Changes in working capital	
Increase in trade payables	5,687.81
Increase in inventories	(891.52)
Increase in trade receivables	(51.82)
Increase in other current liabilities	68.21
Increase in other financial liabilities	8,040.88
Increase in other financial assets	(1,591.49)
Increase in other current assets	(4,699.56)
Cash generated from operations	**17,456.48**
Income tax paid	-
Net cash flows from Operating activities (A)	**17,456.48**
Cash flow from Investing activities	
Purchase of property plant and equipment including CWIP (net)	(54,509.77)
Movement in bank deposits (net)	(610.08)
Interest on fixed deposits	64.42
Rental income	2.00
Net cash flow used in Investing activities (B)	**(55,053.43)**
Cash flow from Financing activities	
Movement of Owner's Net Investment	(0.10)
Proceeds from loans (net)	36,654.15
Interest paid	(4,286.75)
Net cash flow from Financing activities (C)	**32,367.30**
Net increase in cash and cash equivalents (A+B+C)	(5,229.65)
Cash and cash equivalents at the beginning of the year	5,926.05
Cash and cash equivalents at the end of the year	**696.40**

1. The above statement of cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

Cash and cash equivalents comprise (Refer note 10 (a))	
Balances with banks	
On current accounts	696.40
Total cash and bank balances at end of the year	**696.40**

The accompanying notes 1 to 30 are an integral part of the financial information.

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

Santosh Burande
Partner
Membership No. : 214451

Place: Bengaluru
Date: May 03, 2024

For and on behalf of the Board of Directors of
TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
CIN: U15400KA2021PLC145978

Vijaykumar M Nirani
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Debnath Mukhopadhyay
Chief Financial Officer

Sudheer Sannapaneni
Company Secretary

Place: Bengaluru
Date: May 03, 2024

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Notes to special purpose Ind AS combined carve-out financial statement

1 Background

TruAlt Bioenergy Limited (Formerly known as TruAlt Energy Limited) (the "Company" or "TruAlt") is a public company domiciled in India and was incorporated on 31 March 2021 under the provisions of the Companies Act, 2013 applicable in India. Its registered and principal office of business is located at Kulali Cross, Jamkhandi Mudhol Road, Mudhol. The Company is primarily engaged in the business of producing ethanol, rectified spirit, deoxyribonucleic acid and other products derived form distillery processes.

Nirani Sugars Limited (NSL), Shri Sai Priya Sugars Limited (SPSL) and MRN Cane Power India Limited (MRNCPIL) (collectively referred to as “Seller Companies”) are public companies incorporated and domiciled in India. The Seller Companies is engaged in the manufacturing and refining of sugar, ethyl alcohol, ethanol, generation and sale of power. The distillery business from Nirani Sugars Limited (NSL), Shri Sai Priya Sugars LLimited (SPSL) and MRN Cane Power India Limited (MRNCPIL) (collectively referred to as “Distillery Group”) were transferred on a going concern basis through a Business Transfer Agreement (BTA) effective from October 1, 2022.

The Company acquired the distillery business of Shri Sai Priya Sugars Limited (SPSL), Nirani Sugars Limited (NSL) and MRN Cane Power India Limited (MRNCPIL) (collectively referred to as “Sellers”) pursuant to separate Business Transfer Agreements each dated 26 September 2022 and effective from 1 October 2022.

2 Purpose and basis of preparation

2.1 Purpose of preparation

The special purpose Ind AS combined carve-out financial information have been prepared by the management of the Company to prepare the proforma combined condensed financial information for the purpose of inclusion in the draft red herring prospectus (“DRHP”), Red herring prospectus ("RHP") and Prospectus to be filed by the Company in connection with its proposed Initial Public Offer (“IPO”). The management may also use the special purpose Ind AS combined carve-out financial information for any other purposes as deemed appropriate.

The purpose of preparing the special purpose Ind AS combined carve-out financial information is to indicate the results of operations that would have resulted had the acquisitions been completed at the beginning of the period presented and the financial position had the acquisitions been completed as at 1 April 2020. The Company believes that such information is important for the investors considering the significance of the

2.2 Basis of preparation

a) The special purpose Ind AS combined carve-out financial information of the Distillery Group, which comprises the special purpose Ind AS combined carve-out Balance Sheet as at 31 March 2022, the special purpose Ind AS combined carve-out Statement of Profit and Loss for the year ended 31 March 2022, the special purpose Ind AS combined carve-out Statement of Cash Flow for the year ended 31 March 2022 and notes to special purpose Ind AS combined carve-out financial information, including a summary of significant accounting policies [collectively the "special purpose Ind AS combined carve-out financial information”] have been prepared:

a) applying measurement and recognition principle of generally accepted accounting principles in India Indian Accounting Standards (referred to as 'Ind AS') and comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and

b) in accordance with Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accountants of India ("ICAI") (the "Guidance Note").

b) The special purpose Ind AS combined carved-out financial statements have been prepared on a going concern basis under the historical cost convention.

These special purpose Ind AS combined carved-out financial statements may not include all the actual expenses that would have been incurred had the combined carve-out business operated as a standalone company during the periods presented and may not reflect the financial position and financial performance had it operated as standalone company during such periods. Actual costs that would have been incurred if carve-out combined business had operated as a standalone company would depend on multiple factors, including organizational structure, capital structure, strategic and tactical decisions made in various areas, including information technology and infrastructure.

Therefore, the resulting financial position and financial performance in these special purpose Ind AS combined carved-out financial statements may not be that which might have existed if the combined carve-out business had been a standalone company. Further, the information may not be representative of the financial position and financial performance which may prevail after the transaction.

2.2 Basis of preparation (Contd.)

The procedure followed for the preparation of these special purpose Ind AS combined carved out financial statements has been provided in the paragraphs below.:

(i) Assets, liabilities, income and expenses recognised in these special purpose Ind AS combined carve-out financial statements that are directly attributable to Distillery Group are based on the books of accounts and underlying accounting records maintained by the Seller Companies in accordance with recognition and measurement principles prescribed by IGAAP, on which necessary Ind AS adjustments have been adjusted to

Assets, liabilities, income and expenses recognised in these special purpose Ind AS combined carve-out financial statements that are either not readily identifiable from the books of accounts maintained by the Seller Companies or not directly attributable to Distillery Group have been allocated on a reasonable basis. While preparing the special purpose Ind AS combined carved-out financial statements following adjustments has been recorded:

a) Common expenses identified such as audit fees, security expenses, power and fuel, contributions to provident fund scheme have been allocated equally or reasonable basis since this was considered an appropriate method for the allocation by the management.

b) Assets and liabilities items not transferred under BTA such as investments, balances with government authorities (TDS, TCS etc.) have been retained with Sugar divisions. The corresponding income and expenses also have been retained with Sugar divisions.

c) Adjustments entries for inventory, previously recorded at the Seller Companies level, are now recorded at Distillery Group level.

(ii) The transfer of goods, namely bagasse, syrup, and molasses, from the Seller Companies to its distillery unit for ethanol production is recorded at market prices. Inter-unit transactions entered between distillery, Sugar and Power business has been recorded under inter-segment receivable/payable.

(iii) Pursuant to the requirement of paragraph 32 and 33 of the Guidance Note on Combined and Carve-Out Financial Statements issued by the Institute of Chartered Accountants of India, tax expense has been determined for the Distillery Group as if the carve-out business is a separate taxable entity.

(iv) Since these carved-out financial statements have been prepared on a carve-out basis, it is not meaningful to show share capital or provide an analysis of reserves. Owner's net investment, therefore, represents the difference between the assets and liabilities pertaining to distillery business.

(v) Since the primary purpose of combined carve-out statement of Profit and Loss is to present the historical operations of the carve-out combined business and reflect all the costs of doing business and corresponding revenue for the distillery business. Therefore, these special purpose Ind AS combined carve-out statement of profit and loss includes the relevant costs and revenue as if the carve-out business operated as a separate entity in the periods presented.

(vi) The special purpose Ind AS combined carve-out financial statements as presented are not legal entity financial statements and hence, no earnings per share (EPS), basic and diluted, has been computed and disclosed.

(vii) These special purpose Ind AS combined carve-out financial statements have been prepared on a carved-out combined basis to present the assets and liabilities of the distillery business of the Seller Companies at these dates, as if the TruAlt Bioenergy Limited (formerly known as TruAlt Energy Limited) had been in existence as at these dates, in order to reflect the impact of the acquisition. As a result, these financial statements may not be suitable for any other purpose.

(viii) These special purpose Ind AS combined carved-out financial statements were approved by the Board of Directors of the Company on May 03, 2024 for the use of the management of the Company.

(ix) The special purpose Ind AS combined carve-out financial statements of the distillery business of the Seller Companies are presented in INR (₹) and all values are rounded to the nearest lakhs, except when otherwise indicated.

3 Significant accounting policies

Significant accounting policies adopted by the Company are as under:

3.1 Statement of compliance, basis of measurement and estimates

(a) **Statement of compliance with Ind AS**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.

(b) **Basis of measurement**

The financial statements have been prepared on a historical cost convention, using the accrual basis of accounting, except for the following material items that have been measured at fair value, as required by the relevant Ind AS:-

i) Certain financial assets and liabilities are measured at fair value (refer accounting policy on financial instruments)

ii) Employee defined benefit assets/(obligations) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligations.

(c) **Use of estimates**

In preparation of these financial statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively.

3.2 Summary of significant accounting policy

(a) Current versus non current classification

The Company presents assets and liabilities in the special purpose Ind AS combined carve-out balance sheet based on current/ noncurrent classification. An asset is treated as current when it is:

i) Expected to be realised or intended to be sold or consumed in the normal operating cycle;

ii) Held primarily for the purpose of trading;

iii) Expected to be realised within twelve months from the reporting period; or

iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months from the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period .The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(b) Fair value measurement

The Company measures financial instruments at fair value at each special purpose Ind AS combined carve-out balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

► In the principal market for the asset or liability, or

► In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instruments.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(c) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue contracts are on a principal to principal basis and the Company is primarily responsible for fulfilling the identified performance obligation.

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, on delivery of the goods. Payment for the sale is made as per the credit terms in the agreements with the customers. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods and services, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Contract balances - Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

(d) Government grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the assistance are provided by the governments in the form of reimbursement of interest paid on term loans, the effect of this interest subvention is regarded as government grant. The benefit received is adjusted from the finance cost required in the special purpose Ind AS combined carve-out statement of profit and loss.

(e) Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current income tax relating to items recognised outside the special purpose Ind AS combined carve-out statement of profit and loss is recognised outside profit or loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognized in special purpose Ind AS combined carve-out statement of profit and loss., except to the extent that it relates to items recognised in OCI or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively.

(f) Property, plant and equipment and Capital work-in progress

Property, plant and equipment are stated at historical cost less depreciation & impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. For this purpose, cost includes deemed cost on the date of transition and acquisition price, including nonrecoverable duties and taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. In addition, interest on borrowings used to finance the construction of qualifying assets is capitalized as part of the asset's cost until such time that the asset is ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to special purpose Ind AS combined carve-out statement of profit and loss during the year in which they are incurred.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.
Advances paid towards the acquisition of property, plant and equipment outstanding at each special purpose Ind AS combined carve-out balance sheet date are classified as capital advances under Other Non-current Assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method over the estimated useful lives of the assets prescribed under Schedule II to the Companies Act 2013. The estimated useful lives of assets are as follows:

Property, plant and equipment	Years
Factory Building	30-60
Other Buildings	30-60
Plant & Machinery	10-30
Furniture and Fixtures	8-10
Vehicles	8-10
Office Equipment	5
Computers	3

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives, different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on a pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount. These are included in the special purpose Ind AS combined carve-out statement of profit and loss 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and are adjusted prospectively, as appropriate.

(g) Other intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortization & impairment.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

The Company amortizes intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	Years
Computer Software	3

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

(h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds and also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(i) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials and stores and spare parts: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.
- Finished goods and work-in-progress: cost is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

(j) Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in the Statement of Profit and Loss and are reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the special purpose Ind AS combined carve-out Statement of profit and loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

(k) Provisions and contingent liabilities

(a) Provisions are recognized when there is a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the special purpose Ind AS combined carve-out balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

(b) Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

(c) Contingent asset is not recognized in the standalone financial statements; however, is disclosed where an inflow of economic benefits is probable.

(d) Provisions, Contingent liabilities, and Contingent assets are reviewed at each special purpose Ind AS combined carve-out balance sheet date.

(l) Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the special purpose Ind AS combined carve-out balance sheet.

Other long-term employee benefit obligations

Defined contribution plan

Contribution towards Provident Fund and Employees' State Insurance Scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the special purpose Ind AS combined carve-out statement of profit and loss.

Defined benefit plans

The Company provides for gratuity, a defined benefit unfunded plan (the 'Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides for a lump sum payment to be made to vested employees at the time of retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the OCI in the year in which they arise.

Leave encashment

The liabilities for earned leave are not expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service. They are, therefore, measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as determined by actuarial valuation. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the special purpose Ind AS combined carve-out statement of profit and loss. The obligations are presented as Current Liabilities in thespecial purpose Ind AS combined carve-out balance sheet, if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(m) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

The financial assets include trade receivables, cash and cash equivalents, and other financial assets. Financial assets are initially measured at fair value. Transaction costs directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or are deducted from the fair value of the financial assets as appropriate on initial recognition. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified under the following categories:
a) at amortized cost; or
b) at fair value through OCI; or
c) at fair value through profit or loss.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair Value through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through Other Comprehensive Income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses, which are recognized in the special purpose Ind AS combined carve-out statement of profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to the Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income, using the effective interest rate method.

Fair Value Through Profit or Loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

(i) Financial assets (Contd.)

Impairment of financial assets
In accordance with Ind AS 109 - Financial Instruments, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost.
The Company follows 'simplified approach' for recognition of impairment loss allowance on trade and contract revenue receivables, loans and other financial assets.

Derecognition of financial assets
A financial asset is derecognized only when:
a) the right to receive cash flows from the financial asset is transferred; or
b) the Company retains the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where a financial asset is transferred, it is derecognized only if substantially all risks and rewards of ownership of the financial asset are transferred. Where the entity has not transferred substantially all risks and rewards of ownership of a financial asset, the financial asset is not derecognized.

(ii) Financial liabilities
Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the special purpose Ind AS combined carve-out statement of profit and loss.

Amortised cost
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost, using the Effective Interest Rate (EIR) method. Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the special purpose Ind AS combined carve-out statement of profit and loss.

Derecognition
A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the special purpose Ind AS combined carve-out statement of profit and loss as a finance costs.

(iii) Offsetting financial instruments
Financial assets and liabilities are offset and the net amount is reported in the special purpose Ind AS combined carve-out balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(n) Cash and cash equivalents
Cash and cash equivalent in the special purpose Ind AS combined carve-out balance sheet comprise of cash in hand and cash at banks only.

(o) Rounding off amounts
All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs as per requirement of Schedule III of the Act, unless otherwise stated.

3.3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

3.3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the period end/year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company bases its assumptions and estimates on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) **Taxes**

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses to the extent that taxable profit would probably be available against which the losses could be utilized. Significant judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Company reviews the carrying amount of deferred tax assets and liabilities at each special purpose Ind AS combined carve-out balance sheet date with consequential change being given effect to in the year of determination.

(b) **Defined benefit plans (gratuity benefits)**

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on a long term basis.

(c) **Estimation of net realizable value for inventories**

Inventory is stated at the lower of cost and net realizable value (NRV). NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified.

(d) **Useful life of property, plant and equipment and intangible asset**

The Company reviews the useful life of property, plant and equipment/intangible assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Notes to special purpose Ind AS combined carve-out financial statement
(Amount in Indian Rupees Lakhs, unless otherwise stated)

4 Property, Plant and Equipment

	Gross block			Accumulated depreciation			Net block	
	As at 1 April 2021	Adjustments (Footnote)	As at 31 March 2022	As at 1 April 2021	Adjustments (Footnote)	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Owned assets								
Land	264.67	564.38	829.05	-	-	-	829.05	264.67
Building-Factory	7,719.34	3,291.97	11,011.31	638.16	347.16	985.32	10,025.99	7,081.18
Building-Others	277.84	-	277.84	34.01	8.34	42.35	235.49	243.83
Plant and Machinery	28,362.29	14,330.51	42,692.80	3,225.55	1,395.01	4,620.56	38,072.24	25,136.74
Temporary sheds	33.57	-	33.57	8.43	1.06	9.49	24.08	25.14
Furniture and Fixtures	8.28	0.27	8.55	4.80	0.56	5.36	3.19	3.48
Office Equipment	10.63	0.53	11.16	7.63	0.61	8.24	2.92	3.00
Computers	22.05	2.23	24.28	12.76	3.66	16.42	7.86	9.29
Vehicles	-	0.85	0.85	-	0.07	0.07	0.78	-
Total	**36,698.67**	**18,190.74**	**54,889.41**	**3,931.34**	**1,756.47**	**5,687.81**	**49,201.60**	**32,767.33**
Capital work-in progress	**1,168.15**	**14,346.12**	**15,514.27**	**-**	**-**	**-**	**15,514.27**	**1,168.15**

Footnote:

1. Adjustments in gross block includes additions (18,272.55 lakhs), deductions (81.79 lakhs)
2. Adjustments in accumulated depreciation includes depreciation for the year (1,775.68 lakhs) and deductions (19.21 lakhs).

5 Other intangible assets

	Gross block			Accumulated amortisation			Net block	
	As at 1 April 2021	Adjustments (Footnote)	As at 31 March 2022	As at 1 April 2021	Adjustments (Footnote)	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Computer software	1.53	-	1.53	1.36	0.10	1.46	0.07	0.17
Total	**1.53**	**-**	**1.53**	**1.36**	**0.10**	**1.46**	**0.07**	**0.17**

Footnote:

1. Adjustments in gross block includes additions (Nil), deductions (Nil)
2. Adjustments in accumulated amortisation includes amortisation for the year (0.10 lakhs) and deductions (Nil).

		As at 31 March 2022
6	**Other financial assets**	
	Security deposits	12.09
	Total	**12.09**
7	**Other non-current assets**	
	Capital advance	25,821.29
	Total	**25,821.29**
8	**Inventories**	
	Raw material	2,743.52
	Finished goods	4,898.41
	Store and spares parts including packing material	912.14
	Total	**8,554.07**
9	**Trade receivable**	
	Secured, considered good	
	Unsecured	
	- Considered good	8,222.07
	Less - Loss allowance	-
	Total	**8,222.07**
10	**Cash and cash equivalents**	
(a)	Cash in hand	-
	Balances with banks:	
	On current accounts	696.40
		696.40
(b)	Other bank balances	
	Deposits with maturity more than three months but less than 12 months	1,404.20
		1,404.20
	Total	**2,100.60**
11	**Other current financial assets**	
	Security deposits	3.32
	Total	**3.32**
12	**Government grant**	
	Interest subvention receivable	1,994.50
	Total	**1,994.50**
13	**Other current assets**	
	Balance with Government authorities	3,493.13
	Prepaid expenses	110.68
	Advance to third parties	1,483.84
	Total	**5,087.65**

		As at 31 March 2022
14	**Owner's net investment**	
	As at beginning	7,209.26
	Profit during the year	3,761.19
	As at end	**10,970.45**
15	**Non-current borrowings**	
	Secured	
	Term loan	
	From Bank and financial institution	
	Indian Renewable Energy Development Authority (IREDA)	17,647.27
	Union Bank of India	14,286.14
	Bank of India	2,238.06
	SDF Loan	4,019.18
	Loan from co-operative banks	33,222.04
		71,412.69
	Less: Current maturities of loan from national banks (Refer note 18)	2,190.12
	Less: Current maturities of loan from co-opertaive banks (Refer note 18)	4,710.88
	Less: Current maturities of SDF Loan (Refer note 18)	1,339.72
		8,240.72
	Total	**63,171.97**

Sanctioned limit with IREDA, Union Bank and Co-operative Banks has been secured by pari-pasu first charge on the entire fixed assets i.e., mortgaged project lands and building/immovable properties and hypothecation of all movable fixed assets viz. Plants and Machineries of Ethanol units. The loan is also secured by second pari-pasu first charge on current asset of the Company (including stocks and receivables) both present and future.

16	**Other financial liabilities**	
	Refundable deposits	2.18
	Total	**2.18**
17	**Provisions**	
		Current
	Provision for gratuity (unfunded)	2.91
	Total	**2.91**
		Non-Current
	Provision for gratuity (unfunded)	51.01
	Total	**51.01**
18	**Current borrowings**	
	Current maturities of long-term borrowings	8,240.72
	Secured	
	Loans from banks	5,698.97
	Total	**13,939.69**
19	**Trade payables**	**Current**
	Outstanding dues	13,053.28
	Total	**13,053.28**
20	**Other financial liabilities**	
	Interest payable	572.24
	Other financial liabilities	266.78
	Due to related parties	11,343.47
	Total	**12,182.49**
21	**Other current liabilities**	
	Statutory dues payable	85.29
	Total	**85.29**
22	**Current tax liabilities (net)**	
	Current tax payable	179.30
	Total	**179.30**

		For the year ended 31 March 2022
23	**Revenue from operations**	
	Sale of goods	69,557.98
	Total	**69,557.98**
24	**Other income**	
	Interest on fixed deposits	64.42
	Miscellaneous Income	2.00
	Total	**66.42**
25	**Cost of material consumed**	
	Inventory at the beginning of the year	619.29
	Add: Purchases	45,823.38
	Less: Inventory at the end of the year	2,743.52
	Cost of material consumed	**43,699.15**
26	**Changes in inventories of finished goods**	
	Inventories at the beginning of the year	
	- Finished goods	6,526.45
		6,526.45
	Less: Inventories at the end of the year	
	- Finished goods	4,898.41
		4,898.41
	Net decrease/ (increase)	**1,628.04**
27	**Employee benefits expense**	
	Salaries, wages, bonus and other allowances including contribution to PF and ESI	890.65
	Gratuity and compensated absences expenses	15.59
	Staff welfare expenses	0.01
	Total	**906.25**
28	**Finance costs**	
	Interest on borrowing	3,978.47
	Bank charges	59.45
	Others	103.55
	Total	**4,141.47**
29	**Depreciation and amortization expense**	
	Depreciation (Refer Note 4)	1,775.68
	Amortization (Refer Note 5)	0.10
	Total	**1,775.78**

	For the year ended 31 March 2022
30 Other expenses	
Consumption of stores & spares and consumables	1,233.92
Manufacturing expenses	626.13
Power and fuel	6,625.33
Selling and distribution expenses	2,943.89
Repairs and maintenance - Plant and Machinery	247.93
Repairs and maintenance - others	48.72
Legal and professional charges*	19.26
Business promotion expenses	81.82
Rates and taxes	189.99
Insurance expenses	71.36
Security charges	93.26
Travel and conveyance	4.85
Miscellaneous expenses	260.30
Total	**12,446.76**

*Note : Following is the break-up of Auditors remuneration (exclusive of GST)

As auditor:	
Statutory audit	11.34
	11.34

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

Santosh Burande
Partner
Membership No. : 214451

Place: Bengaluru
Date: May 03, 2024

For and on behalf of the Board of Directors of
TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
CIN: U15400KA2021PLC145978

Vijaykumar M Nirani
Director
DIN: 07413777

Vishal M Nirani
Director
DIN: 08434032

Debnath Mukhopadhyay
Chief Financial Officer

Place: Bengaluru
Date: May 03, 2024

Sudheer Sannapaneni
Company Secretary
Membership No: 55105

Independent Auditors' Report
To the Board of Directors of TruAlt Bioenergy Limited

Report on the Audit of the Special Purpose Ind AS Combined Carve-out Financial Statement

Opinion

We have audited the accompanying Special Purpose Ind AS Combined Carve-out Financial Statements of TruAlt Bioenergy Limited ('the Company'), which comprise of Special Purpose Ind AS Combined Carve-out Balance Sheet as at September 30, 2022, the Special Purpose Ind AS Combined Carve-out Statement of Profit and Loss (including other comprehensive income), the Special Purpose Ind AS Combined Carve-out Statement of Cash Flows for the six months then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Special Purpose Ind AS Combined Carve-out Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Special Purpose Ind AS Combined Carve-out Financial Statements give a true and fair view and have been prepared, in all material respects in accordance with the accounting principles generally accepted in India.

Basis for Opinion

We conducted our audit of the Special Purpose Ind AS Combined Carve-out Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Special Purpose Ind AS Combined Carve-out Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the Special Purpose Ind AS Combined Carve-out Financial Statements in India in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Management for the Special Purpose Ind AS Combined Carve-out Financial Statements

The Combined Carve-out Financial Statement comprise of three entities namely Nirani Sugars Limited (NSL), Shri Sai Priya Sugars Limited (SSPSL) and MRN Cane Power India Limited (MRN) and have been prepared in accordance with accounting principles generally accepted in India (Indian GAAP). These Combined Carve-out Financial Statement have been audited by YCRJ & Associates who have issued an unmodified audit opinion in their audit report dated May 3, 2024 on the same. The Company's Management is responsible for the conversion of these Combined Carve-out Financial Statement prepared as per Indian GAAP into Special Purpose Ind AS Combined Carve-out Financial Statements. This responsibility also includes the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Combined Carve-out Financial Statements as per Indian GAAP and subsequently the Special Purpose Ind AS Combined Carve-out Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error and selecting and applying appropriate accounting policies that are consistent with the recognition and measurement criteria of Ind AS.

The aforesaid Special Purpose Ind AS Combined Carve-out Financial Statements have been prepared by the Management of the Company solely for inclusion of the same in the Draft Red Herring Prospectus of the Company and should be read in that context.

Auditor's Responsibilities for the Audit of the Special Purpose Ind AS Combined Carve-out Financial Statements

Our objectives are to obtain, reasonable assurance about whether the Special Purpose Ind AS Combined Carve-out Financial Statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit, in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Special Purpose Ind AS Combined Carve-out Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Evaluate the overall presentation, structure and content of the Special Purpose Ind AS Combined Carve-out Financial Statements, including the disclosures, and whether the Special Purpose Ind AS Combined Carve-out Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Companies to express an opinion on the Special Purpose Ind AS Combined Carve-out Financial Statements. For entities included in the Special Purpose Ind AS Combined Carve-out Financial Statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by him. We remain solely responsible for our audit opinion.

Other Matter

We did not audit Combined Carve-out Financial Statements on which the management of the Company has carried out Ind AS adjustments and which is included in the Special Purpose Ind AS Combined Carve-out Financial Statements and whose financial statement and financial information have been audited by YCRJ & Associates and whose audit report has been furnished to us. Our opinion in respect thereof is based solely on the audit report of YCRJ & Associates.

This report is intended solely for the use of the Company for inclusion in the Draft Red Herring Prospectus of the Company and is not intended to be and should not be used by any other person without our prior written approval.

For N. M. Raiji & Co.
Chartered Accountants
Firm Registration No - 108296W

Santosh Burande
Partner
Membership No: 214451
UDIN : 24214451BKBLUP1784

Place: Bengaluru
Date: May 3, 2024

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Special purpose Ind AS combined carve-out Balance Sheet
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Notes	As at 30 September 2022
ASSETS		
Non-current assets		
Property, plant and equipment	4	47,944.38
Capital work-in-progress	4	20,645.81
Other intangible assets	5	0.07
Financial assets		
(i) Other financial assets	6	-
Other non-current assets	7	36,602.10
Total non-current assets		**1,05,192.36**
Current assets		
Inventories	8	4,274.06
Financial assets		
(i) Trade receivables	9	1,853.95
(ii) Cash and cash equivalents	10	1,809.76
(iii) Other financial assets	11	14.09
Government grant	12	3,791.89
Other current assets	13	1,742.09
Total current assets		**13,485.84**
Total assets		**1,18,678.20**
EQUITY AND LIABILITIES		
Equity		
Owner's net investment	14	1,03,324.19
Total equity		**1,03,324.19**
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	15	-
(ii) Other financial liabilities	16	2.15
Provisions	17	47.05
Deferred tax liabilities (net)		-
Total non-current liabilities		**49.20**
Current liabilities		
Financial liabilities		
(i) Borrowings	18	-
(ii) Trade payables	19	12,661.29
(iii) Other financial liabilities	20	2,632.49
Provisions	17	3.11
Current tax liabilities (net)	22	-
Other current liabilities	21	7.92
Total current liabilities		**15,304.81**
Total liabilities		**15,354.01**
Total equity and liabilities		**1,18,678.20**

The accompanying notes 1 to 30 are an integral part of the financial information.

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

For and on behalf of the Board of Directors
TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
CIN: U15400KA2021PLC145978

Santosh Burande
Partner
Membership No. : 214451

Place: Bengaluru
Date: May 03, 2024

Vijaykumar M Nirani
Director
DIN: 07413777

Vishal M Nirani
Director
DIN: 08434032

Debnath Mukhopadhyay
Chief Financial Officer

Place: Bengaluru
Date: May 03, 2024

Sudheer Sannapaneni
Company Secretary
Membership No: 55105

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Special purpose Ind AS combined carve-out Statement of Profit and Loss
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Notes	For the period ended 30 September 2022
Revenue		
Revenue from operations	23	39,800.98
Other Income	24	33.73
Total income		**39,834.71**
Expenses		
Cost of material consumed	25	22,241.30
Changes in inventories of finished goods	26	3,673.76
Employee benefits expense	27	557.04
Finance costs	28	2,320.90
Depreciation and amortization expense	29	878.06
Other expenses	30	8,353.33
Total expenses		**38,024.39**
Profit before tax		**1,810.32**
Tax expense		
Current tax		(103.17)
Deferred tax		(352.45)
Total income tax expense		**(455.62)**
Profit for the period		**1,354.70**
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Re-measurement gains/ (losses) on defined benefit plans		-
Income tax effect		-
		-
Other comprehensive income for the period, net of tax		**-**
Total comprehensive income for the period		**1,354.70**

The accompanying notes 1 to 30 are an integral part of the financial information.

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

For and on behalf of the Board of Directors of
TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
CIN: U15400KA2021PLC145978

Santosh Burande
Partner
Membership No. : 214451

Vijaykumar M Nirani
Director
DIN: 07413777

Vishal M Nirani
Director
DIN: 08434032

Place: Bengaluru
Date: May 03, 2024

Debnath Mukhopadhyay
Chief Financial Officer

Sudheer Sannapaneni
Company Secretary
Membership No: 55105

Place: Bengaluru
Date: May 03, 2024

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Special purpose Ind AS combined carve-out Statement of Cash Flows
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	Period ended 30 September 2022
Cash flow from Operating activities	
Profit before tax	1,810.32
Adjustments for:	
Depreciation and amortization expenses	878.06
Finance cost	2,320.90
Interest on fixed deposits	(31.73)
Rental income	(2.00)
Operating profit before working capital changes	**4,975.55**
Changes in working capital	
Decrease in trade payables	(391.99)
Decrease in inventories	4,267.80
Decrease in trade receivables	6,368.13
Decrease in other current liabilities	(77.38)
Decrease in other financial liabilities	(9,595.73)
Increase in other financial assets	(1,796.07)
Decrease in other current assets	3,166.26
Cash generated from operations	**6,916.57**
Income tax paid	-
Net cash flows from Operating activities (A)	**6,916.57**
Cash flow from Investing activities	
Purchase of property plant and equipment including CWIP (net)	(15,533.77)
Movement in bank deposits (net)	714.44
Interest on fixed deposits	31.73
Rental income	2.00
Net cash flow used in Investing activities (B)	**(14,785.60)**
Cash flow from Financing activities	
Movement of Owner's Net Investment	87,670.93
Movement in loans (net)	(77,111.66)
Interest paid	(2,266.64)
Net cash flow from Financing activities (C)	**8,292.63**
Net increase in cash and cash equivalents (A+B+C)	423.60
Cash and cash equivalents at the beginning of the year	696.40
Cash and cash equivalents at the end of the period	**1,120.00**

1. The above statement of cash flows has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

Cash and cash equivalents comprise (Refer note 10 (a))	
Balances with banks	
On current accounts	1,120.00
Total cash and bank balances at end of the period	**1,120.00**

The accompanying notes 1 to 30 are an integral part of the financial information.

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

Santosh Burande
Partner
Membership No. : 214451
Date: May 03, 2024

For and on behalf of the Board of Directors of
TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
CIN: U15400KA2021PLC145978

Vijaykumar M Nirani
Director
DIN: 07413777

Vishal M Nirani
Director
DIN: 08434032

Debnath Mukhopadhyay
Chief Financial Officer

Sudheer Sannapaneni
Company Secretary
Membership No: 55105

Place: Bengaluru
Date: May 03, 2024

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Notes to special purpose Ind AS combined carve-out financial statement

1 Background

TruAlt Bioenergy Limited (Formerly known as TruAlt Energy Limited) (the "Company" or "TruAlt") is a public company domiciled in India and was incorporated on 31 March 2021 under the provisions of the Companies Act, 2013 applicable in India. Its registered and principal office of business is located at Kulali Cross, Jamkhandi Mudhol Road, Mudhol. The Company is primarily engaged in the business of producing ethanol, rectified spirit, deoxyribonucleic acid and other products derived form distillery processes.

Nirani Sugars Limited (NSL), Shri Sai Priya Sugars Limited (SPSL) and MRN Cane Power India Limited (MRNCPIL) (collectively referred to as “Seller Companies”) are public companies incorporated and domiciled in India. The Seller Companies is engaged in the manufacturing and refining of sugar, ethyl alcohol, ethanol, generation and sale of power. The distillery business from Nirani Sugars Limited (NSL), Shri Sai Priya Sugars LLimited (SPSL) and MRN Cane Power India Limited (MRNCPIL) (collectively referred to as “Distillery Group”) were transferred on a going concern basis through a Business Transfer Agreement (BTA) effective from October 1, 2022.

2 Purpose and basis of preparation

2.1 Purpose of preparation

The special purpose Ind AS combined carve-out financial information have been prepared by the management of the Company to prepare the proforma combined condensed financial information for the purpose of inclusion in the draft red herring prospectus (“DRHP”), Red herring prospectus ("RHP") and Prospectus to be filed by the Company in connection with its proposed Initial Public Offer (“IPO”). The management may also use the special purpose Ind AS combined carve-out financial information for any other purposes as deemed appropriate.

The purpose of preparing the special purpose Ind AS combined carve-out financial information is to indicate the results of operations that would have resulted had the acquisitions been completed at the beginning of the period presented and the financial position had the acquisitions been completed as at 1 April 2020. The Company believes that such information is important for the investors considering the significance of the acquisitions.

2.2 Basis of preparation

a) The special purpose Ind AS combined carve-out financial information of the Distillery Group, which comprises the special purpose Ind AS combined carve-out Balance Sheet as at 30 September 2022, the special purpose Ind AS combined carve-out Statement of Profit and Loss for the period ended 30 September 2022, the special purpose Ind AS combined carve-out Statement of Cash Flow for the period ended 30 September 2022 and notes to special purpose Ind AS combined carve-out financial information, including a summary of significant accounting policies [collectively the "special purpose Ind AS combined carve-out financial information”] have been prepared:

a) applying measurement and recognition principle of generally accepted accounting principles in India Indian Accounting Standards (referred to as 'Ind AS') and comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and

b) in accordance with Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accountants of India ("ICAI") (the "Guidance Note").

b) The special purpose Ind AS combined carved-out financial statements have been prepared on a going concern basis under the historical cost convention.

These special purpose Ind AS combined carved-out financial statements may not include all the actual expenses that would have been incurred had the combined carve-out business operated as a standalone company during the periods presented and may not reflect the financial position and financial performance had it operated as standalone company during such periods. Actual costs that would have been incurred if carve-out combined business had operated as a standalone company would depend on multiple factors, including organizational structure, capital structure, strategic and tactical decisions made in various areas, including information technology and infrastructure.

Therefore, the resulting financial position and financial performance in these special purpose Ind AS combined carved-out financial statements may not be that which might have existed if the combined carve-out business had been a standalone company. Further, the information may not be representative of the financial position and financial performance which may prevail after the transaction.

The procedure followed for the preparation of these special purpose Ind AS combined carved out financial statements has been provided in the paragraphs below.

(i) Assets, liabilities, income and expenses recognised in these special purpose Ind AS combined carve-out financial statements that are directly attributable to Distillery Group are based on the books of accounts and underlying accounting records maintained by the Seller Companies in accordance with recognition and measurement principles prescribed by IGAAP, on which necessary Ind AS adjustments have been adjusted to prepare special purpose Ind AS combined carved-out financial statements and as per conditions set out in the BTA.

Assets, liabilities, income and expenses recognised in these special purpose Ind AS combined carve-out financial statements that are either not readily identifiable from the books of accounts maintained by the Seller Companies or not directly attributable to Distillery Group have been allocated on a reasonable basis. While preparing the special purpose Ind AS combined carved-out financial statements following adjustments has been recorded:

a) Common expenses identified have been allocated equally or reasonable basis since this was considered an appropriate method for the allocation by the management.

b) Assets and liabilities items not transferred under BTA such as investments, balances with government authorities (TDS, TCS etc.) have been retained with Sugar divisions. The corresponding income and expenses also have been retained with Sugar divisions.

c) Adjustments entries for inventory, previously recorded at the Seller Companies level, are now recorded at Distillery Group level.

d) The carrying value of inventory as of September 30, 2022, has been recorded at fair value as per BTA.

2.2 Basis of preparation (Contd.)

(ii) The transfer of goods, namely bagasse, syrup, and molasses, from the Seller Companies to its distillery unit for ethanol production is recorded at market prices. Inter-unit transactions entered between distillery, Sugar and Power business has been recorded under inter-segment receivable/payable.

(iii) Pursuant to the requirement of paragraph 32 and 33 of the Guidance Note on Combined and Carve-Out Financial Statements issued by the Institute of Chartered Accountants of India, tax expense has been determined for the Distillery Group as if the carve-out business is a separate taxable entity.

(iv) Since these carved-out financial statements have been prepared on a carve-out basis, it is not meaningful to show share capital or provide an analysis of reserves. Owner's net investment, therefore, represents the difference between the assets and liabilities pertaining to distillery business.

(v) Since the primary purpose of combined carve-out statement of Profit and Loss is to present the historical operations of the carve-out combined business and reflect all the costs of doing business and corresponding revenue for the distillery business. Therefore, these special purpose Ind AS combined carve-out statement of profit and loss includes the relevant costs and revenue as if the carve-out business operated as a separate entity in the periods presented.

(vi) The special purpose Ind AS combined carve-out financial statements as presented are not legal entity financial statements and hence, no earnings per share (EPS), basic and diluted, has been computed and disclosed.

(vii) These special purpose Ind AS combined carve-out financial statements have been prepared on a carved-out combined basis to present the assets and liabilities of the distillery business of the Seller Companies at these dates, as if the TruAlt Bioenergy Limited (formerly known as TruAlt Energy Limited) had been in existence as at these dates, in order to reflect the impact of the acquisition. As a result, these financial statements may not be suitable for any other purpose.

(viii) These special purpose Ind AS combined carved-out financial statements were approved by the Board of Directors of the Company on May 03, 2024 for the use of the management of the Company.

(ix) The special purpose Ind AS combined carve-out financial statements of the distillery business of the Seller Companies are presented in INR (₹) and all values are rounded to the nearest lakhs, except when otherwise indicated.

3 Significant accounting policies

Significant accounting policies adopted by the Company are as under:

3.1 Statement of compliance, basis of measurement and estimates

(a) **Statement of compliance with Ind AS**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter.

(b) **Basis of measurement**

The financial statements have been prepared on a historical cost convention, using the accrual basis of accounting, except for the following material items that have been measured at fair value, as required by the relevant Ind AS:-

i) Certain financial assets and liabilities are measured at fair value (refer accounting policy on financial instruments)

ii) Employee defined benefit assets/(obligations) are recognised as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligations.

(c) **Use of estimates**

In preparation of these financial statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised prospectively.

3.2 Summary of signifcant accounting policy

(a) Current versus non current classification

The Company presents assets and liabilities in the special purpose Ind AS combined carve-out balance sheet based on current/ noncurrent classification. An asset is treated as current when it is:

i) Expected to be realised or intended to be sold or consumed in the normal operating cycle;

ii) Held primarily for the purpose of trading;

iii) Expected to be realised within twelve months from the reporting period; or

iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months from the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period .The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(b) Fair value measurement

The Company measures financial instruments at fair value at each special purpose Ind AS combined carve-out balance sheet date .

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

► In the principal market for the asset or liability, or

► In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instruments.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

► Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

► Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

► Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(c) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue contracts are on a principal to principal basis and the Company is primarily responsible for fulfilling the identified performance obligation.

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, on delivery of the goods. Payment for the sale is made as per the credit terms in the agreements with the customers. The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods and services, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Contract balances - Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

(d) Government grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the assistance are provided by the governments in the form of reimbursement of interest paid on term loans, the effect of this interest subvention is regarded as government grant. The benefit received is adjusted from the finance cost required in the special purpose Ind AS combined carve-out statement of profit and loss.

(e) Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current income tax relating to items recognised outside the special purpose Ind AS combined carve-out statement of profit and loss is recognised outside profit or loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognized in special purpose Ind AS combined carve-out statement of profit and loss., except to the extent that it relates to items recognised in OCI or directly in equity. In this case, the tax is also recognised in OCI or directly in equity, respectively.

(f) Property, plant and equipment and Capital work-in progress

Property, plant and equipment are stated at historical cost less depreciation & impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. For this purpose, cost includes deemed cost on the date of transition and acquisition price, including nonrecoverable duties and taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. In addition, interest on borrowings used to finance the construction of qualifying assets is capitalized as part of the asset's cost until such time that the asset is ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to special purpose Ind AS combined carve-out statement of profit and loss during the year in which they are incurred.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.
Advances paid towards the acquisition of property, plant and equipment outstanding at each special purpose Ind AS combined carve-out balance sheet date are classified as capital advances under Other Non-current Assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment over their estimated useful lives using the straight line method over the estimated useful lives of the assets prescribed under Schedule II to the Companies Act 2013. The estimated useful lives of assets are as follows:

Property, plant and equipment	Years
Factory Building	30-60
Other Buildings	30-60
Plant & Machinery	10-30
Furniture and Fixtures	8-10
Vehicles	8-10
Office Equipment	5
Computers	3

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives, different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Management believes that such estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on a pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount. These are included in the special purpose Ind AS combined carve-out statement of profit and loss 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and are adjusted prospectively, as appropriate.

(g) Other intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortization & impairment.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

The Company amortizes intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	Years
Computer Software	3

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

(h) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds and also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(i) Inventories

Inventories are valued at the lower of cost and net realisable value.
Costs incurred in bringing each product to its present location and condition are accounted for as follows:
- Raw materials and stores and spare parts: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.
- Finished goods and work-in-progress: cost is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

(j) Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in the Statement of Profit and Loss and are reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the special purpose Ind AS combined carve-out Statement of profit and loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

(k) Provisions and contingent liabilities

(a) Provisions are recognized when there is a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the special purpose Ind AS combined carve-out balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

(b) Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

(c) Contingent asset is not recognized in the standalone financial statements; however, is disclosed where an inflow of economic benefits is probable.

(d) Provisions, Contingent liabilities, and Contingent assets are reviewed at each special purpose Ind AS combined carve-out balance sheet date.

(l) Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the special purpose Ind AS combined carve-out balance sheet.

Other long-term employee benefit obligations

Defined contribution plan

Contribution towards Provident Fund and Employees' State Insurance Scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the special purpose Ind AS combined carve-out statement of profit and loss.

Defined benefit plans

The Company provides for gratuity, a defined benefit unfunded plan (the 'Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides for a lump sum payment to be made to vested employees at the time of retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the OCI in the year in which they arise.

Leave encashment

The liabilities for earned leave are not expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service. They are, therefore, measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as determined by actuarial valuation. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the special purpose Ind AS combined carve-out statement of profit and loss. The obligations are presented as Current Liabilities in thespecial purpose Ind AS combined carve-out balance sheet, if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(m) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

The financial assets include trade receivables, cash and cash equivalents, and other financial assets. Financial assets are initially measured at fair value. Transaction costs directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or are deducted from the fair value of the financial assets as appropriate on initial recognition. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified under the following categories:
a) at amortized cost; or
b) at fair value through OCI; or
c) at fair value through profit or loss.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method (EIR).

Fair Value through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through Other Comprehensive Income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses, which are recognized in the special purpose Ind AS combined carve-out statement of profit and loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to the Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income, using the effective interest rate method.

Fair Value Through Profit or Loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Impairment of financial assets

In accordance with Ind AS 109 - Financial Instruments, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade and contract revenue receivables, loans and other financial assets.

(i) Financial assets (Contd.)

Derecognition of financial assets

A financial asset is derecognized only when:

a) the right to receive cash flows from the financial asset is transferred; or

b) the Company retains the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where a financial asset is transferred, it is derecognized only if substantially all risks and rewards of ownership of the financial asset are transferred. Where the entity has not transferred substantially all risks and rewards of ownership of a financial asset, the financial asset is not derecognized.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the special purpose Ind AS combined carve-out statement of profit and loss.

Amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost, using the Effective Interest Rate (EIR) method. Gains and losses are recognized in the Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the special purpose Ind AS combined carve-out statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the special purpose Ind AS combined carve-out statement of profit and loss as a finance costs.

(iii) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the special purpose Ind AS combined carve-out balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(n) Cash and cash equivalents

Cash and cash equivalent in the special purpose Ind AS combined carve-out balance sheet comprise of cash in hand and cash at banks only.

(o) Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs as per requirement of Schedule III of the Act, unless otherwise stated.

3.3 Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

3.3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the period end/year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company bases its assumptions and estimates on parameters available when the financial statements are prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) **Taxes**

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses to the extent that taxable profit would probably be available against which the losses could be utilized. Significant judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The Company reviews the carrying amount of deferred tax assets and liabilities at each special purpose Ind AS combined carve-out balance sheet date with consequential change being given effect to in the year of determination.

(b) **Defined benefit plans (gratuity benefits)**

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on a long term basis.

(c) **Estimation of net realizable value for inventories**

Inventory is stated at the lower of cost and net realizable value (NRV). NRV for completed inventory is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified.

(d) **Useful life of property, plant and equipment and intangible asset**

The Company reviews the useful life of property, plant and equipment/intangible assets at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Notes to special purpose Ind AS combined carve-out financial statement
(Amount in Indian Rupees Lakhs, unless otherwise stated)

4 Property, Plant and Equipment

	Gross block			Accumulated depreciation			Net block	
	As at 1 April 2022	Adjustments (Footnote)	As at 30 September 2022	As at 1 April 2022	Adjustments (Footnote)	As at 30 September 2022	As at 30 September 2022	As at 31 March 2022
Owned assets								
Land	829.05	25.41	854.46	-	-	-	854.46	829.05
Building-Factory	11,011.31	-	11,011.31	985.32	172.29	1,157.61	9,853.70	10,025.99
Building-Others	277.84	-	277.84	42.35	3.85	46.20	231.64	235.49
Plant and machinery	42,692.80	(462.91)	42,229.89	4,620.56	654.86	5,275.42	36,954.47	38,072.24
Temporary sheds	33.57	1.07	34.64	9.49	0.53	10.02	24.62	24.08
Furniture and fixtures	8.55	10.40	18.95	5.36	0.36	5.72	13.23	3.19
Office Equipment	11.16	0.60	11.76	8.24	0.32	8.56	3.20	2.92
Computers	24.28	1.45	25.73	16.42	1.72	18.14	7.59	7.86
Vehicles	0.85	0.73	1.58	0.07	0.04	0.11	1.47	0.78
Total	**54,889.41**	**(423.25)**	**54,466.16**	**5,687.81**	**833.97**	**6,521.78**	**47,944.38**	**49,201.60**
Capital work-in progress	**15,514.27**	**5,131.54**	**20,645.81**	**-**	**-**	**-**	**20,645.81**	**15,514.27**

Footnote:
1. Adjustments in gross block includes additions (39.66 lakhs) and deductions (462.91 lakhs)
2. Adjustments in accumulated depreciation includes depreciation for the year (878.06 lakhs) and deductions (44.09 lakhs).

5 Other intangible assets

	Gross block			Accumulated amortisation			Net block	
	As at 1 April 2022	Adjustments (Footnote)	As at 30 September 2022	As at 1 April 2022	Adjustments (Footnote)	As at 30 September 2022	As at 30 September 2022	As at 31 March 2022
Computer software	1.53	-	1.53	1.46	-	1.46	0.07	0.07
Total	**1.53**	**-**	**1.53**	**1.46**	**-**	**1.46**	**0.07**	**0.07**

Footnote:

1. Adjustments in gross block includes additions (Nil) and deductions (Nil)
2. Adjustments in accumulated amortisation includes amortisation for the year (Nil) and deductions (Nil).

		As at 30 September 2022
6	**Other financial assets**	
	Security deposits	-
	Total	**-**
7	**Other non-current assets**	
	Capital advance	36,602.10
	Total	**36,602.10**
8	**Inventories**	
	Raw material	1,989.84
	Finished goods	1,224.65
	Store and spares parts including packing material	1,059.57
	Total	**4,274.06**
9	**Trade receivable**	
	Secured, considered good	
	Unsecured	
	- Considered good	1,853.95
	Less - Loss allowance	-
	Total	**1,853.95**
10	**Cash and cash equivalents**	
(a)	Cash in hand	-
	Balances with banks:	
	On current accounts	1,120.00
		1,120.00
(b)	Other bank balances	
	Deposits with maturity more than three months	
	but less than 12 months	689.76
	Depreciation of property, plant and equipment	**689.76**
	Total	**1,809.76**
11	**Other current financial assets**	
	Security deposits	14.09
	Total	**14.09**
12	**Government grant**	
	Interest subvention receivable	3,791.89
	Total	**3,791.89**
13	**Other current assets**	
	Balance with Government authorities	1,657.84
	Prepaid expenses	44.75
	Advance to third parties	39.50
	Total	**1,742.09**

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Notes to special purpose Ind AS combined carve-out financial statement
(Amount in Indian Rupees Lakhs, unless otherwise stated)

		As at 30 September 2022
14	**Owner's net investment**	
	As at beginning	10,970.01
	Changes during the year	90,999.48
	Profit during the year	1,354.70
	As at end	**1,03,324.19**
15	**Non-current borrowings**	
	Secured	
	Term loan	
	From Bank and financial institution	-
	Total	**-**
16	**Other financial liabilities**	
	Refundable deposits	2.15
	Total	**2.15**
17	**Provisions**	
		Current
	Provision for gratuity (unfunded)	3.11
	Total	**3.11**
		Non-Current
	Provision for gratuity (unfunded)	47.05
	Total	**47.05**
18	**Current borrowings**	
	Current maturities of long-term borrowings	-
	Total	**-**
19	**Trade payables**	**Current**
	Outstanding dues	12,661.29
	Total	**12,661.29**
20	**Other financial liabilities**	
	Interest payable	2,417.33
	Other financial liabilities	215.16
	Total	**2,632.49**
21	**Other current liabilities**	
	Statutory dues payable	7.92
	Total	**7.92**
22	**Current tax liabilities (net)**	
	Current tax payable	-
	Total	**-**

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Notes to special purpose Ind AS combined carve-out financial statement
(Amount in Indian Rupees Lakhs, unless otherwise stated)

		For the year ended 30 September 2022
23	**Revenue from operations**	
	Sale of goods	39,800.98
	Total	**39,800.98**
24	**Other income**	
	Interest on fixed deposits	31.73
	Miscellaneous Income	2.00
	Total	**33.73**
25	**Cost of material consumed**	
	Inventory at the beginning of the year	2,743.52
	Add: Purchases	21,487.62
	Less: Inventory at the end of the year	1,989.84
	Cost of material consumed	**22,241.30**
26	**Changes in inventories of finished goods**	
	Inventories at the beginning of the year	
	- Finished goods	4,898.41
		4,898.41
	Less: Inventories at the end of the year	
	- Finished goods	1,224.65
		1,224.65
	Net decrease/ (increase)	**3,673.76**
27	**Employee benefits expense**	
	Salaries, wages, bonus and other allowances including gratuity, contribution to PF and ESI	557.03
	Staff welfare expenses	0.01
	Total	**557.04**
28	**Finance costs**	
	Interest on borrowing	2,266.64
	Bank charges	28.26
	Others	26.00
	Total	**2,320.90**
29	**Depreciation and amortization expense**	
	Depreciation of property, plant and equipment	878.06
	Total	**878.06**

TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
Notes to special purpose Ind AS combined carve-out financial statement
(Amount in Indian Rupees Lakhs, unless otherwise stated)

	For the year ended 30 September 2022
30 Other expenses	
Consumption of stores & spares and consumables	708.76
Manufacturing expenses	790.54
Power and fuel	4,596.78
Selling and distribution expenses	1,845.45
Repairs and maintenance - Plant and Machinery	117.04
Repairs and maintenance - others	23.70
Legal and professional charges	25.41
Business promotion expenses	54.48
Rates and taxes	3.64
Insurance expenses	82.49
Security charges	57.27
Travel and conveyance	3.31
Miscellaneous expenses	44.46
Total	**8,353.33**

As per our report of even date
For N. M. Raiji & Co.,
Chartered Accountants
Firm Registration No. : 108296W

For and on behalf of the Board of Directors
TruAlt Bioenergy Limited
(Formerly known as TruAlt Energy Limited)
CIN: U15400KA2021PLC145978

Santosh Burande
Partner
Membership No. : 214451

Place: Bengaluru
Date: May 03, 2024

Vijaykumar M Nirani
Director
DIN: 07413777

Vishal M Nirani
Director
DIN: 08434032

Debnath Mukhopadhyay
Chief Financial Officer

Place: Bengaluru
Date: May 03, 2024

Sudheer Sannapaneni
Company Secretary
Membership No: 55105

OTHER FINANCIAL INFORMATION

The audited financial statements of our Company for the financial years ended March 31, 2023, March 31, 2024 and March 31, 2025 (collectively, the "**Audited Financial Statements**") are available on our website at https://www.trualtbioenergy.com/investor-relations.

Our Company is providing these links to its website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere. The Audited Financial Statements should not be considered as part of information that any investor should consider when subscribing for or purchasing any securities of our Company, its Subsidiary or any entity in which it or its shareholders have significant influence (collectively, the "**Group**") and should not be relied upon or used as a basis for any investment decision. None of the Group or any of its advisors, nor the BRLMs or the Promoters or any of the Selling Shareholders, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Particulars	As on/ for Fiscal 2023	As on/ for Fiscal 2024	As on/for Fiscal 2025
Basic Earnings per Equity Share of face value of ₹ 10 each (₹)	7.10	4.25	20.94
Diluted Earnings per Equity Share of face value of ₹ 10 each (₹)	7.10	4.25	20.94
Return on Net Worth (%)	14.74%	12.02%	19.07%
Net Asset Value Per Equity Share of face value of ₹ 10 each (₹)	52.48	43.32	110.22
Earnings before interest, tax, depreciation and amortisation (EBITDA) (₹ in lakhs)	10,504.65	18,808.51	30,914.37

The ratios have been computed as under:

- *Basic and diluted earnings per equity share: Basic and diluted earnings/ (loss) per equity share are computed in accordance with Indian Accounting Standard 33 notified under the Companies (Indian Accounting Standards) Rules of 2015 (as amended).*
- *Net Worth: Net Worth is calculated as the sum of (i) Equity Shares of face value of ₹ 10 each; (ii) other equity, less revaluation reserve; and (iii) CCPS.*
- *Return on Net Worth Ratio: Profit/ (loss) for the year attributable to equity shareholders of the parent divided by Net Worth as attributable to equity shareholders of the parent at the end of the year.*
- *Net assets value per equity share (₹): Net assets at the end of the year/period divided by Total number of weighted average equity share outstanding at the end of the year*
- *Net asset means total assets minus total liabilities excluding revaluation reserves.*
- *EBITDA is calculated as profit for the year, plus total tax expenses, exceptional items, finance costs and depreciation and amortization expenses, less other income.*
- *Accounting and other ratios are based on the financial statements prepared on the basis of Indian Accounting Standards.*

Non-GAAP Financial Measures

This section includes Certain Non-GAAP financial measures and other statistical information relating to our operations and financial performance (together, "**Non-GAAP Measures**" and each a "**Non-GAAP Measure**"), as presented below. These Non-GAAP financial measures are not required by or presented in accordance with Ind AS.

Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS. In addition, these Non-GAAP Measures are not standardized terms, hence a direct comparison of these Non-GAAP Measures between companies may not be possible. Other companies may calculate these Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although such Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us as they are widely used measures to evaluate a company's operating performance.

Calculation / Reconciliation of Non-GAAP Measures

Reconciliation for the various Non-GAAP Financial Measures included in this Red Herring Prospectus are given below.

Reconciliation of Adjusted Gross Margin to total revenue

(in ₹ lakhs, unless otherwise stated)

Particulars	As at and for the Financial Year ended March 31, 2023 *(on a standalone basis)*	As at and for the Financial Year ended March 31, 2024 *(on a consolidated basis)*	As at and for the Financial Year ended March 31, 2025 *(on a consolidated basis)*
Revenue from operations (A)	76,238.03	1,22,340.47	1,90,772.40
Minus: Cost of materials consumed (B)	56,733.13	77,150.73	1,04,157.66
Minus: Purchase of stock-in-trade (C)	1,678.05	3,842.00	28,286.34
Minus: Change in inventories of finished goods, stock-in-trade and work-in-progress (D)	(8,271.14)	(598.48)	(5,281.94)
Adjusted Gross margin (E) (E=A-B-C-D)	**26,097.99**	**41,946.22**	**63,610.34**
Adjusted Gross margin% (F) (F=E/A)	**34.23%**	**34.29%**	**33.34%**

Reconciliation of EBITDA to our profit after tax

(in ₹ lakhs, unless otherwise stated)

Particulars	As at and for the Financial Year ended March 31, 2023 *(on a standalone basis)*	As at and for the Financial Year ended March 31, 2024 *(on a consolidated basis)*	As at and for the Financial Year ended March 31, 2025 *(on a consolidated basis)*
Profit after tax for the year (A)	3,545.99	3,180.79	14,663.85
Add: Tax expense (B)	1,352.52	1,306.62	1,280.43
Add: Finance costs (C)	3,531.06	14,307.61	14,361.10
Add: Depreciation and amortization expense (D)	2,075.08	5,691.79	6,689.37
Less: Other Income (E)	-	5,678.30	6,080.38
EBITDA (F) (F=A+B+C+D-E)	**10,504.65**	**18,808.51**	**30,914.37**
Revenue from operations (G)	76,238.03	1,22,340.47	1,90,772.40
EBITDA Margin (%) (H) (H=F/G)	**13.78%**	**15.37%**	**16.20%**

Reconciliation of Net Worth and Return on Net Worth

(in ₹ lakhs, unless otherwise stated)

Particulars	Financial Year 2023 *(on a standalone basis)*	Financial Year 2024 *(on a consolidated basis)*	Financial Year 2025 *(on a consolidated basis)*
Equity share capital (A)	6,107.58	6,107.58	7,063.16
Other equity (B)	17,941.89	20,353.08	69,836.74

Net Worth (C)	**24,049.47**	**26,460.66**	**76,899.90**
Profit / (Loss) for the period/year (D)	3,545.99	3,180.79	14,663.85
Return on Net Worth (RoNW) (%) (E)	**14.74**	**12.02**	**19.07**

Reconciliation of Net Asset Value per Equity Share

(in ₹ lakhs, unless otherwise stated)

Particulars	As at and for the Financial Year ended March 31, 2023 *(on a standalone basis)*	As at and for the Financial Year ended March 31, 2024 *(on a consolidated basis)*	As at and for the Financial Year ended March 31, 2025 *(on a consolidated basis)*
Net Worth (A)	24,049.47	26,460.66	76,899.90
Weighted average number of equity shares considered for calculation of basic earning per share (B)	4,58,25,326	6,10,75,820	6,97,67,675
Net Asset Value per Equity Share (C) (C=A/B)	**52.48**	**43.32**	**110.22**

CAPITALISATION STATEMENT

The following table sets forth our capitalisation as at March 31, 2025, on the basis of our Restated Financial Information, and as adjusted for the Offer. This table should be read in conjunction with "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", "*Financial Statements*" and "*Risk Factors*" beginning on pages 526, 393, and 36, respectively.

(*in ₹ lakhs, except ratio*)

Particulars	Pre-Offer as at March 31, 2025	As adjusted for the Offer*
Total borrowings		
Current borrowings	27,941.95	[●]
Non- current borrowings (including current maturity) (A)	1,27,025.86	[●]
Total Borrowings (B)	**1,54,967.81**	**[●]**
Total equity		
Equity Share Capital	7,063.16	[●]
Other equity	69,836.74	[●]
Total Equity (C)	**76,899.90**	**[●]**
Ratio: Non-Current Borrowings / Total Equity (A / C)	**1.65**	**[●]**
Ratio: Total Borrowings / Total Equity (B / C)	**2.02**	**[●]**

These terms shall carry the meaning as per Schedule III of the Companies Act, 2013.
** Post-Offer capitalisation will be determined after finalisation of Offer Price.*

Note:

- *The above has been computed on the basis of the Restated Financial Information*

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey the management's perspective on our financial condition and results of operations is derived from and should be read in conjunction with "Financial Information" on page 393.

This Red Herring Prospectus may include forward-looking statements that involve risks and uncertainties, and our actual financial performance may materially vary from the conditions contemplated in such forward-looking statements as a result of various factors, including those described below and elsewhere in this Red Herring Prospectus. For further information, see "Forward-Looking Statements" on page 21. Also see "Risk Factors" and "– Significant Factors Affecting our Results of Operations and Financial Condition" on pages 36 and 529, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.

Our Company's Fiscal commences on April 1 and ends on March 31 of the immediately subsequent year, and references to a particular Fiscal are to the 12 months ended March 31 of that particular year. Unless otherwise indicated or the context otherwise requires, the financial information for Fiscal 2023, 2024 and 2025 included herein is derived from the Restated Financial Information, included in this Red Herring Prospectus. For further information, see "Restated Financial Information" on page 399.

Unless the context otherwise requires, in this section, references to "the Company" or "our Company" are to TruAlt Bioenergy Limited on a standalone basis, while "we", "us" and "our" refer to TruAlt Bioenergy Limited on a consolidated basis.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Assessment of Biofuels Market" dated September 2025 (the "**CRISIL Report**") prepared and issued by CRISIL Market Intelligence & Analytics, a division of CRISIL Limited ("**CRISIL**"), pursuant to an engagement letter dated August 9, 2023 and addenda dated June 18, 2024, November 18, 2024 and June 6, 2025, and exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with the Offer. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. A copy of the CRISIL Report is available on the website of our Company at https://www.trualtbioenergy.com/investor-relations. Unless otherwise indicated, 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. For more information, see "Risk Factors – Industry information included in this Red Herring Prospectus has been derived from an industry report prepared by CRISIL exclusively commissioned and paid for by us for such purpose." on page 59. Also see, "Certain Conventions, Presentation of Financial, Industry and Market Data and Currency of Presentation – Industry and Market Data" on page 18.*

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS BASED ON OUR RESTATED FINANCIAL INFORMATION

Unless otherwise indicated or the context otherwise requires, the financial information for Fiscal 2023, 2024 and 2025 included herein is derived from the Restated Financial Information, included in this Red Herring Prospectus. For further information, see "Restated Financial Information" on page 399.

OVERVIEW

We are one of India's largest biofuels producers, having strategically positioned ourselves as a prominent and diversified player in the biofuels industry, particularly in the Ethanol sector. We hold the distinction of being the largest Ethanol producer in India based on installed capacity, with an aggregate installed capacity of 2,000 kilo litres per day ("**KLPD**") and an operational capacity of 1,800 KLPD, as of March 31, 2025. Our market share is amongst the largest in terms of Ethanol production capacity in Fiscal 2025, at 3.6%. (*Source: CRISIL Report*)

Our Business Verticals

Ethanol

As of the date of this Red Herring Prospectus, we have established five distillery units in Karnataka. As of March 31, 2025, we operated four Ethanol production distilleries on molasses and syrup-based feedstocks, with production capacity (installed operational capacity) as follows:

S. No.	Particulars	Capacity*
1.	TBL Unit 1	700 KLPD
2.	TBL Unit 2	500 KLPD
3.	TBL Unit 3	400 KLPD**
4.	TBL Unit 4	200 KLPD***
	Total	**1,800 KLPD**

**As of March 31, 2025.*
*** TBL Unit 3 capacity was increased from 200 KLPD to 400 KLPD from November 1, 2024.*
**** TBL Unit 4 received consent to operate on December 24, 2024 and was capitalised on March 30, 2025 post completion of trial run on March 29, 2025.*
Note: In addition, we have established TBL Unit 5 with an installed capacity of 200 KLPD as of March 31, 2025.

Diversify Sources of Ethanol Production

By October 2025, out of the 2,000 KLPD installed capacity, we intend to convert 1,300 KLPD of our current mono feed (sugarcane juice / sugar syrup / molasses) capacity to dual-feed, capable of producing ethanol from grain-based feedstocks or grains unfit for human consumption. Progressively, we intend to increase our operational capacity from 1,800 KLPD as of March 31, 2025 to 2,000 KLPD.

As part of our Ethanol production, we also produce extra neutral alcohol ("**ENA**"), the primary raw material in the production of alcoholic beverages. Our product portfolio also includes dry ice and liquid carbon dioxide ("**CO_2**"), by-products in the Ethanol production process.

*Compressed Biogas ("**CBG**") Production Capabilities*

Through our Subsidiary, Leafiniti, we are one of the first producers of CBG under the Sustainable Alternative Towards Affordable Transportation ("**SATAT**") scheme introduced by the Government of India in 2018. (*Source: CRISIL Report*) We are rapidly expanding our CBG capacity with multiple plants and are set to become one of India's leading CBG/ bio-CNG producers. (*Source: CRISIL Report*) Our Subsidiary, Leafiniti, operates one CBG plant with a capacity of 10.20 tonnes per day ("**TPD**") as of March 31, 2025, which also produces solid and liquid fermented organic manure ("**FOM**"). To strengthen our CBG capabilities further, on August 11, 2025, our Company entered into a share subscription cum shareholders' agreement with GAIL through which our Subsidiary, Leafiniti will commence setting up multiple CBG units across various locations in a phased manner, of which 20 locations have been identified in the subscription cum shareholders' agreement. GAIL is proposing to hold not more than 49% shareholding in Leafiniti.

In order to further explore strategic partnerships to expand our CBG capabilities, we have entered into a memorandum of understanding ("**MOU**") dated November 18, 2024 with a globally recognized Japanese trading and investment company and a Japanese gas company to establish a joint venture for setting up multiple CBG plants starting from three to five CBG plants in different parts of India.

Additionally, we have signed a non-binding term sheet dated February 18, 2025 and a memorandum of understanding dated October 25, 2024 with Sumitomo Corporation Asia & Oceania Pte. Ltd. for potential collaboration in the bioenergy sector. The initial phase will involve developing four CBG plants (three in Karnataka and one in Maharashtra), followed by future projects in ethanol and sustainable aviation fuel.

These partnerships aim to advance projects in several key areas, including biogas, compressed biogas, bioethanol from first-generation feedstock, bioethanol from second-generation feedstock, sustainable aviation fuel, carbon credit projects and biochemicals from sugar value chain. We also aim to explore carbon credit initiatives to strengthen our commitment to innovation and environmental sustainability in India's bioenergy landscape.

Proposed Business Verticals

Going forward, we intend to venture into the following business verticals, which have been approved by our Board of Directors pursuant to resolution dated September 6, 2025:

*Second Generation ("**2G**") Ethanol*. As an extension of our existing business, we intend to expand our operations and venture into production of 2G Ethanol by utilizing excess 'bagasse', a by-product of sugar manufacturing, as the raw material. We intend to utilize 800,000 MT of bagasse from our Promoter Group companies to produce approximately 6 crore litres per annum of 2G ethanol.

Our Company has signed MoU with Praj Industries Limited on a non-exclusive basis for the production of SAF and 2G ethanol. Further, we have entered into a non-binding term sheet with Sumitomo Corporation Asia & Oceania Pte. Ltd. for potential collaboration in the bioenergy sector.

*Sustainable Aviation Fuel ("**SAF**")*. We intend to move-up the value chain further by utilizing Ethanol to produce SAF. We have also entered into a process license agreement with UOP LLC for Ethanol to Jet process technology to transform Ethanol into high-quality, renewable jet fuel (SAF). We intend to set up a facility to produce 10 crore litres of SAF annually, which, according to the CRISIL Report, is intended to place us as one of the world's largest producers of SAF from Ethanol.

It is expected that from 2027, all international flights will be subject to offsetting requirements under the mandatory stage of the Carbon Offsetting and Reduction Scheme for International Aviation, and the Indian Government has also announced a 1% SAF indicative blending target for 2027. (*Source: CRISIL Report*) To meet this requirement, we aim to scale our existing facility to produce SAF.

*Mevalonolactone ("**MVL**") and Allied Biochemicals*. MVL can be used to produce various valuable products, for the synthesis of elastomers, specialty fuels, and SAF molecules. (*Source: CRISIL Report*) We intend to produce MVL and allied biochemicals, during the manufacturing of Ethanol.

We have entered into an MOU with Visolis Inc., to enter into a technology collaboration for production of SAF. We intend to undertake feasibility studies to understand the ability to produce MVL in dual purpose designed fermenters, which can produce both ethanol and MVL.

Biofuel Dispensing Stations. We operate five dispensing stations in Mudhol, Jamkhandi, Badami, and Kerakalmatti in the Bagalkot district of Karnataka, as of March 31, 2025. With the Government of India's increased push towards use of non-fossil fuel vehicles and leveraging our ready source of Ethanol and CBG, we intend to further set up biofuel dispensing stations.

We have received approval from the Ministry of Petroleum and Natural Gas, Government of India, to exercise retail marketing rights to market motor spirit and high-speed diesel. The approval is subject to conditions including net worth criteria, requirement to set up at least 5% retail outlets in notified remote areas, furnishing of bank guarantees, and requirement for permission from the government for expansion of retail outlets beyond the 100 retail outlets proposed in our application form.

In addition to conventional fuels, we are required to install facilities for marketing at least one new generation alternate fuel at our proposed retail outlets within three years of operationalization of the said outlet, subject to us complying with various other statutory guidelines. There shall not be any restriction on an authorized entity such as our Company from utilizing the same retail outlet premises for sales of other new generation transportation fuels by other companies subject to us complying with all statutory guidelines as applicable.

We intend to make our dispensing stations to be capable of dispensing motor spirit, high speed diesel, E85 and E93 blended fuel, bio-CNG, and will also have EV charging points, EV battery swapping and create a non-fuel retail division to cater to fast moving consumer goods and automotive products. These biofuel dispensing stations will allow us to venture into the direct to consumer space as direct retail suppliers. For further information, see "*Business Strategies*" on page 301.

Our Company is a green energy company steadfastly pursuing our objectives through a harmonious amalgamation of various policies laid out by the Government of India in its transition towards sustainable growth. From the foundational National Biofuels Policy 2018 to the strategic Ethanol Blending Program, the Pradhan Mantri JI-VAN Yojana, the SATAT initiative, to cutting-edge forays into green hydrogen and the globally significant Carbon Offsetting and Reduction Scheme for International Aviation, our vision seamlessly align with an extensive spectrum of governmental policies.

Incentives and schemes have been offered by the Government of India and the State Government of Karnataka, which provide impetus to our operations, and which we benefit from, include the interest subvention scheme for

enhancement and augmentation of Ethanol production capacity, long term Ethanol procurement policy, administered price mechanism, Production Linked Incentive ("**PLI**") schemes, stamp duty exemption, reduction in Goods and Service Tax on Ethanol for the Ethanol Blended Petrol programme, use of multiple feedstocks for Ethanol production as well as key Ethanol blending targets.

SIGNIFICANT FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Availability and Pricing of Raw Materials

Our business, financial condition, results of operations and prospects are significantly impacted by the price and availability of raw materials such as sugar syrup and molasses. Our cost of material consumed was ₹56,733.13 lakhs, ₹77,150.73 lakhs, and ₹1,04,157.66 lakhs in Fiscal 2023, 2024 and 2025, which represented 74.42%, 63.06%, and 54.60% respectively, of our revenue from operations. Our financial condition and results of operations are significantly impacted by the availability and costs of raw materials. Raw material availability and pricing can be volatile due to a number of factors beyond our control, such as amount of rainfall in a particular year, quality of sugarcane, harvesting schedules, irrigation techniques, government regulations and overall weather conditions. Our primary raw materials are therefore subject to seasonality. We have attempted to mitigate the risks associated with the availability of raw material by entering into agreements with our Promoter Group entity for the supply of sugar syrup and molasses, at prices linked to market rates. The price to be paid to the farmers for sugarcane is determined by the fair and remunerative price, premium and recovery levels fixed by the Government of India. We have a pricing formula embedded into our supply agreement, that links the price at which we source raw material to the price of sugarcane in the market. Hence, in spite of assured raw material supply at a stipulated pricing formula, volatility in price of sugarcane could impact the price at which we acquire sugar syrup and molasses from our Promoter Group entity. We have no minimum purchase obligations pursuant to these supply contracts and can leverage the open market for our raw material requirements in the event a better price is offered to us. We utilize the flexibility afforded to us under the agreements with our Promoter Group entity to source raw material at competitive prices, while also benefitting from assured supply during the 'off-season', thereby maximizing our operational efficiencies and production cycles. In addition, sugarcane production is dependent on several fluctuating factors such as duration of the crushing season, availability of water and condition of soil and monsoons, and our results of operations may be impacted if there is reduced sugarcane production, owing to which our Promoter Group entities are not able to ensure adequate supply. While we have the ability to source our raw materials from other sugarcane suppliers, factors that impact the overall production of sugarcane generally could impact our business, financial condition and results of operations. We utilize sugar syrup, sugarcane juice and molasses as the raw material for ethanol production to leverage realisation; the feedstock-wise realisation per litre of ethanol is as set forth below: (*Source: CRISIL Report*)

Feedstock	Quantity of Ethanol per metric ton ("MT") of feedstock	Realisation / MT of Feedstock (₹)	Realisation per Litre of Ethanol (₹/ Litre)	Ethanol Supply Year 2024 - 2025 (₹/ Litre)
Sugarcane	70 litres	3,446	49.2	65.61
Sugar Syrup (55 brix)	290 litres	14,335	49.4	65.61
B-Heavy Molasses	298 litres	13,750	46.1	60.73
C-Heavy Molasses	255 litres	11,700	45.9	57.97
Damaged Foodgrains[#]	400 litres	28,000	70.0	64.00
Surplus Rice (FCI)	450 litres	22,500	50.0	58.50
Corn (Maize)[#]	380 litres	23,500	61.8	71.86

Note: Price of sugarcane calculated at 10.5% sugar recovery. Price of surplus rice for total quantity not exceeding 1.2MT.
[#]The rates vary from region to region and in accordance with demand/supply or quality.

To reduce our dependence on sugar syrup and molasses and their seasonal nature, we intend to focus on producing grain-based ethanol. This arbitrage of raw material sourcing allows us to control our cost of material consumed and optimize our realisation, while ensuring continued revenues from sale of ethanol as a result of uninterrupted production.

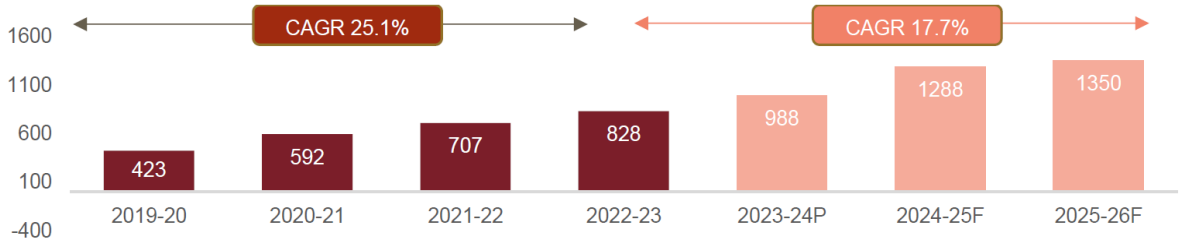
Further, we produce CBG through our Subsidiary, Leafiniti Bioenergy Private Limited. As of March 31, 2025, our CBG Unit has an annual installed capacity of 34,17,000 kg per annum and we propose to set up additional plants under the Sustainable Alternative Towards Affordable Transportation ("**SATAT**") scheme. While we already operate one CBG unit in Karnataka through our Subsidiary, we intend to set up multiple CBG units across various locations in a phased manner, of which 20 locations have been identified in a subscription cum shareholders' agreement dated August 11, 2025 entered into with GAIL. To the extent of any additional units that we propose to set up under the SATAT scheme, we may enter into other joint ventures or MoUs. For details, see "*Our Business*" on page 282. To procure key raw materials required for CBG production in these additional units across India, we will enter into agreements with sugar companies in adjacent areas to supply press mud and spent wash to the units, once commissioned. For further information, see "*Our Business – Business Strategies - Focus on increasing our CBG capabilities*" on page 301. As we expand our CBG production, the margins we are able to generate will depend on the cost at which we are able to procure key raw materials such as bagasse.

Further, our ability to manage our operating costs and efficiencies is critical to maintaining our competitiveness and profitability. Our profitability is dependent on, among other factors, our ability to increase our productivity and reduce our operating expenses.

Relationships with Key Customers

We are dependent upon Indian OMCs for the sale of ethanol produced by us. The Government of India has been implementing the Ethanol Blended Petrol ("**EBP**") programme through the country except the Union Territories of Andaman Nicobar and Lakshadweep islands; as part of the programme, OMCs sell petrol blended with an average of 19.05% ethanol as of July 2025, which will be increased to 20.00% by ESY 2025-2026. (*Source: CRISIL Report*) We expect to grow our operations and business in line with the increasing demand for ethanol, as set forth below: (*Source: CRISIL Report*)

India ethanol demand overview and outlook (in crore litre)



Source: NITI Aayog and Ministry of Petroleum and Natural Gas
P: Projected; F: Forecasted

In Fiscal 2023, 2024 and 2025, revenue from sale of products to our top 10 customers was ₹75,684.71 lakhs, ₹1,21,431.29 lakhs, and ₹1,82,186.34 lakhs, representing 99.24%, 99.26%, and 99.78%, respectively, of our revenue from operations, which indicates the extent of our reliance on our key customers. Accordingly, our revenues are dependent on the amount of ethanol we are able to sell to our key customers, which in turn may be driven by factors such as blending requirements, competitive pressures, regulatory changes, technological advancement, flex fuel requirements and macroeconomic situation. There is no commitment on the part of our key customers to continue to place new orders with us. Further, in order to supply ethanol to OMCs, who are our primary customers, we are required to comply with criteria under the tenders floated for ethanol supply. Pursuant to our selection based on such tenders, we are issued letters of intent, and supply ethanol on the basis of purchase orders received from OMCs subsequently. There is no minimum offtake guarantee from the OMCs, and we do not have offtake agreements to ensure an assured demand for ethanol we produce. Accordingly, any increase or decrease in the levels of inventory and activity by our customers, in turn, are likely to have an effect on our revenues and our results of operations. In addition, the pricing of ethanol to be supplied to OMCs under the EBP is highly regulated, and is dependent on government mandates and blending targets. While the price of sugar is market driven, the price at which ethanol can be sold is specified by the Government of India. Accordingly, our margins depend on the prices regulated for the sale of biofuels that we produce. If the prices mandated are not commensurate with the costs we incur in sourcing raw materials, our margins are likely to be affected.

In terms of our CBG business, the SATAT scheme invites individuals or corporations to set up CBG plants, produce and supply CBG to OMCs. (*Source: CRISIL Report*) Our Subsidiary has offtake agreements for CBG with two OMCs, with tenure of 10 years and 15 years, respectively Our growth pipeline for CBG production

depends on our ability to build relationships with additional OMCs, as well as our ability to retain the existing OMC.

Government Policy and Regulation

The Indian biofuel market is dominated by ethanol, followed by CBG and biodiesel. With the Indian Government's increased support for alternative energy sources, India's biofuel industry is growing at a tremendous pace and exploring forms of renewable bio-energy sources such as sustainable aviation fuel, CBG, 2G ethanol, and green hydrogen along with promoting the manufacturing and consumption of FOM. (*Source: CRISIL Report*) The nationwide implementation of the EBP Programme by the Government aims to boost ethanol production, and the ethanol market is expected to expand even more due to increased blending targets of 20% by 2025 by the Government of India, which will drive demand in the blending sector. (*Source: CRISIL Report*) We benefit from incentives provided by the GoI through various schemes under the EBP programme, as well as ethanol interest subvention schemes, whereby the schemes provide interest subvention, which is borne by the Government of India, of 6% or 50% of the interest charged by banks/ financial institutions for five years, whichever is lower, accompanied by a one-year moratorium. (*Source: CRISIL Report*) We also benefit from the scheme of the Government of Karnataka, where certain industries, including distilleries, receive an incentive of 1.75% of their gross revenue for actively participating in and supporting the state's economy and job creation initiatives. (*Source: CRISIL Report*) The Central Board of Indirect Taxes and Customs' has also exempted excise duty on 12% ethanol blended petrol and 15% ethanol blended petrol, and a special incentive package has been extended to our Company by the Government of Karnataka, which includes a five-year exemption or reimbursement of all applicable stamp duty and registration charges, in addition to other incentives in line with the New Industrial Policy 2020-2025. (*Source: CRISIL Report*) Any cancellation or modification of such schemes may affect our growth and results of operations. Similarly, any change in government policy towards the biofuels sector, affecting the demand for ethanol and CBG, could also impact our profitability.

Production capacities and operating efficiencies

We commenced operations in October 2022, upon acquiring three distillery units located in Karnataka, India, pursuant to business transfer agreements, each dated September 26, 2022. As of October 1, 2022, following the acquisition, the installed capacity of TBL Unit I, TBL Unit II and TBL Unit III was 700 KLPD, 500 KLPD and 200 KLPD, respectively, amounting to an aggregate installed capacity of 1,400 KLPD. Following the acquisition, we have progressively increased our utilisation and production volumes in the period since October 1, 2022. As of the date of this Red Herring Prospectus, we have established five distillery units in Karnataka. As of March 31, 2025, four of our molasses and sugar syrup-based distillery units were operational, and we had an aggregate operational ethanol production capacity of 1,800 KLPD and installed capacity of 2,000 KLPD. We are in the process of expanding our operational capacity to 2,000 KLPD from our operational capacity of 1800 KLPD as of March 31, 2025. We have recently added 600 KLPD ethanol capacity, as part of the total installed capacity of 2,000 KLPD. We intend to focus on diversified raw material such as grain-based ethanol which will require rice and maize to produce ethanol, instead of limiting ourselves to sugar syrup/juice and molasses which have traditionally been used for ethanol production. For further information, see "*Objects of the Offer - Details of the Objects – 1. Funding capital expenditure towards setting up multi-feed stock operations to pave- way for utilizing grains as an additional raw material in ethanol plant located at TBL Unit 4 of 300 KLPD capacity*" on page 137. In line with this strategy, we have undertaken capital expenditure towards expanding capacity at our existing units. As of March 31, 2025 we have incurred capital expenditure of ₹45,020.64 lakhs towards this increase in capacity. For further information, see "*Our Business – Business Strategies - Diversify sources of ethanol production*" and "*Our Business – Business Operations - Capacity and Capacity Utilisation*" on pages 301 and 313, respectively. The information relating to the estimated annual installed capacities of our units are based on various assumptions and estimates made by our management and Anudeep Krishna Bheemineni, independent chartered engineer pursuant to certificate dated September 6, 2025. These assumptions and estimates may vary significantly from the assumptions or estimates taken into account by other companies in calculating the estimated annual installed capacities of their facilities. As such, undue reliance should not be placed on the registered capacity information of our units, and consequently on the utilization rates of these units.

Further, within our existing distillery units, we propose to set up dedicated segments for pre-treatment and dried distillers grain solids production units and we intend to progressively venture into commercial production of 2G ethanol, compared to 1G ethanol from feedstock that we are presently engaged in producing. Subject to approval by relevant authorities for bolt-on technology at our existing units, we intend to commence 2G ethanol production at existing units as well by utilizing existing infrastructure.

As we continue our existing and proposed capacity additions, we expect to increase production volumes further and increase our revenue from operations. As we gain more experience in running our production units as well, we expect to benefit from synergies in our operations and create operational efficiencies.

PRESENTATION OF FINANCIAL INFORMATION

Basis of Preparation

The Restated Financial Information comprises the restated standalone statement of assets and liabilities as at March 31, 2023, the restated standalone statement of profit and loss (including other comprehensive income), the restated standalone statement of changes in equity, the restated standalone statement of cash flows for the year ended March 31, 2023 of the Company, the restated consolidated statement of assets and liabilities as at March 31, 2024 and March 31, 2025, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated statement of cash flows for the year ended March 31, 2024 and March 31, 2025 of the Company and its Subsidiary (collectively, the "**Group**"), and notes to the restated financial information (collectively, the "**Restated Financial Information**")

The Restated Financial Information, which have been approved by the Board of Directors of the Company, have been prepared in accordance with the requirements of:

(i) Section 26 of the Companies Act, 2013, as amended from time to time;
(ii) Paragraph A of Clause 11 (I) of Part A of Schedule VI of the SEBI ICDR Regulations; and
(iii) Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, as amended from time to time.

The Restated Financial Information have been compiled by the management from the Group's audited consolidated financial statements as at and for the year ended March 31, 2024 and March 31, 2025 and the Company's audited standalone financial statements as at and for the year ended March 31, 2023, which have been prepared in accordance with Ind AS as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules 2015, as amended from time to time, other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured, at acquisition date fair value and the amount of any Non-Controlling Interest ("**NCI**") in the acquiree. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in restated statement of profit and loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in restated statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed off, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Current versus Non-Current Classification

The Group presents assets and liabilities in the restated statement of assets and liabilities based on current/ noncurrent classification.
An asset is treated as current when it is: (i) Expected to be realised or intended to be sold or consumed in the normal operating cycle; (ii) Held primarily for the purpose of trading; (iii) Expected to be realised within twelve months from the reporting period; or (iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when: (i) It is expected to be settled in normal operating cycle; (ii) It is held primarily for the purpose of trading; (iii) It is due to be settled within twelve months from the reporting period; or (iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

Fair value measurement

The Group measures financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: (i) In the principal market for the asset or liability, or (ii) In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Group.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Group's management determines the policies and procedures for fair value measurement such as derivative instruments.

All assets and liabilities for which fair value is measured or disclosed in the restated financial information are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue contracts are on a principal to principal basis and the Group is primarily responsible for fulfilling the identified performance obligation.

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, on delivery of the goods or Ex- Works, basis the terms of the contract. Payment for the sale is made as per the credit terms in the agreements with the customers. The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of goods and services, the Group considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Contract balances - Trade receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Government grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the assistance is provided by the government in the form of reimbursement of interest paid on term loans, the effect of this interest subvention is regarded as government grant. The benefit received is accounted as other income in the restated statement of profit and loss.

Taxes

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year/period.

Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current income tax relating to items recognised outside the restated statement of profit and loss is recognised outside profit or loss (either in restated OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in restated OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the restated financial information. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year/period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognized in Restated Statement of Profit and Loss, except to the extent that it relates to items recognised in restated OCI or directly in equity. In this case, the tax is also recognised in restated OCI or directly in equity, respectively.

Property, plant and equipment and Capital work-in progress

Property, plant and equipment are stated at historical cost less depreciation and accumulated impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items. For this purpose, cost includes deemed cost on the date of transition and acquisition price, including nonrecoverable duties and taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. In addition, interest on borrowings used to finance the construction of qualifying assets is capitalized as part of the asset's cost until such time that the asset is ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to Restated Statement of Profit and Loss during the year/period in which they are incurred.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date are classified as capital advances under Other Non-current Assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Depreciation methods, estimated useful lives

The Group depreciates property, plant and equipment over their estimated useful lives using the straight line method. The estimated useful lives of assets are as follows:

Property, Plant and Equipment	Years
Factory Building	30-40
Other Buildings	3-50
Plant and Machinery	10-25
Furniture and Fixtures	8-10
Vehicles	8-10
Office Equipment	5

Property, Plant and Equipment	Years
Computers	3

Based on the technical experts assessment of useful life, certain items of property plant and equipment are being depreciated over useful lives, different from the prescribed useful lives under Schedule II to the Companies Act, 2013. Our management believes that such estimated useful lives are realistic and reflect a fair approximation of the period over which the assets are likely to be used.

Depreciation on addition to property plant and equipment is provided on a pro-rata basis from the date of acquisition. Depreciation on sale/deduction from property plant and equipment is provided up to the date preceding the date of sale, deduction as the case may be. Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount. These are included in the Restated Statement of Profit and Loss under 'Other Income'.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and are adjusted prospectively, as appropriate.

Other Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization. Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

The Group amortizes intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	Years
Customer relationship	10-25

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds and also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Inventories

Inventories are valued at the lower of cost and net realisable value.
Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Raw materials and stores and spare parts: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis. Finished goods and work-in-progress: cost is determined on the weighted average basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

Impairment of non-financial assets

The Group assesses at each year end whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Group estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in the restated statement of profit and loss and are reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the Restated Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash in flows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "**cash-generating unit**").

Provisions and contingent liabilities

Provisions are recognized when there is a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the reporting date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent asset is not recognized in the restated financial information; however, is disclosed where an inflow of economic benefits is probable.

Provisions, contingent liabilities, and contingent assets are reviewed at each reporting date.

Employee Benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the restated statement of assets and liabilities.

Other long-term employee benefit obligations

Defined contribution plan

Contribution towards Provident Fund and Employees' State Insurance Scheme is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the restated statement of profit and loss.

Defined benefit plans

The Group provides for gratuity, a defined benefit unfunded plan (the "**Gratuity Plan**") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides for a lump sum payment to be made to vested employees at the time of retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each reporting period. Actuarial losses/gains are recognized in the restated OCI in the year/period in which they arise.

Leave encashment

The liabilities for earned leave are not expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service. They are, therefore, measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as determined by actuarial valuation. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the restated statement of profit and loss. The obligations are presented as current liabilities in the restated statement of assets and liabilities, if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

The financial assets include trade receivables, cash and cash equivalents, and other financial assets. Financial assets are initially measured at fair value. Transaction costs directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit or loss) are added to or are deducted from the fair value of the financial assets as appropriate on initial recognition. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified under the following categories: (i) at amortized cost; or (ii) at fair value through OCI; or (c) at fair value through profit or loss. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method ("**EIR**").

Fair Value through Other Comprehensive Income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through Other Comprehensive Income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses, which are recognized in the Restated Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in restated OCI is reclassified from equity to the restated statement of profit and loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income, using the effective interest rate method.

Fair Value Through Profit or Loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in other income.

Impairment of financial assets

In accordance with Ind AS 109 - Financial Instruments, the Group applies Expected Credit Loss ("**ECL**") model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade and contract revenue receivables, loans and other financial assets.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If the credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if the credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves, such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Derecognition of financial assets

A financial asset is derecognized only when: (i) the right to receive cash flows from the financial asset is transferred; or (ii) the Group retains the contractual right to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where a financial asset is transferred, it is derecognized only if substantially all risks and rewards of ownership of the financial asset are transferred. Where the entity has not transferred substantially all risks and rewards of ownership of a financial asset, the financial asset is not derecognized.

Financial liabilities

Initial recognition and measurement
Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the restated statement of profit and loss.

Amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost, using the Effective Interest Rate (EIR) method. Gains and losses are recognized in the Restated Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the restated statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the restated statement of profit and loss as finance costs.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the restated statement of assets and liabilities where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

Cash and cash equivalents

Cash and cash equivalent in the restated statement of assets and liabilities comprise of cash at banks only.

Earnings Per Share

Basic EPS is calculated by dividing the restated profit for the year/period attributable to equity holders of the Group after deducting preference dividend by the weighted average number of equity shares outstanding during the financial year/period. Diluted EPS is calculated by adjusting the figures used in the determination of basic EPS to consider: (i) The interest associated with dilutive potential equity shares, and (ii) The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

CHANGES IN ACCOUNTING POLICIES

There have not been any changes in our accounting policies during the last three Fiscals.

NON-GAAP MEASURES

In addition to our results determined in accordance with Ind AS, we believe the following Non-GAAP measures are useful to investors in evaluating our operating performance and liquidity. We use the following Non-GAAP financial information to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that Non-GAAP financial information, when taken collectively with financial measures disclosed in the financial statements prepared in accordance with Ind AS, may be helpful to investors because it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial results with other companies in our industry because it provides consistency and comparability. However, our management does not consider these Non-GAAP measures in isolation or as an alternative to financial measures. Certain financial metrics such as EBITDA and EBITDA Margin ("**Non-GAAP Measures**") presented in this Red Herring Prospectus is a supplemental measure of our performance and liquidity that is not required by, or presented in accordance with, Ind AS, Indian GAAP, IFRS or US GAAP. Further, EBITDA is not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, IFRS or US GAAP and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, IFRS or US GAAP. In addition, Non-GAAP Measures are not standardised terms, hence a direct comparison of Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measure differently from us, limiting its usefulness as a comparative measure. Although Non-GAAP Measures is not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company's operating performance. See "*Risk Factors – We have in this Red Herring Prospectus included certain non-GAAP financial measures and certain other industry measures related to our operations and financial performance. These non-GAAP measures and industry measures may vary from any standard methodology that is applicable across the Indian biorefinery industry, and therefore may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.*" on page 78.

Reconciliation of Restated Profit for the Year to EBITDA and EBITDA Margin

The table below reconciles restated profit for the year to EBITDA. EBITDA is calculated as profit for the year minus other income and share of profits from joint venture plus finance costs, depreciation and amortisation and total income tax expenses, while EBITDA Margin is calculated as EBITDA divided by revenue from operations.

Particulars	Fiscal		
	2023	2024	2025
	(₹ lakhs)		
Restated profit/ (loss) after tax for the year (I)	**3,545.99**	**3,180.79**	**14,663.85**
Other income (II)	-	5,678.30	6,080.38
Finance costs (III) **	3,531.06	14,307.61	14,361.10
Depreciation and amortization expense (IV)	2,075.08	5,691.79	6,689.37
Total income tax credit/ (expense) (V)	(1,352.52)	(1,306.62)	(1,280.43)
EBITDA (VI = I-II+III+IV+V)	**10,504.65**	**18,808.51**	**30,914.37**
Revenue from operations (VII)	76,238.03	1,22,340.47	190,772.40
EBITDA Margin (%) (VIII) = (VI/VII)	**13.78%**	**15.37%**	**16.20%**

*** Finance cost includes CCPS interest which is in the nature of notional interest.*

PRINCIPAL COMPONENTS OF INCOME AND EXPENDITURE

Income

Our total income comprises (i) revenue from operations, and (ii) other income.

Revenue from Operations

Revenue from operations comprise (i) sale of products, and (ii) sale of traded goods. We derive our revenue from sale of ethanol, ENA, power and allied products.

Other Income

Other income comprises (i) interest subvention income, and (ii) miscellaneous income.

Expenses

Our expenses comprise (i) cost of material consumed, (ii) purchase of stock-in-trade, (iii) employee benefits expense, (iv) finance costs, (v) depreciation and amortization expense, (vi) other expenses.

Cost of Material Consumed

Cost of material consumed consists of raw materials, primarily sugar syrup, molasses, bagasse, power, water and steam.

Employee Benefits Expense

Employee benefit expenses primarily include salaries, wages, bonus and other allowances, contribution to provident fund and employee state insurance ("**ESI**"), gratuity expenses, leave encashment and staff welfare expenses.

Finance Costs

Finance costs include interest expenses on borrowings, interest on liability component of CCPS, bank charges and others.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses primarily include depreciation expenses on our property, plant and equipment and amortisation of intangible assets.

Other Expenses

Other expenses comprise: (i) consumption of stores and spares, (ii) manufacturing expenses, (iii) power and fuel, (iv) service fee, (v) selling and distribution expenses, (vi) repairs and maintenance – plant and machinery, (vii) repairs and maintenance – others, (viii) legal and professional charges, (ix) business promotion expenses, (x) rates and taxes, (xi) insurance expenses, (xii) security charges, (xiii) travel and conveyance, and (xiv) miscellaneous expenses.

RESULTS OF OPERATIONS

The following table sets forth select financial data from our statement of restated consolidated profit and loss for Fiscals 2025 and 2024 and statement of restated standalone profit and loss for Fiscal 2023, the components of which are also expressed as a percentage of total income for such years.

Particulars	Fiscal					
	2023		2024		2025	
	(₹ lakhs)	Percentage of Total Income (%)	(₹ lakhs)	Percentage of Total Income (%)	(₹ lakhs)	Percentage of Total Income (%)
Income						
Revenue from operations	76,238.03	100.00%	1,22,340.47	95.56%	190,772.40	96.91%
Other income	-	-	5,678.30	4.44%	6,080.38	3.09%
Total income	**76,238.03**	**100.00%**	**1,28,018.77**	**100.00%**	**196,852.78**	**100.00%**
Expenses						
Cost of material consumed	56,733.13	74.42%	77,150.73	60.27%	104,157.66	52.91%
Purchase of stock-in-trade	1,678.05	2.20%	3,842.00	3.00%	28,286.34	14.37%
Changes in inventories of finished goods	(8,271.14)	(10.85)%	(598.48)	(0.47)%	(5,281.94)	(2.68)%
Employee benefits expense	859.41	1.13%	2,431.58	1.90%	3,985.76	2.02%
Finance costs	3,531.06	4.63%	14,307.61	11.18%	14,361.10	7.30%
Depreciation and amortization expense	2,075.08	2.72%	5,691.79	4.45%	6,689.37	3.40%
Other expenses	14,733.93	19.33%	20,706.13	16.17%	28,710.21	14.58%
Total expenses	**71,339.52**	**93.57%**	**1,23,531.36**	**96.49%**	**180,908.50**	**91.90%**
Restated profit/ (loss) before tax	**4,898.51**	**6.43%**	**4,487.41**	**3.51%**	**15,944.28**	**8.10%**
Tax expense:						
Current tax	-	-	-	-	-	-
Deferred tax	(1,352.52)	(1.77)%	(1,306.62)	(1.02)%	(1,280.43)	(0.65)%
Total income tax expense	**(1,352.52)**	**(1.77)%**	**(1,306.62)**	**(1.02)%**	**(1,280.43)**	**(0.65)%**
Restated profit/ (loss) after tax for the year	**3,545.99**	**4.65%**	**3,180.79**	**2.48%**	**14,663.85**	**7.45%**

Fiscal 2025 compared to Fiscal 2024

Total Income

Our total income increased by 53.77% from ₹1,28,018.77 lakhs in Fiscal 2024 to ₹1,96,852.78 lakhs in Fiscal 2025, primarily due to increases in revenue from operations and other income in Fiscal 2025 from Fiscal 2024, as discussed below:

Revenue from Operations

Our revenue from operations increased by 55.94% from ₹1,22,340.47 lakhs in Fiscal 2024 to ₹1,90,772.40 lakhs in Fiscal 2025, primarily due to increases in sale of finished goods from ₹118,444.56 lakhs in Fiscal 2024 to ₹150,732.39 lakhs in Fiscal 2025 on account of 1,42,577.00 kilolitres of ethanol and 37,670.00 kilolitres of ENA sales in Fiscal 2024, as compared to 1,75,666.00 kilolitres of ethanol and 43,795.00 kilolitres of ENA sales in Fiscal 2025; sale of traded goods from ₹3,858.99 lakhs in Fiscal 2024 to ₹31,862.02 lakhs in Fiscal 2025 on account of 6,343.00 kilolitres of ethanol sale in Fiscal 2024 as compared to 41,873.00 kilolitres of ethanol sale in Fiscal 2025; and performance linked incentive from nil in Fiscal 2024 to ₹6,617.66 lakhs in Fiscal 2025 on account of income for last three fiscals being accounted for on accrual basis in Fiscal 2025.

Other Income

Other income increased by 7.08% from ₹5,678.30 lakhs in Fiscal 2024 to ₹6,080.38 lakhs in Fiscal 2025, primarily due to an increase in interest subvention income from ₹5,017.40 lakhs in Fiscal 2024 to ₹5,902.39 lakhs in Fiscal 2025 on account of interest subvention income being claimed for term loan of ₹45,000 lakhs drawn for an expansion project being accounted for in Fiscal 2025 and net gain on sale of quoted equity investments measured at FVTPL from nil in Fiscal 2024 to ₹46.53 lakhs in Fiscal 2025 on account of sale of shares. This was primarily offset by a decrease in miscellaneous income from ₹625.46 lakhs in Fiscal 2024 to ₹77.36 lakhs in Fiscal 2025 on account of decrease in insurance claim amounts.

Total Expenses

Our total expenses increased by 46.45% from ₹1,23,531.36 lakhs in Fiscal 2024 to ₹1,80,908.50 lakhs in Fiscal 2025.

Cost of Materials Consumed

Our cost of materials consumed increased by 35.01% from ₹77,150.73 lakhs in Fiscal 2024 to ₹104,157.66 lakhs in Fiscal 2025 primarily on account of an increase in production of ethanol from 1,41,659.00 kilolitres in Fiscal 2024 to 1,82,587.74 kilolitres in Fiscal 2025 and an increase in production of ENA from 39,785.67 kilolitres in Fiscal 2024 to 46,668.08 kilolitres in Fiscal 2025.

Purchase of Stock-in-Trade

Our purchase of stock-in-trade increased from ₹3,842.00 lakhs in Fiscal 2024 to ₹28,286.34 lakhs in Fiscal 2025 primarily on account of an increase in purchase of ethanol from 6,383.25 kilolitres in Fiscal 2024 to 36,636.00 kilolitres in Fiscal 2025.

Changes in Inventories of Finished Goods

Changes in inventories of goods were ₹(598.48) lakhs in Fiscal 2024 and ₹(5,281.94) lakhs in Fiscal 2025 primarily on account of an increase in ethanol stock by 9,753.94 kilolitres.

Employee Benefits Expense

Employee benefits expense increased 63.92% from ₹2,431.58 lakhs in Fiscal 2024 to ₹3,985.76 lakhs in Fiscal 2025 mainly due to an increase in salaries, wages, bonus and other allowances from ₹2,180.53 lakhs in Fiscal 2024 to ₹3,651.81 lakhs in Fiscal 2025 on account of increase in permanent employees and temporary manpower and increase in salaries paid to permanent employees.

Finance Costs

Finance costs increased by 0.37% from ₹14,307.61 lakhs in Fiscal 2024 to ₹14,361.10 lakhs in Fiscal 2025 primarily on account of increase in interest on borrowings from ₹10,486.33 lakhs in Fiscal 2024 to ₹ 13,629.69 lakhs in Fiscal 2025. This was partially offset by a decrease in interest on liability component of CCPS from ₹3,132.86 lakhs in Fiscal 2024 to ₹282.47 lakhs in Fiscal 2025 on account of conversion of CCPS into equity shares.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses increased by 17.53% from ₹5,691.79 lakhs in Fiscal 2024 to ₹6,689.37 lakhs in Fiscal 2025, primarily on account of an increase in depreciation of property, plant and equipment from ₹ 4,576.35 lakhs in Fiscal 2024 to ₹5,443.12 lakhs in Fiscal 2025.

Other Expenses

Other expenses increased by 38.66% from ₹20,706.13 lakhs in Fiscal 2024 to ₹28,710.21 lakhs in Fiscal 2025, primarily on account of increases in:

- selling and distribution expenses from ₹3,729.88 lakhs in Fiscal 2024 to ₹6,466.09 lakhs in Fiscal 2025;
- rates and taxes from ₹512.32 lakhs in Fiscal 2024 to ₹3,884.58 lakhs in Fiscal 2025;
- legal and professional charges from ₹584.25 lakhs in Fiscal 2024 to ₹1,269.10 lakhs in Fiscal 2025;
- miscellaneous expenses from ₹112.34 lakhs in Fiscal 2024 to ₹668.99 lakhs in Fiscal 2025; and
- travel and conveyance from ₹137.33 lakhs in Fiscal 2024 to ₹474.42 lakhs in Fiscal 2025.

Total Income Tax Expense

Our total income tax expense decreased from ₹1,306.62 lakhs in Fiscal 2024 to ₹1,280.43 lakhs in Fiscal 2025, primarily due to primarily due to changes in deferred tax liabilities.

Restated Profit After Tax for the Year

As a result of the foregoing factors, our restated profit after tax for the year was ₹3,180.79 lakhs in Fiscal 2024, compared to restated profit after tax for the year of ₹14,663.85 lakhs in Fiscal 2025.

Fiscal 2024 compared to Fiscal 2023

Total Income

Our total income increased by 67.92% from ₹76,238.03 lakhs in Fiscal 2023 to ₹1,28,018.77 lakhs in Fiscal 2024, primarily due to revenue from operations being generated in Fiscal 2024, as discussed below:

Revenue from operations

Our revenue from operations increased by 60.47% from ₹76,238.03 lakhs in Fiscal 2023 to ₹1,22,340.47 lakhs in Fiscal 2024, primarily due to increase in sale of goods by 59.00% from ₹74,493.19 lakhs in Fiscal 2023 to ₹1,18,444.50 lakhs in Fiscal 2024 and increase in sale of traded goods by 121.17% from ₹1,744.84 lakhs in Fiscal 2023 to ₹3,858.99 lakhs in Fiscal 2024. This was on account of sale of ethanol of 1,03,400.00 kilolitres amounting to ₹70,080.78 lakhs in Fiscal 2023 compared with 1,48,920.55 kilolitres of ethanol amounting to ₹95,635.79 lakhs sold in Fiscal 2024. Also, sale of ENA increased by 29,515.00 kilolitres amounting to ₹24,598.03 lakhs in Fiscal 2024.

Total Expenses

Our total expenses increased by 73.16% from ₹71,339.52 lakhs in Fiscal 2023 to ₹1,23,531.36 lakhs in Fiscal 2024.

Cost of Material Consumed

Our cost of material consumed increased by 35.99% from ₹56,733.13 lakhs in Fiscal 2023 to ₹77,150.73 lakhs in Fiscal 2024 primarily on account of increase in production of ethanol from 1,12,948.96 kilolitres in Fiscal 2023 to 1,41,659.00 kilolitres in Fiscal 2024 and increase in production of ENA from 9,587.99 kilolitres in Fiscal 2023 to 39,785.67 kilolitres in Fiscal 2024.

Purchase of Stock-in-Trade

Our purchase of stock-in-trade increased from ₹1,678.05 lakhs in Fiscal 2023 to ₹3,842.00 lakhs in Fiscal 2024 primarily on account of purchase of 2,634.00 kilolitres of ethanol in Fiscal 2023 compared with 6,383.25 kilolitres of ethanol purchased in Fiscal 2024.

Changes in Inventories of Finished Goods

Changes in inventories of goods were lower by 92.76% from ₹(8,271.14) lakhs in Fiscal 2023 to ₹(598.48) lakhs in Fiscal 2024 primarily on account of a decrease in ethanol stock by 892.49 kilolitres.

Employee Benefit Expenses

Employee benefit expenses increased from ₹859.41 lakhs in Fiscal 2023 to ₹2,431.58 lakhs in Fiscal 2024, mainly on account of increase in permanent employees and temporary manpower and increase in salaries paid to permanent employees.

Finance Costs

Finance costs increased from ₹3,531.06 lakhs in Fiscal 2023 to ₹14,307.61 lakhs in Fiscal 2024 primarily on account of increase in net term borrowings by ₹24,870.03 lakhs and short term borrowings by ₹25,455.37 lakhs. We obtained the term loan amounting to ₹87,300.00 lakhs towards the latter part of Fiscal 2023, whereas in Fiscal 2024 the interest was paid for the entire year.

Depreciation and Amortisation Expenses

Depreciation and amortisation expenses increased from ₹2,075.08 lakhs in Fiscal 2023 to ₹5,691.79 lakhs in Fiscal 2024, primarily on account of increase in our gross block by ₹17,347.83 lakhs in Fiscal 2024. In Fiscal 2023, certain assets amounting to ₹37,025.45 lakhs were capitalized and depreciated for two months till March 31, 2023 and assets amounting to ₹13,829.23 lakhs were capitalised and depreciated for four months till March 31, 2023. These assets were depreciated for the full year in Fiscal 2024.

Other Expenses

Other expenses increased by 40.53% from ₹14,733.93 lakhs in Fiscal 2023 to ₹20,706.13 lakhs in Fiscal 2024, primarily on account of increases in:

- Consumption of stores, spares and consumables from ₹1,590.51 lakhs in Fiscal 2023 to ₹2,358.15 lakhs in Fiscal 2024;
- Manufacturing expenses from ₹1,831.78 lakhs in Fiscal 2023 to ₹3,666.12 lakhs in Fiscal 2024;
- Power and fuel from ₹6,039.51 lakhs in Fiscal 2023 to ₹8,703.75 lakhs in Fiscal 2024; and
- Selling and distribution expenses from ₹2,859.67 lakhs in Fiscal 2023 to ₹3,729.88 lakhs in Fiscal 2024.

This was offset by a decrease in service fees from ₹1,152.08 lakhs in Fiscal 2023 to ₹141.21 lakhs in Fiscal 2024.

Total Income Tax Expense

Our total income tax expense decreased by 3.39% from ₹1,352.52 lakhs in Fiscal 2023 to ₹1,306.62 lakhs in Fiscal 2024, primarily due to changes in deferred tax liabilities.

Restated Profit After Tax for the Year

As a result of the foregoing factors, our restated profit after tax for the year was ₹3,180.79 lakhs in Fiscal 2024, compared to restated profit after tax for the year of ₹3,545.99 lakhs in Fiscal 2023.

LIQUIDITY AND CAPITAL RESOURCES

We finance the expansion of our business and operations through a combination of internal accruals and external borrowings.

Cash Flows

The following table sets forth certain information relating to our cash flows in the years indicated:

Particulars	Fiscal		
	2023	2024	2025
	(₹ lakhs)		
Net cash flows generated from operating activities	23,349.32	3,547.71	32,922.94
Net cash flow used in investing activities	(1,14,858.17)	(38,366.62)	(24,252.43)
Net cash flow from financing activities	91,980.66	36,676.04	3,972.09
Net increase in cash and cash equivalents	471.81	1,857.13	12,642.60

Operating Activities

Fiscal 2023

Net cash flows generated from operating activities was ₹23,349.32 lakhs in Fiscal 2023. In Fiscal 2023, our restated profit before tax was ₹4,898.83 lakhs. Primary adjustments consisted of depreciation and amortization expense of ₹2,075.15 lakhs and finance cost of ₹3,530.65 lakhs.

Operating profit before working capital changes was ₹10,510.89 lakhs in Fiscal 2023. The main working capital adjustments in Fiscal 2023 included increase in trade payables of ₹28,756.34 lakhs, decrease in other assets of ₹14,064.06 lakhs, increase in inventories of ₹11,074.38 lakhs, decrease in other financial liabilities of ₹10,452.90 lakhs and increase in trade receivables of ₹6,806.55 lakhs and increase in other financial assets of ₹1,750.94 lakhs.

Fiscal 2024

Net cash flows generated from operating activities was ₹3,547.71 lakhs in Fiscal 2024. In Fiscal 2024, our restated profit before tax was ₹4,487.41 lakhs. Primary adjustments consisted of depreciation and amortization expense of ₹5,691.79 lakhs and finance cost of ₹14,307.61 lakhs.

Operating profit before working capital changes was ₹24,472.77 lakhs in Fiscal 2024. The main working capital adjustments in Fiscal 2024 included increase in inventories of ₹448.37 lakhs, increase in other financial liabilities of ₹11,454.66 lakhs and increase in trade receivables of ₹21,160.12 lakhs, decrease in trade payables of ₹17,440.09 lakhs and increase in other assets of ₹10,007.95 lakhs and decrease in other financial assets ₹16,379.79 lakhs.

Fiscal 2025

Net cash flows generated from operating activities was ₹32,922.94 lakhs in Fiscal 2025. In Fiscal 2025, our restated profit before tax was ₹15,944.28 lakhs. Primary adjustments consisted of finance cost of ₹14,361.10 lakhs and depreciation and amortization expense of ₹6,689.37 lakhs.

Operating profit before working capital changes was ₹29,822.04 lakhs in Fiscal 2025. The main working capital adjustments in Fiscal 2025 included increase in trade payables of ₹33,208.48 lakhs, increase in other assets of ₹13,985.41 lakhs, decrease in other financial liabilities of ₹6,191.74 lakhs, and increase in inventories of ₹5,072.62 lakhs.

Investing Activities

Fiscal 2023

Net cash flow used in investing activities in Fiscal 2023 was ₹1,14,858.17 lakhs, primarily due to cash outflow on acquisition of property, plant and equipment and capital work-in-progress of ₹27,554.10 lakhs and cash outflow on acquisition of distillery business of ₹87,304.07 lakhs.

Fiscal 2024

Net cash flow used in investing activities in Fiscal 2024 was ₹38,366.62 lakhs, with ₹35,680.33 lakhs due to payments for purchase of property, plant and equipment including capital work in progress and ₹1,686.34 lakhs due to cash outflow on acquisition of shares of subsidiary (net of cash acquired).

Fiscal 2025

Net cash flow used in investing activities in Fiscal 2025 was ₹24,252.43 lakhs, primarily due to cash outflow on purchase of property, plant and equipment including capital work in progress of ₹25,960.16 lakhs and cash inflow from government grants of ₹1,298.61 lakhs.

Financing Activities

Fiscal 2023

Net cash flow from financing activities in Fiscal 2023 was ₹91,980.66 lakhs, primarily on account of proceeds from loans (net of transaction cost) of ₹86,352.88 lakhs and proceeds from issuance of equity share capital of ₹6,101.49 lakhs, commitment charges paid of ₹450.35 lakhs and repayment of loans of ₹23.36 lakhs.

Fiscal 2024

Net cash flow from financing activities in Fiscal 2024 was ₹36,676.04 lakhs, primarily on account of proceeds from loans (net of transaction cost) of ₹29,912.48 lakhs and increase of current borrowings of ₹25,112.62 lakhs, which was partially offset by repayment of loans of ₹8,061.75 lakhs and interest paid of ₹10,287.31 lakhs.

Fiscal 2025

Net cash flow from financing activities in Fiscal 2025 was ₹3,972.09 lakhs, primarily on account of proceeds from loans (net of transaction cost) of ₹30,000.74 lakhs, which was partially offset by repayment of long term loans of ₹14,525.52 lakhs and finance costs paid of ₹13,877.51 lakhs.

INDEBTEDNESS

As of March 31, 2025, we had total secured borrowings of ₹1,54,967.81 lakhs. The following table sets forth certain information relating to maturity profile of our outstanding borrowings as of March 31, 2025:

(₹ lakhs)

Particulars	Total	Less Than 1 Year	1 – 2 Years	2 -3 Years	More than 3 Years
Secured Long term Borrowings	1,27,025.86	15,310.36	22,115.44	25,412.49	64,187.57
Secured Short term Borrowings	27,941.95	27,941.95	-	-	-
Total	1,54,967.81	43,252.31	22,115.44	25,412.49	64,187.57

For further information on our outstanding indebtedness, see "*Financial Indebtedness*" on page 559.

CONTINGENT LIABILITIES

We did not have any contingent liabilities and contingent assets as of March 31, 2025.

CAPITAL COMMITMENTS

The table below sets forth our capital commitments as of March 31, 2025:

Particulars	As of March 31, 2025 (₹ lakhs)
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	22,240.69

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with other entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

We enter into various transactions with related parties in the ordinary course of business. Related parties with whom transactions have taken place during the year include sale of power and chemicals, purchase of raw materials, issue of CCPS and issue of shares. The tables below provide details of our aggregate related party transactions and the percentage of such related party transactions to our revenue from operations in the years indicated:

Particulars	Fiscal 2023	Fiscal 2024	Fiscal 2025
Total related party transactions (₹ lakhs)	1,98,001.66	88,123.94	1,18,145.06
Total related party transactions, as a percentage of revenue from operations (%)	259.72%[1]	72.03%	61.93%

Notes:

(1) The related party transactions in Fiscal 2023 include issue of CCPS, issue of shares and purchase consideration pursuant to the BTAs paid in cash, which is not in the ordinary course of business.

(2) Includes purchase consideration for acquisition of Leafiniti.

AUDITOR OBSERVATIONS

Other than as disclosed in "*Risk Factors - Our Statutory Auditors have included an emphasis of matter in their auditor's report on our audited financial statements as at and for the Financial Year ended March 31, 2023*" on page 59, there are no qualifications, reservations and adverse remarks by our Statutory Auditors in the Restated Financial Information.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We have exposure to the following risks: market risk, credit risk and liquidity risk. Our Board of Directors oversees the management of these risks and focuses on securing long term and short term cash flows.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and derivative financial instruments.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Our Company's exposure to the risk of changes in market interest rates relates primarily to our Company's long-term debt obligations with floating interest rates. We manage our interest rate risk by having variable rate loans and borrowings.

Commodity Price Risk

Our Company is exposed to commodity price risk as we operate in the production and selling of ethanol to customers. Ethanol prices are announced by the Central Government, which is based on fair and remunerative price of sugarcane, cost of production of sugar and realisation of by-products.

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, thereby leading to a financial loss. Our Company conducts thorough credit assessments before granting credit terms and limits to customers, who are then monitored closely for adherence. Our ethanol sales are primarily made to public OMCs, thereby significantly mitigating credit default risk. Further, our Company keeps a close watch on the realisation of the outstanding amounts which are collected within 12 months, and we have not experienced any significant default. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, loans, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of our Company result in material concentration of credit risk, except for trade receivables.

Customer credit risk is managed by our Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on credit terms of 21 days to 27 days. Our Company follows a 'simplified approach' for recognition of loss allowance on trade receivables. An impairment analysis is performed at each reporting date on an individual basis for major customers. The calculation is based on historical data of expected credit loss, actual credit loss and party-wise review of credit risk. Our Company does not hold collateral as security. Given that the trade receivables are from the public sector OMC companies, no credit risk is observed and payments are usually settled within one year, and therefore the loss from time value of money is also not significant.

Liquidity Risk

Liquidity risk is the risk that our Company will not be able to meet its financial obligations as they become due. Our Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. Our Company has access to a sufficient variety of sources of funding and debt, maturing within 12 months can be rolled over with existing lenders.

CAPITAL EXPENDITURE

Our capital expenditure being payments for acquisition of capital assets of distillery business and payments for acquisition of property, plant and equipment, intangible assets (including capital work in progress, intangible assets under development and capital advance), acquisition of subsidiary and investment in mutual funds was ₹1,14,858.17 lakhs, ₹38,366.62 lakhs, and ₹25,400.18 lakhs in Fiscal 2023, 2024 and 2025, respectively.

SIGNIFICANT ECONOMIC CHANGES

To the knowledge of our management, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations.

UNUSUAL OR INFREQUENT EVENTS OF TRANSACTIONS

Except as described in this Red Herring Prospectus, to our knowledge, there have been no "unusual" or "infrequent" events or transactions that have in the past or may in the future affect our business operations or future financial performance.

KNOWN TRENDS OR UNCERTAINTIES

Our business has been affected and we expect will continue to be affected by the trends identified above in " – *Significant Factors Affecting our Results of Operations and Financial Condition*" and the uncertainties described in "*Risk Factors*" beginning on pages 529 and 36, respectively. To our knowledge, except as described or anticipated in this Red Herring Prospectus, there are no known factors which we expect will have a material adverse impact on our revenues or income from continuing operations.

FUTURE RELATIONSHIP BETWEEN COST AND INCOME

Other than as described in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 36, 282 and 526, respectively, there are no known factors that might affect the future relationship between costs and revenues.

NEW PRODUCTS OR BUSINESS SEGMENTS

Except as set out in this Red Herring Prospectus, including in "*Our Business*" on page 282, we have not announced and do not expect to announce in the near future any new business segments other than in the normal course of business.

COMPETITIVE CONDITIONS

We operate in a competitive environment. See "*Our Business*", "*Industry Overview*" and "*Risk Factors*" on pages 282, 180 and 36, respectively, for further information on competitive conditions that we face.

EXTENT TO WHICH MATERIAL INCREASES IN NET SALES OR REVENUE ARE DUE TO INCREASED SALES VOLUME, INTRODUCTION OF NEW PRODUCTS OR SERVICES OR INCREASED SALES PRICES

Changes in revenue are as described in "*– Fiscal 2025 compared to Fiscal 2024*" and " *– Fiscal 2024 compared to Fiscal 2023*" above on pages 542 and 544, respectively.

SEGMENT REPORTING

Our Company's operations predominantly relate to manufacturing and selling of ethanol. Accordingly, since we operate in a single operating segment, separate segment reporting has not been made under Ind-AS 108.

SIGNIFICANT DEPENDENCE ON SINGLE OR FEW CUSTOMERS

We are dependent on a few customers for our operations. For further information, see "*Risk Factors – We derive a significant portion of our revenue from a few customers, in particular oil marketing companies ("**OMCs**"). The loss of one or more such customers, or a reduction in their demand for our products may adversely affect our business, results of operations, financial condition and cash flows*." on page 42.

SEASONALITY/ CYCLICALITY OF BUSINESS

We experience seasonality in our operations. For further information, see "*Risk Factors - We are subject to seasonality in our operations, which could result in fluctuations in our results of operations."* on page 56.

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2025 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

Other than as stated elsewhere in this Red Herring Prospectus, no circumstances have arisen after March 31, 2025 which materially and adversely affect or are likely to affect our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS BASED ON THE PROFORMA CONDENSED COMBINED FINANCIAL INFORMATION

Unless otherwise stated, or the context otherwise requires, the financial information used in this section is derived from the Proforma Condensed Combined Financial Information of our Company included in this Red Herring Prospectus. For further information, see "Proforma Condensed Combined Financial Information" on page 445.

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 21, for a discussion of the risks and uncertainties related to those statements and also "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations and Financial Condition" on pages 36 and 529, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Presentation of Financial Information

Our Company acquired the distillery business of Shri Sai Priya Sugars Limited, Nirani Sugars Limited and MRN Cane Power India Limited (collectively, the "**Acquired Business**", and these seller entities, collectively the "**Seller Companies**") pursuant to separate business transfer agreements, each dated September 26, 2022 (collectively, the "**BTAs**") and with effect from October 1, 2022. The Seller Companies prior to the execution of the BTAs, were collectively managed and operated by members of the Promoter Group, and were each engaged in the business activity of "sugar production and distillery". The BTAs executed by our Company with the Seller Companies were executed concurrently with similar terms and form part of a single business acquisition. Our Company has accounted for the acquisition of the Acquired Business from each of the Seller Companies through single purchase price allocation as on the date of acquisition. Following the guidance outlined in the Guidance Note on Combined and Carve Out Financial Statements, combined carve out financial statements have been prepared on a combined business for the Acquired Business, i.e. combined for all the three businesses acquired from the Seller Companies as our Company acquired a common business. Accordingly, the proforma financial information has been presented on a combined basis rather than for individual distillery business in the Acquired Business acquired from each of the Seller Companies. Although our Company was incorporated on March 31, 2021, we commenced commercial operations only following acquisition of the Acquired Business ("**Acquisition**").

Considering the requirements of the SEBI ICDR Regulations, our Company is not required to present the Proforma Condensed Combined Financial Information in the Red Herring Prospectus as the Acquisition had been consummated as at October 1, 2022, before the latest period for which financial information is disclosed in this Red Herring Prospectus, being Fiscal 2024. However, our Company has presented the Proforma Condensed Combined Financial Information as at and for the years ended March 31, 2021, March 31, 2022 and March 31, 2023 on a voluntary basis.

The purpose of preparing the Proforma Condensed Combined Financial Information is to indicate the results of operations that would have resulted based on the following assumptions: (i) our Company was in existence as of April 1, 2020; and (ii) the Acquisition had been completed at the beginning of the period presented, being April 1, 2020. Our Company believes that such information is important for the investors considering that our Company did not have any business operations prior to the Acquisition and consequently, such acquisition was a material acquisition for our Company.

The Proforma Condensed Combined Financial Information comprises the proforma condensed combined balance sheet as at March 31, 2021, March 31, 2022 and March 31, 2023 and proforma condensed combined statement of profit and loss and proforma condensed combined cash flow statement for the years ended March 31, 2021, March 31, 2022 and March 31, 2023 and selected explanatory notes (collectively referred to as "**Proforma Condensed Combined Financial Information**"), and have been prepared in accordance with the Guidance Note on Combined and Carve Out Financial Statements and Guide to Reporting on Proforma Financial Statements issued by the Institute of Chartered Accountants of India.

The Proforma Condensed Combined Financial Information has been prepared taking into consideration:

- Restated financial information of our Company for the years ended March 31, 2022 and March 31, 2023 prepared in accordance with Ind AS prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India;
- The special purpose audited Ind AS combined carve-out financial statements of the Acquired Business (the "**Acquired Business Audited Combined Carve-Out Financial Statements**" for the years ended March 31, 2021, March 2022 and the six months ended September 30, 2022, respectively;
- In the Acquired Business Audited Combined Carve-Out Financial Statements, Ind AS and reclassification adjustments have been made to the special purpose audited Ind AS combined carve-out financial statements of the distillery business of each of the Sellers to ensure compliance with Ind AS which is the accounting framework followed by our Company. For this purpose principles of Ind AS have been applied with effect from April 1, 2020 including relevant exemptions and exceptions provided under Ind AS 101 - First-time adoption of Ind AS;
- Adjustments to recognise the impact of acquisition of each distillery business have been appropriately considered as per the principles of acquisition accounting under Ind AS 103 - Business Combinations;
- The depreciation on property, plant, and equipment recorded in the special purpose combined carveout financial statements is based on the useful life estimate of the erstwhile sugar companies, which is not in alignment with our Company's useful life estimate;
- The carrying value of inventory as of September 30, 2022 has been carried as per BTA and corresponding impact of changes in inventories have been included in the restated financial information for the financial year ended March 31, 2023.

The Proforma Condensed Combined Financial Information has been prepared based on the Restated Financial Information and Ind AS combined carve-out financial statements which already incorporate the impacts pursuant to Ind AS 103 for the Acquired Business and adjustments for alignment of accounting policies for Ind AS implementation, respectively alongside other key adjustments set out below. Accordingly, the effects of such adjustments have not been disclosed separately as proforma adjustments.

- Adjustments relating to acquisition accounting under Ind AS 103 include:

  - The fair value adjustments arising from purchase price allocation including recognition of goodwill and intangible assets;
  - Adjustment reflecting depreciation/ amortisation expense based on the estimated fair value of property, plant and equipment, right-of-use assets, other intangible asset; and
  - Alignment of accounting policies between the Acquired Business and our Company.

- Adjustments pertaining to first time implementation of Ind AS;
- Intercompany eliminations on account of absence of any intra-group transactions between our Company and the Acquired Business like purchase, sale, loans, receivables and payables;
- Shared service costs due to absence of mutual expenses or charges incurred between our Company and the Acquired Business such as shared accounting services, HR services, software licences and administrative overheads; and
- Evaluation of the deferred tax impact associated with any adjustments made.

The Proforma Condensed Combined Financial Information has not been prepared in accordance with generally accepted accounting principles, including accounting standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been prepared in accordance with those principles and standards. Accordingly, the degree of reliance placed by anyone in other jurisdictions on such Proforma Condensed Combined Financial Information should be limited. In addition, the rules and regulations related to the preparation of proforma financial information in other jurisdictions may also vary significantly from the basis of preparation of the Proforma Condensed Combined Financial Information.

Because of their nature, the Proforma Condensed Combined Financial Information addresses a hypothetical situation and therefore, does not represent our Company's factual financial position or results. Accordingly, the Proforma Condensed Combined Financial Information does not necessarily reflect what our Company's financial condition or results of operations would have been had the Acquisition occurred on the dates indicated and is also not intended to be indicative of expected financial position or results of operations in future periods. The actual statements of assets and liabilities and statement of profit and loss may differ significantly from the proforma amounts reflected herein due to variety of factors.

They purport to indicate the results of operations that would have resulted had the acquisitions been completed at the beginning of the period presented and the financial position had the acquisitions been completed as at year end but are not intended to be indicative of expected results or operations in the future periods or the future financial position of our Company. For further information, see "*Risk Factors - The Proforma Condensed Combined Financial Information included in this Red Herring Prospectus is not indicative of our future financial condition or results of operations.*" on page 60.

For details on the basis of preparation of the Proforma Financial Information and proforma adjustments, see "*Proforma Condensed Combined Financial Information*" on page 445.

RESULTS OF OPERATIONS BASED ON THE PROFORMA CONDENSED COMBINED FINANCIAL INFORMATION

The following table sets forth certain information with respect to results of operations from the Proforma Condensed Combined Financial Information for Fiscals 2021, 2022 and 2023, the components of which are also expressed as a percentage of total income as per the Proforma Condensed Combined Financial Information for such years.

Particulars	Fiscal					
	2021		2022		2023	
	(₹ lakhs)	Percentage of Total Income (%)	(₹ lakhs)	Percentage of Total Income (%)	(₹ lakhs)	Percentage of Total Income (%)
Income						
Revenue from operations	52,538.49	99.90%	69,557.98	99.90%	1,16,039.01	99.97%
Other income	54.04	0.10%	66.42	0.10%	33.73	0.03%
Total income	**52,592.53**	**100.00%**	69,624.40	**100.00%**	**1,16,072.74**	**100.00%**
Expenses						
Cost of material consumed	29,649.34	56.38%	43,699.15	62.76%	79,427.83	68.43%
Changes in inventories of finished goods	5,691.74	10.82%	1,628.04	2.34%	(3,372.73)	(2.91)%
Employee benefits expense	618.11	1.18%	906.25	1.30%	1,416.45	1.22%
Finance costs	2,765.99	5.26%	4,141.47	5.95%	5,851.96	5.04%
Depreciation and amortization expense	647.17	1.23%	1,775.78	2.55%	2,953.14	2.54%
Other expenses	6,605.69	12.56%	12,447.99	17.88%	23,087.26	19.89%
Total expenses	**45,978.04**	**87.42%**	**64,598.68**	**92.78%**	**1,09,363.91**	**94.22%**
Profit before tax	**6,614.49**	**12.58%**	**5,025.72**	**7.22%**	**6,708.83**	**5.78%**
Tax expense:						
Current tax	(952.77)	(1.81)%	(179.30)	(0.26)%	(103.17)	(0.09)%
Deferred tax	(712.03)	(1.35)%	(1,086.01)	(1.56)%	(1,704.97)	(1.47)%
Total income tax expense	**(1,664.80)**	**(3.17)%**	**(1,265.31)**	**(1.82)%**	**(1,808.14)**	**(1.56)%**
Profit for the period/ year	**4,949.69**	**9.41%**	**3,760.41**	**5.40%**	**4,900.69**	**4.22%**

Fiscal 2023 compared to Fiscal 2022

Key Developments

In November 2022, installed capacity for ethanol production increased by 260 KLPD at the plant in at the plant in Hippargi – Maigur, Jamkhandi Taluk, Bagalkot District, Karnataka, now TBL Unit 2. Further, in January 2023, installed capacity also increased by 550 KLPD at the plant in Kulali Cross, Jamkhandi Road, Mudhol, Bagalkot District, Karnataka, now TBL Unit 1.

Total Income

Total income increased by 66.71% from ₹69,624.40 lakhs in Fiscal 2022 to ₹116,072.74 lakhs in Fiscal 2023, primarily due to increase in revenue from operations being generated in Fiscal 2023, as discussed below:

Revenue from operations

Revenue from operations increased by 66.82% from ₹69,557.98 lakhs in Fiscal 2022 to ₹116,039.01 lakhs in Fiscal 2023, due to increase in sale of goods as a result of increase in sale of ethanol from 100,282 kilolitres in Fiscal 2022 to 1,58,701 kilolitres in Fiscal 2023, on a proforma basis.

Other Income

Other income decreased from ₹66.42 lakhs in Fiscal 2022 to ₹33.73 lakhs in Fiscal 2023 on account of decrease in interest on fixed deposits from ₹64.42 lakhs in Fiscal 2022 to ₹31.73 lakhs in Fiscal 2023, owing to decrease in the quantum of fixed deposits.

Total Expenses

Total expenses increased by 69.30% from ₹64,598.68 lakhs in Fiscal 2022 to ₹109,363.91 lakhs in Fiscal 2023.

Cost of Materials Consumed

Cost of materials consumed increased by 81.76% from ₹43,699.15 lakhs in Fiscal 2022 to ₹79,427.83 lakhs in Fiscal 2023, primarily on account of increase in the price of cane, which impacted the price of molasses and sugar syrup.

Employee Benefits Expense

Employee benefits expense increased by 56.30% from ₹906.25 lakhs in Fiscal 2022 to ₹1,416.45 lakhs in Fiscal 2023 owing to increase in salaries wages, bonus and other allowances including contribution to provident fund and ESI by 56.50% from ₹890.65 lakhs in Fiscal 2022 to ₹1,393.86 lakhs in Fiscal 2023.

Finance Costs

Finance costs increased by 41.30% from ₹4,141.47 lakhs in Fiscal 2022 to ₹5,851.96 lakhs in Fiscal 2023, primarily due to increase in: (i) interest on borrowing from ₹3,978.47 lakhs in Fiscal 2022 to ₹4,290.81 lakhs in Fiscal 2023; and (ii) interest on liability component of CCPS from ₹nil in Fiscal 2022 to ₹1,395.24 lakhs in Fiscal 2023, as a result of issue of CCPS in Fiscal 2023.

Depreciation and Amortization Expense

Depreciation and amortization expenses increased by 66.30% from ₹1,775.78 lakhs in Fiscal 2022 to ₹2,953.14 lakhs in Fiscal 2023, primarily due to increase in depreciation from ₹1,775.68 lakhs in Fiscal 2022 to ₹2,402.15 lakhs in Fiscal 2023 due to owing to addition of assets amounting to ₹61,498.21 lakhs in Fiscal 2023. Amortization expenses increased from ₹0.10 lakhs in Fiscal 2022 to ₹550.99 lakhs in Fiscal 2023.

Other Expenses

Other expenses increased by 85.47% from ₹12,447.99 lakhs in Fiscal 2022 to ₹23,087.26 lakhs in Fiscal 2023, on account of increase in: (i) consumption of stores, spares and consumables from ₹1,233.92 lakhs in Fiscal 2022 to ₹2,299.27 lakhs in Fiscal 2023 owing to increase in business requirements; (ii) manufacturing expenses from ₹626.13 lakhs in Fiscal 2022 to ₹2,622.32 lakhs in Fiscal 2023, owing to increase in production; (iii) power and fuel expenses from ₹6,625.33 lakhs in Fiscal 2022 to ₹10,636.29 lakhs in Fiscal 2023 in line with the increase in production; (iv) service fees payable to Nirani Sugars Limited, MRN Cane Power India Limited and Shri Sai Priya Sugars Limited pursuant to the BTAs from ₹nil in Fiscal 2022 to ₹1,152.08 lakhs in Fiscal 2023; (v) selling and distribution expenses from ₹2,943.89 lakhs in Fiscal 2022 to ₹4,705.12 lakhs in Fiscal 2023 as operations increased; (vi) legal and professional charges from ₹19.91 lakhs in Fiscal 2022 to ₹259.77 lakhs in Fiscal 2023; (vii) business promotion expenses from ₹81.82 lakhs in Fiscal 2022 to ₹389.97 lakhs in Fiscal 2023; and (viii) rates and taxes from ₹190.08 lakhs in Fiscal 2022 to ₹397.04 lakhs in Fiscal 2023, on account of capacity expansion on additional land.

Profit Before Tax

As a result of the foregoing factors, profit before tax increased from ₹5,025.72 lakhs in Fiscal 2022 to ₹6,708.83 lakhs in Fiscal 2023.

Total Income Tax Expense

Total income tax expense increased from ₹1,265.31 lakhs in Fiscal 2022 to ₹1,808.14 lakhs in Fiscal 2023, due to increase in deferred tax credit as a result of increase in borrowings.

Profit for the Year

As a result of the foregoing factors, profit for the year was ₹4,900.69 lakhs in Fiscal 2023, compared to profit after tax for the year of ₹3,760.41 lakhs in Fiscal 2022.

Fiscal 2022 compared to Fiscal 2021

Total Income

Total income increased by 32.38% from ₹52,592.53 lakhs in Fiscal 2021 to ₹69,624.40 lakhs in Fiscal 2022, primarily due to increase in revenue from operations being generated in Fiscal 2022, as discussed below:

Revenue from operations

Revenue from operations increased by 32.39% from ₹52,538.49 lakhs in Fiscal 2021 to ₹69,557.98 lakhs in Fiscal 2022, due to increase in sale of goods as a result of increase in sale of ethanol in Fiscal 2022. Further, increase in sale of goods was also attributable to capacity increase.

Other Income

Other income increased from ₹54.04 lakhs in Fiscal 2021 to ₹66.42 lakhs in Fiscal 2022 on account of increase in interest on fixed deposits from ₹50.55 lakhs in Fiscal 2021 to ₹64.42 lakhs in Fiscal 2022, owing to investment in fixed deposit.

Total Expenses

Total expenses increased by 40.50% from ₹45,978.04 lakhs in Fiscal 2021 to ₹64,598.68 lakhs in Fiscal 2022.

Cost of Materials Consumed

Cost of materials consumed increased by 47.39% from ₹29,649.34 lakhs in Fiscal 2021 to ₹43,699.15 lakhs in Fiscal 2022 on account of increase in the price of cane, which impacted the price of molasses and sugar syrup.

Employee Benefits Expense

Employee benefits expense increased by 46.62% from ₹618.11 lakhs in Fiscal 2021 to ₹906.25 lakhs in Fiscal 2022 owing to increase in salaries wages, bonus and other allowances including contribution to provident fund and ESI from ₹580.38 lakhs in Fiscal 2021 to ₹890.65 lakhs in Fiscal 2022. This increase was on account of routine increments provided to employees.

Finance Costs

Finance costs increased by 49.73% from ₹2,765.99 lakhs in Fiscal 2021 to ₹4,141.47 lakhs in Fiscal 2022, primarily due to increase in: (i) interest on borrowing from ₹2,706.19 lakhs in Fiscal 2021 to ₹3,978.47 lakhs in Fiscal 2022 due to increase in borrowings; and (ii) other from ₹nil in Fiscal 2021 to ₹103.55 lakhs in Fiscal 2022, as a result of increase in letters of credit and guarantee charges.

Depreciation and Amortization Expense

Depreciation and amortization expenses increased from ₹647.17 lakhs in Fiscal 2021 to ₹1,775.78 lakhs in Fiscal 2022, primarily due to increase in depreciation from ₹646.93 lakhs in Fiscal 2021 to ₹1,775.68 lakhs in Fiscal 2022 due to addition of assets amounting to ₹18,190.74 lakhs in Fiscal 2022.

Other Expenses

Other expenses increased by 88.44% from ₹6,605.69 lakhs in Fiscal 2021 to ₹12,447.99 lakhs in Fiscal 2022, on account of increase in: (i) consumption of stores, spares and consumables from ₹618.74 lakhs in Fiscal 2021 to ₹1,233.92 lakhs in Fiscal 2022 owing to increase in business requirements; (ii) manufacturing expenses from ₹481.63 lakhs in Fiscal 2021 to ₹626.13 lakhs in Fiscal 2022, owing to increase in production; (iii) power and fuel expenses from ₹2,952.51 lakhs in Fiscal 2021 to ₹6,625.33 lakhs in Fiscal 2022 in line with the increase in production; (iv) selling and distribution expenses from ₹1,424.19 lakhs in Fiscal 2021 to ₹2,943.89 lakhs in Fiscal 2022 as operations increased; and (v) insurance expenses from ₹24.87 lakhs in Fiscal 2021 to ₹71.36 lakhs in Fiscal 2022.

Profit Before Tax

As a result of the foregoing factors, profit before tax decreased from ₹6,614.49 lakhs in Fiscal 2021 to ₹5,025.72 lakhs in Fiscal 2022.

Total Income Tax Expense

Total income tax expense decreased from ₹1,664.80 lakhs in Fiscal 2021 to ₹1,265.31 lakhs in Fiscal 2022, due to decrease in deferred tax credit.

Profit for the Year

As a result of the foregoing factors, profit for the year was ₹3,760.41 lakhs in Fiscal 2022 compared to profit for the year of ₹4,949.69 lakhs in Fiscal 2021.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flows

The following table sets forth certain information relating to cash flows as per the Proforma Condensed Combined Financial Information in the years indicated:

Particulars	Fiscal		
	2021	2022	2023
	(₹ lakhs)		
Net cash flows (used in)/from operating activities	(3,096.78)	17,456.48	5,159.56
Net cash (used in)/from investing activities	(5,862.90)	(55,053.43)	(47,382.19)
Net cash flow from financing activities	13,848.25	32,373.40	41,998.04
Net increase in cash and cash equivalents	4,888.57	(5,223.55)	(224.59)

Operating Activities

Fiscal 2023

Net cash flows generated from operating activities was ₹5,159.56 lakhs in Fiscal 2023. In Fiscal 2023, profit before tax was ₹6,708.83 lakhs. Primary adjustments consisted of depreciation and amortization expense of ₹2,953.14 lakhs and finance cost of ₹5,851.96 lakhs.

Operating profit before working capital changes was ₹15,505.57 lakhs in Fiscal 2023. The main working capital adjustments in Fiscal 2023 included increase in inventories of ₹6,794.42 lakhs, decrease in other financial liabilities of ₹6,047.12 lakhs, increase in other financial assets of ₹14,925.95 lakhs, as well as increase in trade payables of ₹17,819.12 lakhs.

Fiscal 2022

Net cash flows generated from operating activities was ₹17,456.48 lakhs in Fiscal 2022. In Fiscal 2022, profit before tax was ₹5,025.72 lakhs. Primary adjustments consisted of depreciation and amortization expense of ₹1,775.78 lakhs and finance cost of ₹4,141.47 lakhs.

Operating profit before working capital changes was ₹10,892.74 lakhs in Fiscal 2022. The main working capital adjustments in Fiscal 2022 included increase in trade payables of ₹5,687.81 lakhs, increase in other financial liabilities of ₹8,042.14 lakhs, increase in other current assets of ₹4,699.56 lakhs and increase in other financial assets of ₹1,591.52 lakhs.

Fiscal 2021

Net cash flows used in operating activities was ₹3,096.78 lakhs in Fiscal 2021. In Fiscal 2021, profit before tax was ₹6,614.49 lakhs. Primary adjustments consisted of depreciation and amortization expense of ₹647.17 lakhs and finance cost of ₹2,765.99 lakhs.

Operating profit before working capital changes was ₹9,973.61 lakhs in Fiscal 2021. The main working capital adjustments in Fiscal 2021 included decrease in other financial liabilities of ₹15,103.62 lakhs, increase in trade receivables of ₹2,944.20 lakhs and decrease in other current liabilities of ₹1,034.19 lakhs, as well as decrease in inventories of ₹5,816.70 lakhs.

Investing Activities

Fiscal 2023

Net cash flow used in investing activities in Fiscal 2023 was ₹47,382.19 lakhs, primarily due to payments for purchase of property, plant and equipment including capital work in progress of ₹48,820.12 lakhs, which was partially offset by movement in bank deposits (net) of ₹1,404.20 lakhs.

Fiscal 2022

Net cash flow used in investing activities in Fiscal 2022 was ₹55,053.43 lakhs, primarily due to payments for purchase of property, plant and equipment including capital work in progress of ₹54,509.77 lakhs and movement in bank deposits (net) of ₹610.08 lakhs.

Fiscal 2021

Net cash flow used in investing activities in Fiscal 2021 was ₹5,862.90 lakhs, primarily due to payments for purchase of property, plant and equipment including capital work in progress of ₹5,536.79 lakhs and movement in bank deposits (net) of ₹380.15 lakhs.

Financing Activities

Fiscal 2023

Net cash flow from financing activities in Fiscal 2023 was ₹41,998.04 lakhs, primarily on account of proceeds from loans (net) of ₹36,503.03 lakhs, movement of owner's net investment of ₹9,785.82 lakhs, which was partially offset by interest paid of ₹4,290.81 lakhs.

Fiscal 2022

Net cash flow from financing activities in Fiscal 2022 was ₹32,373.40 lakhs, primarily on account of proceeds from loans (net) of ₹36,654.15 lakhs, which was partially offset by interest paid of ₹4,286.75 lakhs.

Fiscal 2021

Net cash flow from financing activities in Fiscal 2021 was ₹13,848.25 lakhs, primarily on account of proceeds from loans (net) of ₹16,614.51 lakhs, which was partially offset by interest paid of ₹2,765.99 lakhs.

FINANCIAL INDEBTEDNESS

We avail loans and financing facilities in the ordinary course of our business for meeting our working capital and business requirements. For details of the borrowing powers of our Board, see "*Our Management – Borrowing Powers*" on page 359.

We have obtained the necessary consents required under the relevant financing documentation for undertaking activities in relation to the Offer, including effecting a change in our capital structure, change in our shareholding pattern, change in our constitutional documents and change in our management.

The details of the indebtedness of our Company and our Subsidiary, on a consolidated basis, as on July 31, 2025, is provided below:

(in ₹ lakhs)

Category of borrowing*	**Sanctioned amount**	**Outstanding amount (as at July 31, 2025)****
Secured		
Term loans	1,55,048.00	1,24,308.45
Working capital loans***	35,266.00##	31,965.56***
Vehicle loan	95.00	75.74
Total secured facilities (A)	**1,90,409.00**	**1,56,349.75**
Unsecured		
Total unsecured facilities (B)	Nil	Nil
Total borrowings (A+B)	**1,90,409.00**	**1,56,349.75**

** Inter-corporate loans are not considered in the above table.*
*** As per confirmation from Bank.*
**** Includes the outstanding amount of cash credit facility of 8,872.73 lakhs that has been considered as disbursed amount.*
The sanctioned limit of the working capital loans includes Rs. 1,500.00 Lakhs in respect of overdraft against fixed deposit from Kotak Mahindra Bank. However, our Company has neither executed the agreement against the limit nor availed the same till the date of this Red Herring Prospectus. Therefore, the same has not been included in the sanctioned amount above.

Principal terms of the borrowings availed by us:

The details provided below are indicative and there may be additional terms, conditions and requirements under the various financing documentation executed by us in relation to our indebtedness.

1. ***Interest:*** In terms of the facilities availed by us, the interest rate is typically the sum of base rate of a specified lender and spread per annum. The interest rates for the term loans availed by our Company currently range from 10.45% to 11.90% p.a. There is an interest subvention available on the term loans (except for the loan taken from IREDA for Mono to Dual Feed) to the extent of 50.00% of the interest rate charged by the lender, which is capped at 6.00% p.a., hence the net interest on term loans is in the range of 5.23% to 11.90% p.a. The interest rate for the term loans availed by the Subsidiary is 11.85% p.a. Our subsidiary is eligible for interest subvention of 3.00% p.a. for a loan of up to ₹ 200.00 lakhs.

   Further, the interest rate for the working capital facilities availed by our Company and our Subsidiary currently ranges from 9.60% to 11.05% p.a. Also, our Company has availed vehicle loan at the interest rate ranging from 7.85% to 8.95% p.a.

Particulars	Rate of Interest	Subvention	Net Rate	Tenure of Loan
SBI – Acquisition of Ethanol Unit from Group Cos	10.45%	5.23% (50% of rate), capped at 6.00%.	5.23%	Door to Door 6 years 3 months
IREDA - Acquisition of Ethanol Unit from Group Cos	10.85%	5.43% (50% of rate), capped at 6.00%	5.43%	Door to Door 7 years 3 months
IREDA – Setting up of 3 Units (200 KLPD each) i.e., Unit 3 (expansion), Unit 4 (new) and Unit 5 (new)	10.85%	5.43% (50% of rate), capped at 6.00%	5.43%	Door to Door 8 years 3 months
IREDA - Mono to Multi Feed	11.90%*	Nil	11.90%	Door to Door tenure of 7 years from Commissioning
SBI - Working capital loan/ Cash Credit	10.00%	Nil	10.00%	On demand
Kotak – Working capital loan	9.60%	Nil	9.60%	On demand
Bank of India- Vehicle loan	7.85%	Nil	7.85%	3 years
HDFC - Vehicle Loan 1	8.60%	Nil	8.60%	5 years
HDFC - Vehicle Loan 2	8.60%	Nil	8.60%	5 years
HDFC - Vehicle Loan 3	8.95%	Nil	8.95%	5 years
HDFC - Vehicle Loan 4	8.95%	Nil	8.95%	5 years
Canara Bank- Term Loan (Subsidiary)	11.85%	3.00% available on loan up to ₹ 200.00 lakhs	11.50%	Door to Door 10 years
Canara Bank- Workings capital/Cash Credit (Subsidiary)	11.05%	Nil	11.05%	On demand

**Rate of interest on IREDA loan for Mono to Dual is 11.90 % p.a till commissioning of the project, after commissioning the rate of interest is 11.40% p.a.*

2. ***Penal Interest***: The terms of certain financing facilities availed by us prescribe penalties for non-compliance of certain obligations by us. These include, *inter alia,* breach of non-payment of instalments, our Company becoming bankrupt or committing any act of insolvency, breaching any provisions as set forth in the loan documentation entered into with the lenders or default in the performance of the obligations set forth in such loan documentation, *etc.* Further, the default interest payable on the facilities availed by us is typically 0.25%-8.00% per annum over and above the applicable interest rate.

3. ***Pre-payment penalty:*** The terms of facilities availed by us typically have prepayment provisions of 0.5% - 6.00% of the amount prepaid by our Company in terms of the norms of such individual lenders.

4. ***Validity/Tenor:*** The tenor of the term loans availed by our Company ranges between six (6) years and three (3) months to eight (8) years and three (3) months. The tenor of the term loan availed by our Subsidiary is 10 years.

5. ***Security:*** In terms of our borrowings where security needs to be created, such security typically includes:

   (a) Creation of hypothecation over the plant and machinery, current assets and moveable fixed assets, as applicable;

   (b) Creation of charge on all the stocks of raw materials, stocks in process, semi-finished and finished goods, consumable stores and spares not relating to plant and machinery, bills receivable, book debts, amounts outstanding, advance paid, all receivables including statutory receivables, claims and bills which are now due and owing or which may at any time and all other movables, both present and future;

   (c) Creation of equity mortgage over immovable property and fixed deposits;

   (d) Furnishing of personal guarantees from our Promoters and certain members of our Promoter Group;

(e) Furnishing of corporate guarantees from Erstwhile Nirani Sugars Limited*; and

(f) Pledge of shareholding of our Promoters and certain members of our Promoter Group in our Company. For risks in relation to the same, please see, "*Risk Factors – Our Promoters and members of our Promoter Group had encumbered some of the Equity Shares held by them in favour of IDBI Trusteeship Services Limited pursuant to loans availed by the Company from State Bank of India and Indian Renewable Energy Development Agency by way of pledge, which has subsequently been released and shall be re-pledged after implementation of the statutory lock-in. Any exercise of such encumbrance by such pledgee could dilute the shareholding of such persons and consequently dilute the aggregate shareholding of our Promoters, members of our Promoter Group and such other shareholders, which may adversely affect our business and financial condition*" on page 49.

**As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Erstwhile Nirani Sugars Limited stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.*

6. ***Repayment:*** The loans are typically repayable in structured monthly or quarterly instalments.

7. ***Key Covenants:*** Certain of our borrowing arrangements provide for covenants restricting certain corporate actions, and we are required to take the prior approval of the relevant lender before undertaking such corporate actions, *inter alia*, the following:

   (a) effecting changes in the ownership or control or make any material change in the management set-up including resignation of promoter directors;

   (b) effecting any change in our shareholding pattern or our capital structure or constitution of the Board;

   (c) making any amendments in the constitutional documents including, Memorandum of Association or Articles of Association;

   (d) undertaking capital expenditure or expansion of our business, investing in any other entity, setting up or investing in a subsidiary or associate or making corporate investments by way of share capital in any other concern;

   (e) changing the practice with regard to remuneration of directors of our Company by means of ordinary remuneration or commission scaling of sitting fees;

   (f) opening current account with any other bank;

   (g) diluting, whether directly or indirectly, by promoters of their stake in the borrower company below an aggregate of 51% during the tenure of the proposed loan, without prior written approval of IREDA;

   (h) declaring any dividend by the borrower and/or its subsidiary, while any restricted payment conditions are not complied with; and

   (i) effecting any change in the composition of its Board of Directors and/or its management set-up, including appointing, re-appointing or removing the managing director, or any other person holding substantial powers of management, by whatever name called and furnishing dure intimation thereof to the lenders.

8. ***Events of default:*** Borrowing arrangements entered into by us, contain standard events of default, including:

   (a) failure to pay any sum under the financing agreement when due;

   (b) being adjudicated as insolvent or a receiver being appointed in respect of the whole or any part of the property;

(c) breach of the terms of the transaction/project documentation and occurrence of any other event, which are likely to result, or which can have/shall have material adverse effect;

(d) breach of any material representation or warranty under the transaction document of the borrower;

(e) sale/transfer of assets of the Company which in reasonable opinion of the Bank has/will have material adverse effect;

(f) the borrower changing or threatening to change the general nature or scope of the business;

(g) change in majority ownership and / or management control of the borrower (directly or indirectly) in contravention of the facility agreement;

(h) the borrower or any of their directors being included in the list of wilful defaulters specified by the Reserve Bank of India;

(i) supply of misleading information by the Company;

(j) if the immovable assets of the Company offered as security have not been kept insured by the Company;

(k) Our Company becoming subject of bankruptcy and insolvency proceedings;

(l) breach/ non- creation of security within stipulated timeframe;

(m) revocation, termination/ or suspension of material licenses of our Company;

(n) an attachment or restraint has been levied on all or substantially all of the assets of our Company and such attachment or restraint has not been discharged or stayed or withdrawn or dismissed within such period as may be provided and; and

(o) compulsory acquisition or nationalisation or expropriation of the assets of our Company.

9. ***Consequences of events of default:*** In terms of our borrowing arrangements, as a consequence of events of occurrence of events of default, our lenders may, *inter alia*:

(a) declare the outstanding amount of the facility respect of facility due and payable;

(b) enforce the security in case of payment default;

(c) suspend or cancel further drawings under the facility;

(d) appoint nominee director or observer on the board of directors of the Company;

(e) exercise its right to convert the debt into equity, at its discretion;

(f) restrict the Company from declaring or paying any dividend or other distribution in respect of the shares in case of payment default; and

(g) instruct the security trustee to take any other enforcement action necessary or advisable to recover its debt.

This is an indicative list and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by us. See "*Risk Factors – As a producer of biofuels, we require significant capital and we may need to seek additional financing in the future to support our growth strategies. To the extent our planned expenditure requirements exceed our available resources, we will be required to seek additional debt or equity financing. An inability to comply with repayment and other covenants in our financing agreements could adversely affect our business and financial condition*" on page 52.

RELATED PARTY TRANSACTIONS

For details of related party transactions as per the requirements under Ind AS 24 – Related Party Disclosures, read with the SEBI ICDR Regulations, for the financial years ended March 31, 2025, March 31, 2024 and March 31, 2023, see "*Restated Financial Information – Note 39 – Related Party Disclosures*" on page 431.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as stated below there are no outstanding (i) criminal proceedings involving our Company, Subsidiary, Directors, or Promoters (the "**Relevant Parties**"); (ii) actions taken by statutory or regulatory authorities involving the Relevant Parties (iii) claims relating to direct and indirect taxes involving the Relevant Parties; and (iv) other pending litigations or arbitration proceedings involving the Relevant Parties which has been determined to be material by our Board pursuant to the Materiality Policy (as disclosed herein below) in accordance with the SEBI ICDR Regulations; or (v) outstanding litigation involving our Group Companies which has a material impact on our Company. Further, there are no disciplinary actions (including penalties) imposed by SEBI or stock exchanges against our Promoters in the last five Fiscals immediately preceding the date of this Red Herring Prospectus, including any outstanding action. Further, except as disclosed in this section, there are no outstanding (i) criminal proceedings (including matters which are at FIR stage even if no cognizance has been taken by any court or any other judicial authority); and (ii) actions (including all penalties and show cause notices) by regulatory or statutory authorities (including any judicial, quasi-judicial, administrative or enforcement authorities) involving our Key Managerial Personnel and members of our Senior Management.*

For the purpose of material litigation in (iv) above, our Board has considered and adopted the following policy on materiality for identification of material outstanding litigation involving the Relevant Parties pursuant to Board resolutions dated March 21, 2024 and September 6, 2025 ("***Materiality Policy***").

In accordance with the Materiality Policy, other than litigations mentioned in points (i) to (iii) above, any other pending litigation involving the Relevant Parties would be considered 'material' for the purpose of disclosure in the Offer Documents, if:

a) *The aggregate monetary claim made by or against our Relevant Parties (individually or in aggregate), in any such pending litigation/ arbitration proceeding is equal to or exceeds, to the extent quantifiable, the lower of (a) 2% of the turnover of our Company; or (b) 2% of the net worth of our Company, each as per the latest Fiscal included in the Restated Financial Information of our Company; or (c) 5% of the average of the absolute value of the profit/loss after tax as per the last three Fiscals included in the Restated Financial Information of our Company, in this case being 5% of the average of the absolute value of profit after tax, as per the last three Fiscals included in the Restated Financial Information i.e., ₹356.51 lakhs ("**Materiality Threshold** and such proceedings **"Material Civil Proceedings**").*

b) *any such litigation wherein a monetary impact is not determinable or quantifiable, or which does not fulfil the Materiality Threshold, but an adverse outcome of which could, nonetheless, have (i) a material and adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company; and (ii) all outstanding litigation, with a common cause of action and the aggregate of each of the claim amounts involved in outstanding litigation arising out of such common cause of action, exceed the amount as specified in (a) above. ("**Other Material Proceedings**"; Material Civil Proceedings and Other Material Proceedings are collectively referred as "**Material Civil Litigation**").*

Further, pending litigation involving our Group Companies have been considered to have a 'material impact' on our Company, if an adverse outcome from such pending litigation would materially and adversely affect the business, operations, performance or financial position or reputation of our Company.

For the purposes of the above, pre-litigation notices received by the Relevant Parties and Group Companies from/to third parties (excluding those notices issued by statutory, governmental, judicial or regulatory or taxation authorities or notices threatening criminal action) have not and shall not, in any event unless otherwise decided by our Board, be considered material litigation and accordingly not been disclosed in this Red Herring Prospectus until such time that the Relevant Party or Group Company, as applicable, is impleaded as a party in litigation proceedings before any judicial/ arbitral forum.

Except as stated in this section, there are no outstanding material dues to creditors of our Company. Further, in accordance with the Materiality Policy, our Company has considered such creditors 'material' if amounts due to such creditor is equivalent to or in excess of 1% of the total trade payables of the Company as at the end of the most recent financial period covered in the Restated Financial Information included in this Red Herring Prospectus, i.e. ₹ 485.71 lakhs, as of March 31, 2025.

Unless stated to the contrary, the information provided below is as of the date of this Red Herring Prospectus. All terms defined in a particular litigation disclosure below are for that particular litigation only.

LITIGATION INVOLVING OUR COMPANY

(a) Outstanding legal proceedings against our Company

(i) Criminal proceedings

As on the date of this RHP, there are no criminal proceedings pending against our Company.

(ii) Material Civil Proceedings

As on the date of this RHP, there are no material civil proceedings pending against our Company.

(iii) Actions by statutory or regulatory authorities

As on the date of this RHP, there are no findings/ observations of any of the inspections by SEBI or any actions taken by statutory or regulatory authorities which are pending, material and which needs to be disclosed or non-disclosure of which may have bearing on the investment decision.

(iv) Other Material Proceedings

As on the date of this RHP, there are no other material proceedings pending against our Company.

(b) Outstanding legal proceedings by our Company

(i) Criminal proceedings

As on the date of this RHP, there are no criminal proceedings filed by our Company.

(ii) Material Civil Proceedings

As on the date of this RHP, there are no material civil proceedings filed by our Company.

(iii) Other Material Proceedings

As on the date of this RHP, there are no other material proceedings initiated by our Company.

(c) Tax proceedings involving our Company

Nature of proceeding	Number of proceedings outstanding	Amount involved[*] (in ₹ lakhs)
Direct tax	1	1.50[**]
Indirect tax	Nil	NA
Total	**1**	**1.50**

[*] *To the extent quantified.*

[**] *Our Company has received a penalty notice under Section 274 read with Section 271B of the Income Tax Act, 1961, on March 26, 2025 for AY 2023-24 and the same has been duly responded by our Company along with the information / documents sought. The liability in the matter is currently unascertainable. Further, a show cause notice has been issued on July 31, 2025 and the same has been duly responded on August 9, 2025.*

LITIGATION INVOLVING OUR SUBSIDIARY

(a) Outstanding legal proceedings against our Subsidiary

(i) Criminal proceedings

As on the date of this RHP, there are no criminal proceedings pending against our Subsidiary.

(ii) Material Civil Proceedings

As on the date of this RHP, there are no material civil proceedings pending against our Subsidiary.

(iii) Actions by statutory or regulatory authorities

As on the date of this RHP, there are no actions taken by statutory or regulatory authorities pending against our Subsidiary.

(iv) Other Material Proceedings

As on the date of this RHP, there are no other material proceedings pending against our Subsidiary.

(b) Outstanding legal proceedings by our Subsidiary

(i) Criminal proceedings

As on the date of this RHP, there are no criminal proceedings filed by our Subsidiary.

(ii) Material Civil Proceedings

As on the date of this RHP, there are no material civil proceedings initiated by our Subsidiary.

(iii) Other Material Proceedings

As on the date of this RHP, there are no other material proceedings initiated by our Subsidiary.

(c) Tax proceedings involving our Subsidiary

Nature of proceeding	Number of proceedings outstanding	Amount involved* (in ₹ lakhs)
Direct tax	Nil	NA
Indirect tax	3	Nil**
Total	**3**	**Nil****

** To the extent quantified.*

***Our Subsidiary has received (i) GST ADT 01 under section 65(3) of the CGST Act, 2017 from ACCT (Audit), Jamkhandi, Karnataka for Financial Year 2022 and Financial Year 2023 on May 6, 2025, and (ii) GST DRC 01A under section 73(5) of the CGST Act, 2017 from DCCT (Audit-3), Belagavi, Karnataka for Financial Year 2024 on July 1, 2025, and the same have been duly responded along with the information / documents sought. As the financial impact of the said notice is currently unascertainable, no amount has been included in the above table.*

LITIGATION INVOLVING OUR DIRECTORS

(a) Outstanding legal proceedings against Directors

(i) Criminal proceedings

For details in relation to the criminal proceeding against our Director, Vijaykumar Murugesh Nirani, who is also a Promoter of our Company, please see "– *Litigation involving our Promoters – Outstanding legal proceedings against our Promoters – Criminal proceedings*" on page 567.

(ii) Actions by statutory or regulatory authorities

As on the date of this RHP, there are no actions taken by statutory or regulatory authorities pending against our directors.

(iii) Material Civil Proceedings

As on the date of this RHP, there are no material civil proceedings against our Directors.

(iv) Other Material Proceedings

As on the date of this RHP, there are no other material proceedings pending against our Directors.

(b) Outstanding legal proceedings by our Directors

(i) Criminal proceedings

As on the date of this RHP, there are no criminal proceedings filed by our Directors.

(ii) Material Civil Proceedings

As on the date of this RHP, there are no material civil proceedings filed by our Directors.

(iii) Other Material Proceedings

As on the date of this RHP, there are no other material proceedings initiated by our Directors.

(c) *Tax proceedings involving our Directors*

As on the date of this RHP, there are no tax proceedings involving our Directors.

LITIGATION INVOLVING OUR KMPs AND SMPs

(a) Outstanding legal proceedings against our KMPs and SMPs

(i) Criminal proceedings

For details in relation to the criminal proceeding against our KMP, Vijaykumar Murugesh Nirani, who is also a Promoter of our Company, please see "*– Litigation involving our Promoters – Outstanding legal proceedings against our Promoters – Criminal proceedings*" on page 567.

(b) Actions by statutory or regulatory authorities

As on the date of this Red Herring Prospectus, there are no outstanding actions by statutory and regulatory authorities against our KMPs and SMPs.

(c) Outstanding legal proceedings by our KMPs and SMPs

(i) Criminal proceedings

As on the date of this Red Herring Prospectus, there are no criminal proceedings initiated by our KMPs and SMPs.

LITIGATION INVOLVING OUR PROMOTERS

(d) Outstanding legal proceedings against our Promoters

(i) Criminal proceedings

State of Karnataka vs Shri Vijay Murugesh Nirani and M. S. Hattikal and Bharati Magadum (Asst. Director of Factories) ("**Respondents**"). The Petitioner had filed the Special Leave Petition on February 26, 2025 ("**SLP**") challenging the Order passed by the Karnataka High Court ("**High Court**") at Dharwad on July 26, 2023 ("**Order**") in Criminal Petition No.102303 of 2019 by which the High Court had quashed the proceedings in CC No.977 of 2019 on the file of the Civil Judge and JMFC, Mudhol in which case the Respondents were arraigned as accused for the alleged commission of offences which are made penal under Sections 7A, 2A and 92 of the Factories Act, 1948, read with

Rules 83 and 3(1) of the Karnataka Factories Rules. The High Court, in the impugned order quashed the proceedings primarily on two grounds - prior sanction as mandated under Section 105 of the Factories Act, 1948, is not obtained and civil liability is satisfied. Aggrieved by the same, the Petitioner had filed the SLP on the ground that the sanction could be obtained during the proceedings of the case also and the observation of the High Court in the impugned order that it must be prior sanction is incorrect. The Supreme Court dismissed the SLP and passed the order for restoring the criminal proceedings in C.C. No.977/2019 to its original number on the file of the learned Principal Civil Judge and J.M.F.C., Mudhol. Further, the Supreme Court has asked the Parties to appear before the Trial Court on October 6, 2025.

Castle Distributors Private Limited ("**Petitioner**") and Vijaykumar Murugesh Nirani, in his capacity as the managing director of Erstwhile Nirani Sugars Limited[*] and others ("**Respondents**") entered into an agreement dated November 22, 2013, wherein the Respondents agreed to supply 4,00,000 quintals of sugar to the Petitioner from December 2013 to March, 2014. In furtherance to the agreement, the Petitioner paid an advance amount of ₹ 2,453.03 lakhs to the Respondents. The Petitioner submitted that the Respondents supplied sugar of value amounting to only ₹ 2,157.18 lakhs and thereby leaving the Respondents with a balance amount of ₹ 295.85 lakhs ("**Balance Amount**"). The Petitioner alleged that the Respondents neither supplied the remaining quantity of sugar nor they refunded the Balance Amount. The Petitioners thereby filed a criminal complaint ("**Complaint**") under sections 34, 120B, 405, 406, 418, 420, 503 and 506 of IPC before the Learned Chief Metropolitan Magistrate, Calcutta ("**CMM Calcutta**") against the Respondents for recovery of the Balance Amount along with interest amounting to ₹ 775.13 lakhs. The Respondents submitted that the Petitioner only lifted 78,640 quintals of sugar till February 2014 wherein the Petitioner was supposed to lift 4,00,000 quintals of sugar within March 2014 causing loss amounting to ₹ 11,000 lakhs to the Respondents. The Respondents after multiple reminders in 2014 had requested the Petitioner to clear balance payment of ₹ 11,000 lakhs and lift the remaining quantity of sugar. However, due to non-performance on the part of the Petitioner, Respondents informed the Petitioner vide their reminder letter dated June 1, 2014, that the Balance Amount has been cancelled/ forfeited. CMM Calcutta, vide order dated June 8, 2023, issued summons against the Respondents ("**Impugned Order**"). The Respondents filed a criminal revision application before the High Court at Calcutta ("**Calcutta HC**") seeking, (i) directions to the Petitioner to show cause as to why the proceedings before CMM Calcutta, including the Impugned Order should not be quashed or set aside, (ii) stay on the proceedings before CMM Calcutta and all orders passed therein, including the Impugned Order. The Calcutta HC pursuant to its order dated September 8, 2023, stayed the proceedings before CMM Calcutta till December 22, 2023 and further stayed the proceedings till July 31, 2024 through its order dated May 6, 2024. The matter is currently pending and the next date of hearing before the CMM Calcutta is October 14, 2025 and the matter is running in the monthly list before the Calcutta HC.

As on the date of this Red Herring Prospectus, we do not expect this litigation against our Promoters to have a material impact on the business and financials of our Company.

[*]*As on the date of this Red Herring Prospectus, pursuant to the Scheme of Amalgamation, Erstwhile Nirani Sugars Limited stands merged with MRN Chamundi Canepower and Biorefineries Private Limited, with an appointed date of October 1, 2022. Pursuant to the Scheme of Amalgamation, on June 13, 2024, MRN Chamundi Canepower and Biorefineries Private Limited was converted into a public limited company and subsequently, the name of MRN Chamundi Canepower and Biorefineries Limited changed to Nirani Sugars Limited with a fresh certificate of incorporation consequent upon change of name granted by the Registrar of Companies, Central Processing Centre on July 15, 2024.*

(ii) Actions by statutory or regulatory authorities

As on the date of this RHP, there are no actions taken by statutory or regulatory authorities pending against our Promoters.

(iii) Disciplinary action including penalty imposed by SEBI or stock exchanges in the last five financial years including outstanding action

As on the date of this RHP, there are no disciplinary action including penalty imposed by SEBI or stock exchanges in the last five financial years including outstanding action pending against our Promoters.

(iv) Material Civil Proceedings

As on the date of this RHP, there are no material civil proceedings filed against our Promoters.

(v) Other Material Proceedings

As on the date of this RHP, there are no other material proceedings pending against our Promoters.

(e) Outstanding legal proceedings by our Promoters

(i) Criminal proceeding

As on the date of this RHP, there are no criminal proceedings filed by our Promoters.

(ii) Material Civil Proceedings

As on the date of this RHP, there are no material civil proceedings filed by our Promoters.

(iii) Other Material Proceedings

As on the date of this RHP, there are no other material proceedings initiated by our Promoters.

(f) Tax proceedings involving our Promoters

As on the date of this RHP, there are no tax proceedings involving our Promoters.

LITIGATION INVOLVING OUR GROUP COMPANIES

As on the date of this Red Herring Prospectus, there are no outstanding litigations involving our Group Companies which has a material impact on our Company.

OUTSTANDING DUES TO CREDITORS

In accordance with the Materiality Policy, creditors of our Company shall be considered to be 'material', if the amount due to such creditors is equivalent to or in excess of 1% of the trade payables of the Company as at the end of the most recent financial period covered in the Restated Financial Information, i.e. ₹485.71 lakhs, as of March 31, 2025 ("**Material Creditors**"). Accordingly, a creditor has been considered 'material' by our Company if the amount due to such creditor exceeds ₹485.71 lakhs, as on March 31, 2025.

The details of the total outstanding dues (trade payables) owed to micro, small and medium enterprises (as defined under section 2 of the Micro, Small and Medium Enterprises Development Act, 2006), Material Creditors and other creditors as on March 31, 2025 is as set forth below:

Particulars	Number of creditors	Amount involved (₹ in lakhs)
Dues to micro, small and medium enterprises	70	1,339.11
Dues to Material Creditor(s)	5	45,990.20
Dues to other creditors	292	1,241.56
Total	**367**	**48,570.87**

The details of outstanding dues to the Material Creditors as on March 31, 2025 (along with the names and amounts involved for each such Material Creditor, are available on the website of our Company) at https://www.trualtbioenergy.com/investor-relations.

MATERIAL DEVELOPMENTS

Except as disclosed in "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Significant Developments after March 31, 2025 that may affect our future results of operations*" on page 550, no circumstances have arisen since March 31, 2025, the date of the last Restated Financial Information disclosed in this Red Herring Prospectus, which may materially and adversely affect, or are likely to affect our profitability, our operations, the value of our consolidated assets or our ability to pay our material liabilities within the next 12 months.

GOVERNMENT AND OTHER APPROVALS

Disclosed below is a list of material approvals, licenses and registrations obtained by our Company to undertake its business. In view of such approvals, licenses and registrations, our Company can undertake the Offer and its business activities, as currently conducted, and disclosed in this Red Herring Prospectus. Except as disclosed herein, we have obtained all material consents, licenses, permissions, registrations and approvals, from various governmental statutory and regulatory authorities, and no further material approvals are required for carrying on the present business activities and operations of our Company. In the event any of the approvals and licenses that are required for our business operations expire in the ordinary course, we make applications for their renewal from time to time. Additionally, unless otherwise stated herein and in the section "Risk Factors - We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business and our Units, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations." on page 64, these approvals are valid as on the date of this Red Herring Prospectus. For incorporation details of our Company, see "History and Certain Corporate Matters" on page 328.

We have also disclosed below (i) approvals or renewals applied for but not received; (ii) approvals expired and renewal to be applied for; and (iii) approvals which are required but not obtained or applied for. For details in connection with the regulatory and legal framework within which our Company operates, see "Key Regulations and Policies in India" on page 321. For Offer-related approvals, see "Other Regulatory and Statutory Disclosures" on page 581. For details of risk associated with not obtaining or delay in obtaining the requisite approvals, see "Risk Factors – We are required to obtain, renew or maintain statutory and regulatory permits, licenses and approvals to operate our business and our Units, and any delay or inability in obtaining, renewing or maintaining such permits, licenses and approvals could result in an adverse effect on our results of operations." on page 64.

The objects clause of the memorandum of association enables our Company to undertake its present business activities.

APPROVALS RELATING TO THE OFFER

For details regarding the approvals and authorisations obtained by our Company in relation to the Offer, see "*Other Statutory and Regulatory Disclosures – Authority for the Offer*" on page 581.

INCORPORATION DETAILS OF OUR COMPANY

(a) Certificate of incorporation dated March 31, 2021, issued by the RoC to our Company, in the name of TruAlt Energy Limited.

(b) Fresh certificate of incorporation dated July 1, 2022 issued by the RoC to our Company, consequent upon change in name to TruAlt Bioenergy Limited.

(c) Our Company's corporate identification number is U15400KA2021PLC145978.

The approvals required to be obtained by us include the following:

TAX RELATED APPROVALS

a) Permanent Account Number being AAICT5347A issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961;

b) Tax Deduction and Collection Account Number being BLRT18232E issued by the Income Tax Department, Government of India, under the Income Tax Act, 1961; and

c) Goods and Services Tax certificate being 29AAICT5347A1ZB issued under the Goods and Service Tax Act, 2017 by the Government of India and State Governments for GST payments, as applicable.

FOREIGN TRADE RELATED APPROVALS

Import-export code being AAICT5347A issued under the Foreign Trade (Development and Regulation) Act, 1992.

MATERIAL APPROVALS IN RELATION TO OUR BUSINESS

Legal entity identifier code - 335800NWKWQHSIQNAB22 issued by Legal Entity Identifier India Limited.

MATERIAL APPROVALS IN RELATION TO OUR FACILITIES

A. TBL Unit 1

a) Material approvals in relation to business and operations of TBL Unit 1

i. Approval for expansion of distillery capacity, and environmental clearance issued by the Ministry of Environment Forest and Climate Change, Delhi, State Environment Impact Assessment Authority and State High-Level Clearance Committee of Department of Commerce and Industries of the Government of Karnataka under the Environmental (Protection) Act, 1986 and Environmental (Protection) Rules, 1986;

ii. Consent for expansion of existing distillery capacity, combined consent for discharge of affluents and emission, and consent for establishment and operation* issued by the Karnataka State Pollution Control Board under the Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981;

**One of the conditions accompanying the consent for operation issued by the Karnataka State Pollution Control Board to the Company is that it shall obtain prior permission from the Irrigation Department, Karnataka or Karnataka Neeravari Nigam Limited for drawal of river water. As mentioned below in "Material Approvals Applied for but not yet Received", the Company has applied for transfer of the above permission in its name.*

iii. Certificate of verification for weights and measurement issued by the Department of Legal Metrology, Bagalkot of Government of Karnataka under the Karnataka Legal Metrology (Enforcement) Rules, 2021;

iv. License for possession and use of molasses for the manufacture of rectified spirit issued by Excise Commissioner, Excise Department, Government of India under the Excise Rules;

v. Grant of authorisation of hazardous waste issued by the Karnataka State Pollution Control Board under the Hazardous and other Wastes (Management and Transboundary Movement) Rules, 2016;

vi. On-site emergency plan issued by the Department of Boilers, Factories, Industrial Safety and Health, Bengaluru under the Factories Act, 1948;

vii. Compliance certificate for fire fighting and fire precautionary measures issued by the Office of the Chief Fire Officer Hubli, Government of Karnataka under the Karnataka Fire Force Act, 1964;

viii. Approval of factory plan issued by the Assistant Director of Factories, Land and Records Department under the Factories Act, 1948;

ix. Certificate for use of a boiler issued by the Department of Factories, Boilers, Industrial Safety and Health of the Government of Karnataka for registration of boilers and inspection of boilers under Regulation 389 of Indian Boiler Regulations, 1950;

x. Regular interconnection approval issued by the Karnataka Power Transmission Corporation under the Central Electricity Regulatory Commission (Cross Border Trade of Electricity) Regulations, 2019;

xi. Memorandum of understanding between the Company and the Government of Karnataka under Entry 26 of 1st Schedule to Industrial Development Regulation Act, 1956 issued by the Excise Commissioner in Karnataka, Bengaluru;

xii. Petroleum Storage License issued by the Ministry of Commerce and Industry, Petroleum and Explosives Safety Organisation under the Petroleum Rules, 2002;

xiii. Factory License issued by the Department of Factories, Boilers, Industrial Safety and Health, Government of Karnataka under the Factory Act, 1948; and

xiv. Food License issued by the Food Safety and Standards Authority of India under the Food Safety and Standards Act, 2006.

b) Material labour/ employment related approvals in relation to TBL Unit 1

i. Certificate of Registration issued by the Department of Labour, Government of Karnataka under the Contract Labour (Regulation and Abolition) Act, 1970;

ii. Provident Fund Code Number Intimation issued by Employees' Provident Fund, statutory body under the Ministry of Labour and Employment under the Employees Provident Fund and Miscellaneous Provisions Act, 1952;

iii. Registration of employees of the factories and establishments issued by Employees' State Insurance Corporation under the Employee State Insurance Act, 1948; and

iv. Labour Welfare Registration issued by Karnataka Labour Welfare Board, Government of Karnataka under Karnataka Labour Welfare Fund Act, 1965.

B. TBL Unit 2

a) Material approvals in relation to business and operations of TBL Unit 2

i. Approval for expansion of distillery capacity, and environmental clearance issued by the Ministry of Environment Forest and Climate Change, Delhi, State Environment Impact Assessment Authority and State High-Level Clearance Committee of Department of Commerce and Industries of the Government of Karnataka under the Environmental (Protection) Act, 1986 and Environmental (Protection) Rules, 1986;

ii. Consent for expansion of existing distillery capacity, combined consent for discharge of affluents and emission, and consent for establishment and operation[*] issued by the Karnataka State Pollution Control Board under the Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981;

[*]*One of the conditions accompanying the consent for operation issued by the Karnataka State Pollution Control Board to the Company is that it shall obtain prior permission from the Irrigation Department, Karnataka or Karnataka Neeravari Nigam Limited for drawal of river water. As mentioned below in "Material Approvals Applied for but not yet Received", the Company has applied for transfer of the above permission in its name.*

iii. License for possession and use of molasses for the manufacture of rectified spirit issued by Excise Commissioner, Excise Department, Government of India under the Excise Rules;

iv. Compliance Certificate for the Fire Fighting and fire precautionary measures issued by Chief Fire Officer, Karnataka State Fire and Emergency Services of Government of Karnataka under the Karnataka Fire Force Act, 1964;

v. Certificate for use of a boiler issued by the Department of Factories, Boilers, Industrial Safety and Health of the Government of Karnataka for registration of boilers and inspection of boilers under Regulation 389 of Indian Boiler Regulations, 1950;

vi. Grant of authorisation of hazardous waste issued by the Karnataka State Pollution Control Board under the Hazardous and other Wastes (Management and Transboundary Movement) Rules, 2016;

vii. On-site emergency plan issued by the Department of Boilers, Factories, Industrial Safety and Health, Bengaluru under the Factories Act, 1948;

viii. Regular interconnection approval issued by the Karnataka Power Transmission Corporation under the Central Electricity Regulatory Commission (Cross Border Trade of Electricity) Regulations, 2019;

ix. Approval of factory plan issued by the Assistant Director of Factories, Land and Records Department under the Factories Act, 1948;

x. Memorandum of understanding between the Company and the Government of Karnataka under Entry 26 of 1st Schedule to Industrial Development Regulation Act, 1956 issued by the Excise Commissioner in Karnataka, Bengaluru;

xi. Petroleum Storage License issued by the Ministry of Commerce and Industry, Petroleum and Explosives Safety Organisation under the Petroleum Rules, 2002;

xii. Factory License issued by the Department of Factories, Boilers, Industrial Safety and Health, Government of Karnataka under the Factory Act, 1948;

xiii. Certificate of verification for weights and measurement issued by the Department of Legal Metrology, Bagalkot of Government of Karnataka under the Karnataka Legal Metrology (Enforcement) Rules, 2021; and

xiv. Food License issued by the Food Safety and Standards Authority of India under the Food Safety and Standards Act, 2006.

b) Material labour/ employment related approvals in relation to TBL Unit 2

i. Provident Fund Code Number Intimation issued by Employees' Provident Fund, statutory body under the Ministry of Labour and Employment under the Employees Provident Fund and Miscellaneous Provisions Act, 1952;

ii. Registration of employees of the factories and establishments issued by Employees' State Insurance Corporation under the Employee State Insurance Act, 1948;

iii. Certificate of Registration issued by the Department of Labour, Government of Karnataka under the Contract Labour (Regulation and Abolition) Act, 1970; and

iv. Labour Welfare Registration issued by Karnataka Labour Welfare Board, Government of Karnataka under Karnataka Labour Welfare Fund Act, 1965.

C. TBL Unit 3

a) Material approvals in relation to business and operations of TBL Unit 3

i. Approval for expansion of distillery capacity, and environmental clearance issued by the Ministry of Environment Forest and Climate Change, Delhi, State Environment Impact Assessment Authority and State High-Level Clearance Committee of Department of Commerce and Industries of the

Government of Karnataka under the Environmental (Protection) Act, 1986 and Environmental (Protection) Rules, 1986;

ii. Consent for establishment and operations, combined consent for discharge of affluents and emission issued by the Karnataka State Pollution Control Board under the Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981;

iii. Water lifting permission by way of an agreement dated December 8, 2022 entered between the Company and Karnataka Niravari Nigam Limited ("**KNNL**"), whereby KNNL accorded the permission for drawal of water to the Company;

iv. License for possession and use of molasses for the manufacture of rectified spirit issued by Excise Commissioner, Excise Department, Government of India under the Excise Rules;

v. Certificate for use of a boiler issued by the Department of Factories, Boilers, Industrial Safety and Health of the Government of Karnataka for registration of boilers and inspection of boilers under Regulation 389 of Indian Boiler Regulations, 1950;

vi. Certificate of verification for weights and measurement issued by the Department of Legal Metrology, Bagalkot of Government of Karnataka under the Karnataka Legal Metrology (Enforcement) Rules, 2021;

vii. Grant of authorisation of hazardous waste issued by the Karnataka State Pollution Control Board under the Hazardous and other Wastes (Management and Transboundary Movement) Rules, 2016;

viii. On-site emergency plan issued by the Department of Boilers, Factories, Industrial Safety and Health, Bengaluru under the Factories Act, 1948;

ix. Compliance certificate for fire fighting and fire precautionary measures issued by the Office of the Chief Fire Officer Hubli, Government of Karnataka under the Karnataka Fire Force Act, 1964;

x. Approval of factory plan issued by the Assistant Director of Factories, Land and Records Department under the Factories Act, 1948;

xi. Regular interconnection approval issued by the Karnataka Power Transmission Corporation under the Central Electricity Regulatory Commission (Cross Border Trade of Electricity) Regulations, 2019;

xii. Memorandum of understanding between the Company and the Government of Karnataka under Entry 26 of 1st Schedule to Industrial Development Regulation Act, 1956 issued by the Excise Commissioner in Karnataka, Bengaluru;

xiii. Petroleum Storage License issued by the Ministry of Commerce and Industry, Petroleum and Explosives Safety Organisation under the Petroleum Rules, 2002;

xiv. Factory License issued by the Department of Factories, Boilers, Industrial Safety and Health, Government of Karnataka under the Factory Act, 1948; and

xv. Food License issued by the Food Safety and Standards Authority of India under the Food Safety and Standards Act, 2006.

b) Material labour/ employment related approvals in relation to TBL Unit 3

i. Provident Fund Code Number Intimation issued by Employees' Provident Fund, statutory body under the Ministry of Labour and Employment under the Employees Provident Fund and Miscellaneous Provisions Act, 1952;

ii. Labour Welfare Registration issued by Karnataka Labour Welfare Board, Government of Karnataka under Karnataka Labour Welfare Fund Act, 1965;

iii. Registration of employees of the factories and establishments issued by Employees' State Insurance Corporation under the Employee State Insurance Act, 1948; and

iv. Certificate of Registration issued by the Department of Labour, Government of Karnataka under the Contract Labour (Regulation and Abolition) Act, 1970.

D. TBL Unit 4

a) Material approvals in relation to business and operations of TBL Unit 4

i. Environmental clearance issued by the Ministry of Environment Forest and Climate Change, Delhi, State Environment Impact Assessment Authority and State High-Level Clearance Committee of Department of Commerce and Industries of the Government of Karnataka under the Environmental (Protection) Act, 1986 and Environmental (Protection) Rules, 1986;

ii. Consent for establishment and operations*, combined consent for discharge of affluents and emission issued by the Karnataka State Pollution Control Board under the Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981;

**One of the conditions accompanying the consent for operation issued by the Karnataka State Pollution Control Board to the Company is that it shall obtain prior permission from the Irrigation Department, Karnataka or Karnataka Neeravari Nigam Limited for drawal of river water. As mentioned below in "Material Approvals Applied for but not yet Received", the Company has applied for the water lifting license.*

iii. Memorandum of understanding between the Company and the Government of Karnataka under Entry 26 of 1st Schedule to Industrial Development Regulation Act, 1956 issued by the Excise Commissioner in Karnataka, Bengaluru;

iv. Compliance certificate for fire fighting and fire precautionary measures issued by the Office of the Chief Fire Officer Hubli, Government of Karnataka under the Karnataka Fire Force Act, 1964;

v. License for possession and use of molasses for the manufacture of rectified spirit issued by Excise Commissioner, Excise Department, Government of India under the Excise Rules;

vi. Certificate of verification for weights and measurement issued by the Department of Legal Metrology, Bagalkot of Government of Karnataka under the Karnataka Legal Metrology (Enforcement) Rules, 2021;

vii. Grant of authorisation of hazardous waste issued by the Karnataka State Pollution Control Board under the Hazardous and other Wastes (Management and Transboundary Movement) Rules, 2016;

viii. On-site emergency plan issued by the Department of Boilers, Factories, Industrial Safety and Health, Bengaluru under the Factories Act, 1948;

ix. Approval of factory plan issued by the Assistant Director of Factories, Land and Records Department under the Factories Act, 1948;

x. Petroleum Storage License issued by the Ministry of Commerce and Industry, Petroleum and Explosives Safety Organisation under the Petroleum Rules, 2002; and

xi. Regular interconnection approval issued by the Karnataka Power Transmission Corporation under the Central Electricity Regulatory Commission (Cross Border Trade of Electricity) Regulations, 2019.

b) Material labour/ employment related approvals in relation to TBL Unit 4

i. Certificate of Registration issued by the Department of Labour, Government of Karnataka under the Contract Labour (Regulation and Abolition) Act, 1970.

ii. Labour Welfare Registration issued by Karnataka Labour Welfare Board, Government of Karnataka under Karnataka Labour Welfare Fund Act, 1965;

iii. Registration of employees of the factories and establishments issued by Employees' State Insurance Corporation under the Employee State Insurance Act, 1948; and

iv. Certificate of Registration issued by the Department of Labour, Government of Karnataka under the Contract Labour (Regulation and Abolition) Act, 1970.

E. TBL Unit 5

a) Material approvals in relation to business and operations of TBL Unit 5

i. Environmental clearance issued by the Ministry of Environment Forest and Climate Change, Delhi, State Environment Impact Assessment Authority and State High-Level Clearance Committee of Department of Commerce and Industries of the Government of Karnataka under the Environmental (Protection) Act, 1986 and Environmental (Protection) Rules, 1986; and

ii. Consent for establishment issued by the Karnataka State Pollution Control Board.

b) Material labour/ employment related approvals in relation to TBL Unit 5

i. Certificate of Registration issued by the Department of Labour, Government of Karnataka under the Contract Labour (Regulation and Abolition) Act, 1970.

Except as disclosed in "*Risk Factors – **T**here have been delays in payment of statutory dues by our Company and our Subsidiary in Fiscals 2023, 2024 and 2025. Inability to make timely payment/ default in payment of statutory dues may attract penalties and in turn have a material adverse impact on our business, results of operations and financial condition*", on page 72, there have been no delays in payment of Employee State Insurance Corporation, Provident Fund, Income Tax and other statutory dues by our Company in Fiscals 2023, 2024 and 2025.

INTELLECTUAL PROPERTY RELATED APPROVALS

Trademarks

As on the date of this Red Herring Prospectus, our Company has registered 1 trademark, for which we have obtained valid registration certificates under various classes from the Trade Marks Registry, Government of India under the Trade Marks Act, 1999, as amended.

Registered Trademark	Class of Trademark under the Trade Marks Act, 1999	Registering Authority	Valid up to
TRUALT BIOENERGY	4	Trade Marks Registry, Mumbai	March 10, 2032

In addition to the registered trademark as above, our Company has made applications for registration of the following trademarks:

Trademark applied for	Class of Trademark under the Trade Marks Act, 1999	Registering Authority
	1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44 and 45	Trade Marks Registry, Mumbai

MATERIAL APPROVALS REQUIRED AND YET TO BE APPLIED

TBL UNIT 1

Nil

TBL UNIT 2

Nil

TBL UNIT 3

Nil

TBL UNIT 4

Nil

TBL UNIT 5

Nil

MATERIAL APPROVALS APPLIED FOR BUT NOT YET RECEIVED

TBL UNIT 1

Nature of approval	Issuing authority	Date of acknowledgement of application
Water lifting license*	Water Resources Department, Government of Karnataka	August 16, 2022

* *We have applied for change of name from Erstwhile Nirani Sugars Limited to TBL Unit 1. As on the date of this Red Herring Prospectus, the application for change of name is currently pending.*

TBL UNIT 2

Nature of approval	Issuing authority	Date of acknowledgement of application
Water lifting license*	Water Resources Department, Government of Karnataka	June 03, 2023

* *We have applied for change of name from Shri Sai Priya Sugars Limited to TBL Unit 2. As on the date of this Red Herring Prospectus, the application for change of name is currently pending.*

TBL UNIT 3

Nil

TBL UNIT 4

Nature of approval	Issuing authority	Date of acknowledgement of application
Water lifting license	Water Resources Department, Government of Karnataka	July 17, 2023

TBL UNIT 5

Nil

MATERIAL APPROVALS WHICH HAVE EXPIRED FOR WHICH RENEWAL APPLICATIONS HAVE BEEN MADE

TBL UNIT 1

Nature of approval	Issuing authority	Date of acknowledgement of application
Approval by the State High-Level Clearance Committee	Department of Commerce and Industries of the Government of Karnataka	March 26, 2025

TBL UNIT 2

Nature of approval	Issuing authority	Date of acknowledgement of application
Approval by the State High-Level Clearance Committee	Department of Commerce and Industries of the Government of Karnataka	March 26, 2025

TBL UNIT 3

Nature of approval	Issuing authority	Date of acknowledgement of application
Approval by the State High-Level Clearance Committee	Department of Commerce and Industries of the Government of Karnataka	March 26, 2025

TBL UNIT 4

Nature of approval	Issuing authority	Date of acknowledgement of application
Approval by the State High-Level Clearance Committee	Department of Commerce and Industries of the Government of Karnataka	March 26, 2025

TBL UNIT 5

Nature of approval	Issuing authority	Date of acknowledgement of application
Approval by the State High-Level Clearance Committee	Department of Commerce and Industries of the Government of Karnataka	March 26, 2025

MATERIAL APPROVAL WHICH HAS EXPIRED AND FOR WHICH RENEWAL APPLICATION IS YET TO BE MADE

TBL UNIT 1

Nil

TBL UNIT 2

Nil

TBL UNIT 3

Nil

TBL UNIT 4

Nil

TBL UNIT 5

Nil

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Corporate Approvals

1. Our Board of Directors has authorised the Offer by a resolution passed in their meeting held on August 3, 2024.

2. Our Shareholders have approved and authorised the Fresh Issue by way of a special resolution passed at their annual general meeting held on August 10, 2024.

3. The Draft Red Herring Prospectus was approved by our Board through its resolution in its meeting dated August 16, 2024.

4. This Red Herring Prospectus was approved by our Board through its resolution in its meeting dated September 19, 2025.

Approval from the Selling Shareholders

Our Board took on record the approval for the Offer for Sale for the Offered Shares by the Selling Shareholders pursuant to resolutions dated August 16, 2024 and September 6, 2025. The Selling Shareholders specifically confirm that they are in compliance with Regulations 8 of the SEBI ICDR Regulations.

Each of the Selling Shareholder severally and not jointly, has consented to participate in the Offer for Sale. The details of their respective Offered Shares are as follows:

Sr. No.	Name of the Selling Shareholder	Number of Offered Shares	Date of the consent letter to participate in the Offer for Sale
1.	Dhraksayani Sangamesh Nirani	Up to 9,00,000 Equity Shares of face value of ₹ 10 each	September 6, 2025
2.	Sangamesh Rudrappa Nirani	Up to 9,00,000 Equity Shares of face value of ₹ 10 each	September 6, 2025

In-principle Listing Approvals

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares of face value of ₹10 each, pursuant to letters each dated November 5, 2024.

Prohibition by the SEBI or other Governmental Authorities

Our Company, the Selling Shareholders, our Promoters, our Directors, the members of the Promoter Group and the persons in control of our Company have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

Compliance with the Companies (Significant Beneficial Owners) Rules, 2018

Our Company, our Promoters, the members of the Promoter Group and each of the Selling Shareholders severally and not jointly confirm that they are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent applicable, as on the date of this Red Herring Prospectus.

Directors associated with the Securities Market

None of our Directors are, in any manner, associated with the securities market and there is no outstanding action initiated by SEBI against any of our Directors in the five years preceding the date of this Red Herring Prospectus.

Eligibility for the Offer

Our Company is eligible to undertake the Offer in accordance with the eligibility criteria provided in Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

(i) Our Company has had net tangible assets of at least three crore rupees, calculated on a restated and consolidated basis, in each of the preceding three full years of which not more than 50% are held in monetary assets;
(ii) Our Company has had an average operating profit of at least fifteen crore rupees, calculated on a restated and consolidated basis, during the preceding three years with operating profit in each of these preceding years;
(iii) Our Company has had a net worth of at least one crore rupees in each of the preceding three full years, calculated on a restated and consolidated basis; and
(iv) Our Company has not changed its name in the last one year immediately preceding the date of this Red Herring Prospectus.

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, operating profits and net worth, derived from the Restated Financial Information included in this Red Herring Prospectus as at, and for the last three Fiscals are set forth below:

(*in ₹ lakhs, unless otherwise stated*)

Particulars	As at and for the Fiscal ended		
	March 31, 2025	**March 31, 2024**	**March 31, 2023**
Restated Net tangible assets [(1)] (A)	62, 147.16	11,351.88	8,755.06
Restated Monetary assets [(2)] (B)	14,977.64	2,335.04	477.91
Monetary assets as a % of net tangible assets, as restated (in %) (C) + (B) / (A)*100	24.10%	20.57%	5.46%
Operating profit, as restated [(3)]	24,225.01	13,116.77	8,429.57
Average operating profit, as restated	15,257.12		
Net worth, as restated [(4)]	76,899.90	26,460.71	24,049.47

Notes:

(1) "Net tangible assets" means the sum of all net assets of the Company as per the Restated Financial Information, excluding Intangible Assets (as per IND AS -26 or IND AS- 38), as defined under the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015)

(2) "Monetary assets" are defined as amounts of 'Cash and Cash equivalents' as per the Restated Financial Information, (only cash in hand, cheques on hand, balance with bank in current accounts have been considered)

(3) "Operating Profit" means restated profit before tax excluding other income, finance costs and exceptional items.

(4) "Net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and Securities Premium Account and debit or credit balance of Profit and Loss Account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

Our Company confirms that it is in compliance with the conditions specified in Regulation 5 and 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

The Selling Shareholders confirm compliance with and will comply with the conditions specified in Regulation 8 of the SEBI ICDR Regulations.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000, failing which, the entire application money will be refunded forthwith.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. The details of compliance with Regulation 5 and 7(1) of the SEBI ICDR Regulations are as follows:

a. Neither our Company nor the Promoters, members of the Promoter Group, or the Directors or any of the Selling Shareholders are debarred from accessing the capital markets by the SEBI.

b. None of the Promoters or the Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.

c. None of the Promoters or the Directors has been declared a fugitive economic offender.

d. Other than as disclosed in this Red Herring Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares of face value of ₹ 10 each, as on the date of this Red Herring Prospectus.

e. None of our Company, our Promoters or Directors is a Wilful Defaulter or Fraudulent Borrower by any bank or financial institution or consortium thereof in accordance with the Reserve Bank of India (Treatment of Wilful Defaulters and Large Defaulters) Directions, 2024.

We are eligible to undertake the Offer as per Rule 19(2)(b) of the SCRR read with Regulations 6(1) of the SEBI ICDR Regulations. Accordingly, in accordance with Regulation 32(1) of the SEBI ICDR Regulations we are required to allot not more than 50% of the Offer to QIBs. Further, subject to availability of Equity Shares in the respective categories, not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to RIBs, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. In the event we fail to do so, the full application money shall be refunded to the Bidders.

The Selling Shareholders confirm that the Equity Shares offered by each Selling Shareholder as part of the Offer for Sale have been held in compliance with Regulations 8 of the SEBI ICDR Regulations and that they are the legal and beneficial owners of the Offered Shares.

DISCLAIMER CLAUSE OF THE SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BRLM(s), DAM CAPITAL ADVISORS LIMITED AND SBI CAPITAL MARKETS LIMITED ("BRLMs"), HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMs HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED AUGUST 16, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.

THE FILING OF THE DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BRLMs, ANY IRREGULARITIES OR LAPSES IN THE DRAFT RED HERRING PROSPECTUS.

The filing of the Draft Red Herring Prospectus also does not absolve the Selling Shareholders from any liabilities to the extent of the statements specifically made or confirmed by themselves in respect of themselves and of their respective Offered Shares, under Section 34 or Section 36 of Companies Act, 2013.

All legal requirements pertaining to the Offer have been complied with at the time of registering this Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30, 32, 33(1) and 33(2) of the Companies Act, 2013.

Disclaimer from our Company, the Directors, the Selling Shareholders and the BRLMs

Our Company, the Directors, the Selling Shareholders and the BRLMs accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.trualtbioenergy.com, would be doing so at his or her own risk. The Selling Shareholders, their respective directors, affiliates, associates, and officers, as applicable, accept no responsibility for any statements made in this Red Herring Prospectus, other than those specifically made or confirmed by the Selling Shareholder in relation to itself as a Selling Shareholder and their respective portion of the Offered Shares.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and as will be provided for in the Underwriting Agreement dated [●], 2025 entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company, the Selling Shareholders, severally and not jointly (only with respect to itself and its respective portion of the Offered Shares) and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding Centres or elsewhere.

None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise, or (ii) the blocking of the Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on the account of any errors, omissions or non-compliance by various parties involved, or any other fault, malfunctioning, breakdown or otherwise, in the UPI Mechanism.

Investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives, as applicable, that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Disclaimer in respect of Jurisdiction

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Bengaluru, Karnataka only.

The Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, other corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Mutual Funds registered with the SEBI, VCFs, AIFs, public financial institutions as specified under Section 2(72) of the Companies Act, scheduled commercial banks, state industrial development corporation, permitted national investment funds, NBFC-SIs, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to permission from the RBI), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, multilateral and bilateral development financial institutions, state industrial development corporations, insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, National Investment Fund, permitted insurance companies and pension funds with minimum corpus of ₹2,500 lakhs registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013, insurance funds set up and managed by the army, navy or air force and insurance funds set up and managed by the Department of Posts, Government

of India) and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

The Draft Red Herring Prospectus does not constitute an invitation to subscribe to, offer to sell or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to this Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises this Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India. **No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.**

No action has been or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus has been filed with SEBI for its observations. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus, nor any offer or sale hereunder, shall, under any circumstances, create any implication that there has been no change in our affairs or in the affairs of the Selling Shareholders from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

Eligibility and Transfer Restrictions

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those 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.

Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

Disclaimer Clause of BSE

As required, a copy of the Draft Red Herring Prospectus was submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of the Draft Red Herring Prospectus, has been included in this Red Herring Prospectus and will be included in the Prospectus prior to the RoC filing.

*"BSE Limited ("**the Exchange**") has given vide its letter dated March 4, 2025, permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:*

a. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or

b. warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or

c. *take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company.*

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever."

Disclaimer Clause of the NSE

As required, a copy of the Draft Red Herring Prospectus was submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of the Draft Red Herring Prospectus, has been included in this Red Herring Prospectus and will be included in the Prospectus prior to the RoC filing.

"As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/4661 dated December 18, 2024, permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.

Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever."

Listing

The Equity Shares issued through this Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. Applications will be made to the Stock Exchanges for obtaining permission for listing and trading of the Equity Shares. BSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in pursuance of this Red Herring Prospectus in accordance with applicable law. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of Equity Shares at the Stock Exchanges are taken within three Working Days from the Bid/Offer Closing Date or such period as may be prescribed by SEBI.

If our Company does not allot Equity Shares pursuant to the Offer within two Working Days from the Bid / Offer Closing Date or within such timeline as prescribed by SEBI, it shall repay without interest all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period. For avoidance of doubt, no liability to make any payment of interest or expenses shall accrue to any Selling Shareholder unless the delay in making any of the payments/refund hereunder or the delay in obtaining listing or trading approvals or any other approvals in relation to the Offer is caused solely by, and is directly attributable to, an act or omission of such Selling Shareholder and to the extent of their portion of the Offered Shares.

Each of the Selling Shareholders undertake to provide such reasonable assistance as may be requested by our Company, to the extent such assistance is required from such Selling Shareholders in relation to the Offered Shares to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges within such time prescribed by SEBI.

Consents

Consents in writing of (a) the Selling Shareholders, our Directors, our Chief Financial Officer, our Company Secretary and Compliance Officer, the Statutory Auditors, the legal counsel to the Company appointed for the Offer, lenders to our Company, CRISIL, the bankers to our Company, the BRLMs and Registrar to the Offer, to act in their respective capacities, have been obtained; and (b) the Syndicate Members, Monitoring Agency, Bankers to the Offer/Escrow Bank, Public Offer Bank, Sponsor Bank(s) and Refund Bank to act in their respective capacities, has been obtained and filed along with a copy of this Red Herring Prospectus with the RoC, as required under Sections 26 and 32 of the Companies Act, 2013. Further, such consents received prior to filing of this Red Herring Prospectus have not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent from S. P. Ghali & Co, Company Secretaries, through their certificate dated September 19, 2025, in respect of their certificate on the capital structure of the Company, obtained in connection with the Offer and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Experts

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

Our Company has received the written consent dated September 19, 2025 from N.M. Raiji & Co., chartered accountants, holding a valid peer review certificate from ICAI, to include their name as required under section 26 (1) and section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated May 13, 2025 on our Restated Financial Information and their assurance report on our proforma financial statements dated May 3, 2024; (ii) proforma financial statements; (iii) their report dated September 6, 2025 on the statement of special tax benefits available to the Company and its shareholders; and (iv) the certificates issued by them, in this Red Herring Prospectus, and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent dated September 6, 2025 from Anudeep Krishna B, as chartered engineer to include his name as required under section 26 (1) and section 26 (5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Red Herring Prospectus and as an "expert" as defined under the Section 2(38) of Companies Act, 2013 in respect of his certificate dated September 6, 2025 on our Company's manufacturing capacity and its utilization at certain manufacturing facilities, and such consent has not been withdrawn as on the date of this Red Herring Prospectus.

Our Company has received written consent dated September 5, 2025 from ITCOT Limited, detailed project report agency, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations in this Red Herring Prospectus and as an 'expert' as defined under Section 2(38) of Companies Act, 2013 in respect of the ITCOT DPR issued by them in their capacity as a detailed project report agency to our Company.

However, the term "expert" and the consent thereof shall not be construed to mean an "expert" or consent within the meaning as defined under the U.S. Securities Act.

Particulars regarding public or rights issues by our Company during the last five years

Our Company has not made any public issue or rights issue (each as defined under the SEBI ICDR Regulations) during the five years immediately preceding the date of this Red Herring Prospectus.

Underwriting commission, brokerage and selling commission paid on previous issues of the Equity Shares in the last five years

Since this is the initial public issue of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the last five years preceding the date of this Red Herring Prospectus.

Capital issue by our Company, listed group companies, subsidiaries and associates during the previous three years

As on the date of this Red Herring Prospectus, our Company does not have any listed group companies, listed associates and listed Subsidiary. For details in relation to the capital issuances by our Company since incorporation, see "*Capital Structure*" at page 117.

Performance vis-à-vis objects – Public/ rights issue of our Company

Our Company has not undertaken any public issue in the five years preceding the date of this Red Herring Prospectus. Other than as disclosed in the section *"Capital Structure*" on page 117, our Company has not undertaken any rights issues in the five years immediately preceding the date of this Red Herring Prospectus.

Performance vis-à-vis objects – Public/ rights issue of the listed Subsidiary / Promoters of our Company

As on the date of this Red Herring Prospectus, our Subsidiary has no securities listed on any stock exchange. Further, our Company does not have a corporate Promoter.

Exemption under securities laws

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

Past price Information of past issues handled by the BRLMs

A. DAM Capital Advisors Limited

1. Price information of past issues (during current Financial Year and two Financial Years preceding the current Financial Year) handled by DAM Capital Advisors Limited:

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar day from listing
1	JSW Cement Limited(1)	36,000.00	147.00	August 14, 2025	153.50	+1.17%, [+1.96%]	NA	NA
2	All Time Plastics Limited(2)	4,006.03	275.00**	August 14, 2025	314.30	-0.67%, [+1.62%]	NA	NA
3	M & B Engineering Limited(1)	6,500.00	385.00&	August 06, 2025	385.00	+6.71%, [+0.65%]	NA	NA
4	Sanathan Textiles Limited(1)	5,500.00	321.00	December 27, 2024	422.30	+6.32%, [-3.03%]	+13.86% [-1.37%]	+39.53%, [+5.17%]
5	One Mobikwik Systems Limited(1)	5,720.00	279.00	December 18, 2024	440.00	+69.48%, [-3.67%]	-11.00% [-6.98%]	-4.34%, [+2.15%]
6	Afcons Infrastructure Limited(1)	54,300.00	463.00^	November 4, 2024	426.00	+6.56%, [+1.92%]	+2.03%, [-2.03%]	-9.29%, [+1.46%]
7	Bansal Wire Industries Limited(1)	7,450.00	256.00	July 10, 2024	356.00	+37.40%, [-0.85%]	+61.17%, [+1.94%]	+76.88%, [-1.31%]
8	Le Travenues Technology Limited(2)	7,401.02	93.00	June 18, 2024	135.00	+86.34%, [+4.42%]	+67.63%, [+7.23%]	+65.59%, [+6.25%]
9	Entero Healthcare Solutions Limited(2)	16,000.00	1,258.00#	February 16, 2024	1,245.00	-19.65%, [+0.30%]	-19.84%, [+0.77%]	-2.19%, [+9.02%]

Sr. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar day from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar day from listing
10	Capital Small Finance Bank Limited(2)	5230.70	468.00	February 14, 2024	435.00	-25.25%, [+1.77%]	-26.09%, [+1.33%]	-31.44%, [+10.98%]

Source: www.nseindia.com and www.bseindia.com
A discount of ₹ 119 per equity share was provided to eligible employees bidding in the employee reservation portion
^ A discount of ₹ 44 per equity share was provided to eligible employees bidding in the employee reservation portion.
& A discount of ₹ 36 per equity share was provided to eligible employees bidding in the employee reservation portion.
*** A discount of ₹ 26 per equity share was provided to eligible employees bidding in the employee reservation portion*
(1) NSE was the designated stock exchange for the said issue.
(2) BSE was the designated stock exchange for the said issue.

Notes:

(a) Issue size derived from prospectus / basis of allotment advertisement, as applicable
(b) Price on NSE or BSE is considered for the above calculations as per the designated stock exchange disclosed by the respective issuer at the time of the issue, as applicable
(c) % of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th/ 90th / 180th calendar day from listing day.
(d) Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.
(e) The Nifty 50 or S&P BSE SENSEX index is considered as the benchmark index as per the designated stock exchange disclosed by the respective issuer at the time of the issue, as applicable
(f) Not applicable – Period not completed

2. Summary statement of price information of past issues (during current Financial Year and two Financial Years preceding the current Financial Year) handled by DAM Capital Advisors Limited:

Financial Year	Total no. of IPOs	Total funds raised (₹ in millions)	Nos. of IPOs trading at discount - as on 30th calendar days from listing date			Nos. of IPOs trading at premium - as on 30th calendar days from listing date			Nos. of IPOs trading at discount - as on 180th calendar days from listing date			Nos. of IPOs trading at premium - as on 180th calendar days from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2025-26	3	46,506.03	NA	NA	1	NA	NA	2	NA	NA	NA	NA	NA	NA
2024-25	5	80,371.02	-	-	-	2	1	2	-	-	2	2	1	-
2023-24	9	87,066.85	-	1	5	-	1	2	-	2	1	1	-	5

Source: www.nseindia.com and www.bseindia.com
Notes:
a. The information is as on the date of this offer document
b. The information for each of the financial years is based on issues listed during such financial year.

c. Since 30 or 180 calendar days from listing date has not elapsed for few issues, hence data for same is not available.

B. SBI Capital Markets Limited

(i) Price information of past public issues (during the current Fiscal and the two Fiscals immediately preceding the current Financial Year) handled by SBI Capital Markets Limited:

Sr. No.	Issue Name**	Issue Size (₹ Mn.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1	JSW cement Limited#	36,000.00	147.00	August 14, 2025	153.00	+1.17% [+1.96%]	-	-
2	National Securities Depository Limited@(1)	40,109.54	800.00	August 06, 2025	880.00	+54.48% [+0.22%]	-	-
3	Schloss Bangalore Limited#	35,000.00	435.00	June 02, 2025	406.00	-6.86% [+3.34%]	-8.17% [-1.17%]	-
4	Belrise Industries Limited#	21,500.00	90.00	May 28, 2025	100.00	+14.08% [+3.22%]	+58.30% [+0.87%]	-
5	Ajax Engineering Limited#(2)	1,269.35	629.00	February 17, 2025	576.00	-2.86% [-0.55%]	+6.78% [+8.97%]	+12.42% [7.28%]
6	Laxmi Dental Limited@	6980.58	428.00	January 20, 2025	528.00	-18.04% [-1.44%]	-4.98% [+1.92%]	+12.24% [+6.08%]
7	Ventive Hospitality Limited#(3)	16,000.00	643.00	December 30, 2024	716.00	+5.51% [-2.91%]	+10.80% [-0.53%]	+7.10% [+8.43%]
8	International Gemmological Institute (India) Limited#(4)	42,250.00	417.00	December 20, 2024	510.00	+24.24% [-1.63%]	-21.39% [-2.88%]	-11.45% [+5.37%]
9	One Mobikwik Systems Limited #	5,720.00	279.00	December 18, 2024	440.00	+69.50% [-3.67%]	-11.00% [-6.98%]	-4.34% [+2.15%]
10	Suraksha Diagnostic Limited@	8,462.49	441.00	December 06, 2024	437.00	-14.32% [-2.81%]	-37.11% [-9.54%]	-23.90% [-0.95%]

Source: www.nseindia.com and www.bseindia.com

Notes:

** The 30th, 90th and 180th calendar day computation includes the listing day. If either of the 30th, 90th or 180th calendar days isa trading holiday, the previous trading day is considered for the computation. We have taken the issue price to calculate the % change in closing price as on 30th, 90th and 180th day. We have taken the closing price of the applicable benchmark index as on the listing day to calculate the % change in closing price of the benchmark as on 30th, 90th and 180th day.*

*** The information is as on the date of this document.*

* *The information for each of the financial years is based on issues listed during such financial year.*
@ *The S&P BSE SENSEX index is considered as the Benchmark Index, BSE being the designated stock exchange*
The Nifty 50 index is considered as the Benchmark Index, NSE being the designatsed stock exchange

1. *Price for eligible employee was ₹ 724.00 per equity share*
2. *Price for eligible employee was ₹ 570.00 per equity share*
3. *Price for eligible employee was ₹ 613.00 per equity share*
4. *Price for eligible employee was ₹ 378 per equity share*

(ii) Summary statement of price information of past public issues (during the current Fiscal and the two Fiscals immediately preceding the current Financial Year):

Financial Year	**Total no. of IPOs #**	**Total amount of funds raised (₹ Mn.)**	**No. of IPOs trading at discount - 30th calendar days from listing**			**No. of IPOs trading at premium - 30th calendar days from listing**			**No. of IPOs trading at discount - 180th calendar days from listing**			**No. of IPOs trading at premium - 180th calendar days from listing**		
			Over 50%	**Between 25-50%**	**Less than 25%**	**Over 50%**	**Between 25-50%**	**Less than 25%**	**Over 50%**	**Between 25-50%**	**Less than 25%**	**Over 50%**	**Between 25-50%**	**Less than 25%**
2025-26*	4	1,32,609.54	-	-	1	1	-	2	-	-	-	-	-	-
2024-25	16	4,00,550.30	-	-	6	6	3	1	-	1	5	5	1	4
2023-24	12	1,32,353.46	-	-	6	2	3	1	-	-	3	5	2	2

* *The information is as on the date of this Offer Document.*
Date of Listing for the issue is used to determine which financial year that particular issue falls into

Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified under Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, see the websites of the BRLMs mentioned below.

BRLMs	Website
DAM Capital Advisors Limited	www.damcapital.in
SBI Capital Markets Limited	www.sbicaps.com

For further details in relation to the BRLMs, see "*General Information – Book Running Lead Managers*" on page 107.

Stock Market Data of Equity Shares

This being an initial public offer of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange as on the date of this Red Herring Prospectus, and accordingly, no stock market data is available for the Equity Shares.

Mechanism for redressal of investor grievances

SEBI, by way of its SEBI ICDR Master Circular has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts and invoice in the inbox by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) periodic sharing of statistical details of mandate blocks/unblocks, performance of apps and UPI handles, network latency or downtime, etc., by the Sponsor Bank to the intermediaries forming part of the closed user group vide email; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members only to once per Bid; and (v) mandating SCSBs to ensure that the unblock process for non-allotted/partially allotted applications is completed by the closing hours of one Working Day subsequent to the finalisation of the Basis of Allotment.

The agreement between the Registrar to the Offer, our Company and the Selling Shareholders provides for retention of records with the Registrar to the Offer for a minimum period of eight years from the last date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

Bidders can contact the Company Secretary and Compliance Officer, the BRLMs and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLMs or the Registrar to the Offer, in the manner provided below.

All Offer related grievances, other than by Anchor Investors, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary, with whom the ASBA Form was submitted, quoting the full name of the sole or first Bidder, ASBA Form number, Bidders' DP ID, Client ID, UPI ID, PAN, address of the Bidder, number of Equity Shares applied for, date of ASBA Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number (for Bidders other than UPI Bidders) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of UPI Bidders. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents / information mentioned hereinabove. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. For offer related grievances, investors may contact the Book Running Lead Managers, details of which are given in "*General Information*" on page 106.

As per the SEBI ICDR Master Circular, SEBI has identified the need to put in place measures, in order to streamline the processing of ASBA applications through the UPI Mechanism and redressal of investor grievances arising out of the UPI Mechanism inter alia in relation to delay in receipt of mandates by Bidders for blocking of funds due to systemic issues faced by Designated Intermediaries / SCSBs and failure to unblock funds for cancelled / withdrawn / deleted cases in the stock exchange platforms, failure to unblock funds in cases of by the next working day from the finalisation of basis of allotment, failure to unblock the funds in cases of non-allotment by the Issue Closing Date, SCSBs blocking multiple amounts for the same UPI mechanism, and SCSBs blocking

more amount in the investors' accounts than the application amount. The compensation to investors for delay in unblocking of ASBA application monies (if any) shall be computed from T+3 day.

As per the SEBI ICDR Master Circular, SEBI has prescribed certain mechanisms to ensure proper management of investor issues arising out of the UPI Mechanism, including: (i) identification of a nodal officer by SCSBs for the UPI Mechanism; (ii) delivery of SMS alerts by SCSBs for blocking and unblocking of UPI Mandate Requests; (iii) periodic sharing of statistical details of mandate blocks / unblocks, performance of apps and UPI handles, network latency or downtime, etc., by the Sponsor Bank to the intermediaries forming part of the closed user group vide email; (iv) limiting the facility of reinitiating UPI Bids to Syndicate Members to once per Bid / Batch; and (v) mandating SCSBs to ensure that the unblock process for non-allotted / partially allotted applications is completed by the closing hours of one Working Day subsequent to the finalisation of the Basis of Allotment.

In case of any delay in redressal of the investor grievance in relation to unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding two Working Days from the Bid/ Offer Closing Date, in accordance with the SEBI ICDR Master Circular, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the application amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI ICDR Master Circular, and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum or such other rate of interest as may be prescribed under applicable law for any delay beyond this period of 15 days. The following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount; and 2. ₹100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount; and 2. ₹100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted / partially Allotted applications	₹100 per day or 15% per annum of the Bid Amount, whichever is higher	From three Working Days from Bid/Offer Closing Date t till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the Book Running Lead Managers shall be liable to compensate the investor ₹100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with the SEBI ICDR Master Circular and SEBI RTA Master Circular.

Further, in terms of SEBI ICDR Master Circular, the payment of processing fees to the SCSBs shall be undertaken pursuant to an application made by the SCSBs to the BRLMs, and such application shall be made only after (i) unblocking of application amounts for each application received by the SCSB has been fully completed, and (ii) applicable compensation relating to investor complaints has been paid by the SCSB.

Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, name and address of the Book Running Lead Managers, unique transaction reference number, the name of the relevant bank, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

Disposal of investor grievances by our Company

Our Company has obtained authentication on the SCORES in terms of the SEBI circular SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated 20 September 2023, in relation to redressal of investor grievances through SCORES.

Our Company has also constituted a Stakeholders' Relationship Committee, comprising of Kanekal Chandrasekhar, Mallikarjun Bhimappa Dyaberi and Anand Murugan Jakkampati Durairaj, to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For details of our Stakeholders' Relationship Committee, see "*Our Management*" on page 352.

Our Company has also appointed Deepak Kumar Gulati, Company Secretary of our Company, as the Compliance Officer for the Offer. For details, "*General Information*" on page 106. Each of the Selling Shareholders, severally and not jointly, has authorised the Company Secretary and Compliance Officer of the Company, and the Registrar to the Offer to deal with, on their behalf, any investor grievances received in the Offer in relation to their respective portion of the Offered Shares.

Our Company has not received any investor complaint during the three years preceding the date of this Red Herring Prospectus.

Further, no investor complaint in relation to our Company is pending as on the date of this Red Herring Prospectus.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Exemptions from complying with any provision of securities laws, if any, granted by SEBI

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

For details in relation to the compounding applications and settlement application filed by Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited), one of our Group Companies, see *"Risk Factors – Our erstwhile group companies have made certain allotments of Equity Shares where the allotment was made to more than 49 persons, which have been compounded pursuant to compounding application filed by our Group Company before the National Company Law Tribunal, Bengaluru bench. Our Group Company had also filed a settlement application with the Securities and Exchange Board of India, and a settlement order has been passed with regard to any proceedings that may be initiated in respect of this matter."* on page 40.

SECTION VII: OFFER RELATED INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued, offered and Allotted pursuant to this Offer shall be subject to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI ICDR Regulations, the SEBI Listing Regulations, our Memorandum of Association and Articles of Association, the terms of this Red Herring Prospectus, the Prospectus, the Abridged Prospectus, the Bid cum Application Form, the Revision Form, the CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital, Offer for Sale and listing and trading of securities offered from time to time by SEBI, the GoI, the Stock Exchanges, the RoC, and/or other authorities, as in force on the date of this Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the GoI, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Offer, to the extent and for such time as these continue to be applicable.

The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders.

Other than the listing fees and legal counsel fees for Selling Shareholders, which shall be solely borne by the Company and Selling Shareholders, respectively, all costs, fees and expenses with respect to the Offer shall be shared by the Company and the Selling Shareholders, on a pro rata basis, in proportion to the number of Equity Shares issued and Allotted by the Company through the Fresh Issue and sold by each of the Selling Shareholders through the Offer for Sale.

Provided that all Offer-related expenses shall initially be borne by our Company and each of the Selling Shareholders shall reimburse the Company for respective proportion of the expenses. Each of the Selling Shareholders shall reimburse our Company their proportionate share of the Offer-related expenses (other than the fees and expenses in relation to the legal counsel to the Selling Shareholders, listing fees of Stock Exchanges). For further details, see "*Objects of the Offer – Offer related Expenses*" on page 156.

Ranking of Equity Shares

The Allottees upon Allotment (including pursuant to the transfer of Equity Shares from the Offer for Sale) of Equity Shares under the Offer will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. The Equity Shares being offered and Allotted/ transferred in the Offer will be subject to the provisions of the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the SCRR, the Memorandum of Association and Articles of Association and will rank *pari passu* in all respects with the existing Equity Shares of our Company, including in respect of dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. For more information, see "*Description of Equity Shares and Terms of Articles of Association*" on page 631.

Mode of Payment of Dividend

Our Company shall pay dividend, if declared, to our equity shareholders, as per the provisions of the Companies Act, 2013, the SEBI Listing Regulations, the Memorandum of Association and Articles of Association, and any guidelines or directives that may be issued by the GoI in this respect. Any dividends declared after the date of Allotment (including pursuant to the transfer of Equity Shares from the Offer for Sale) in this Offer will be payable to the Allottees, for the entire year, in accordance with applicable law. For more information, see "*Dividend Policy*" and "*Description of Equity Shares and Terms of Articles of Association*" on pages 392 and 631, respectively.

Face Value, Offer Price and Price Band

The face value of each Equity Share is ₹10 and the Offer Price is ₹[●] per Equity Share. At any given point of time there will be only one denomination for the Equity Shares. The Floor Price of the Equity Shares is ₹[●] and the Cap Price of the Equity Shares is ₹[●], being the Price Band. The Anchor Investor Offer Price is ₹[●] per Equity Share.

The Issue Price, Price Band and the minimum Bid Lot will be decided by our Company, in consultation with the BRLMs and shall be published at least two Working Days prior to the Bid/Offer Opening Date, in all editions of The Financial Express, (a widely circulated English national daily newspaper), all editions of Jansatta, (a widely circulated Hindi national daily newspaper) and Belagavi edition of Vishwavani, (a widely circulated Kannada daily newspaper, Kannada being the regional language of Karnataka, where our Registered and Corporate Office is located), each with wide circulation, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price shall be pre-filled in the Bid-cum-Application Forms available on the respective websites of the Stock Exchanges. The Cap Price shall be at least 105% of the Floor Price. The Offer Price shall be determined by our Company, in consultation with the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

Compliance with disclosure and accounting norms

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and our Articles of Association, the equity Shareholders will have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive any surplus on liquidation, subject to any statutory and preferential claims being satisfied;
- Right of free transferability of their Equity Shares, subject to foreign exchange regulations and other applicable laws; and
- Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the terms of the SEBI Listing Regulations and our Memorandum of Association and Articles of Association and other applicable laws.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture, lien, transfer, transmission, consolidation and splitting, see "*Description of Equity Shares and Terms of Articles of Association"* on page 631.

Market Lot and Trading Lot and Allotment of Equity Shares in dematerialised form

In terms of Section 29 of the Companies Act, 2013, and the SEBI ICDR Regulations, the Equity Shares shall be Allotted only in dematerialized form. As per the SEBI ICDR Regulations and the SEBI Listing Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges. In this context, the following tripartite agreements had been signed among the Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated October 12, 2023 amongst NSDL, our Company and the Registrar to the Offer; and
- Agreement dated August 5, 2022 amongst CDSL, our Company and the Registrar to the Offer.

Since trading of our Equity Shares is in dematerialized form, the tradable lot is one Equity Share. Allotment in the Offer will be only in electronic form in multiples of [●] Equity Shares of face value of ₹10 each, subject to a minimum Allotment of [●] Equity Shares of face value of ₹10 each to QIBs and RIIs. For NIIs allotment shall not be less than the minimum Non-Institutional application size. For the method of Basis of Allotment, see "*Offer Procedure*" on page 609.

Joint Holders

Subject to the provisions of the Articles of Association, where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint tenants with benefits of survivorship.

Jurisdiction

The courts of Bengaluru, India will have exclusive jurisdiction in relation to this Offer.

Period of operation of subscription list

See "– *Bid/Offer Programme*" on page 509.

Nomination facility to investors

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, will vest to the exclusion of the other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), will, in accordance with Section 72 of the Companies Act, 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the Equity Shares. Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of the holder's death during minority. A nomination shall stand rescinded upon a sale/transfer/alienation of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the holder of the Equity Shares who has made the nomination, by giving a notice of such cancellation or variation to our Company in the prescribed form. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered and Corporate Office or to the registrar and transfer agents of our Company.

Further, any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013, will, on the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board may, at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividend, interests, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Bidder will prevail. If Bidders want to change their nomination, they are advised to inform their respective Depository Participant.

Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

Bid/Offer Programme

BID/OFFER OPENS ON	**Thursday, September 25, 2025** [(1)]
BID/OFFER CLOSES ON	**Monday, September 29, 2025** [(2)]

[(1)] *Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations*

[(2)] *UPI mandate end time and date shall be at 5:00 PM on Bid/Offer Closing Date.*

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Bid/Offer Closing Date	Monday, September 29, 2025 (T)
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about Tuesday, September 30, 2025 (T+1)
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account*	On or about Wednesday, October 1, 2025 (T+2)
Credit of Equity Shares to demat accounts of Allottees	On or about Wednesday, October 1, 2025 (T+2)
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about Friday, October 3, 2025 (T+3)

In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/withdrawal/deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked; (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding twoWorking Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding two Working Days from the Bid/Offer Closing Date till the date of actual unblock by the SCSB responsible for causing such delay in unblocking in accordance with applicable law. Further, investors shall be entitled to compensation in the manner specified in the SEBI ICDR Master Circular, which for the avoidance of doubt, shall be deemed to be incorporated in the agreements to be entered into between our Company with the relevant intermediaries, to the extent applicable.

The processing fees for applications made by the UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI ICDR Mater circular.

This above timetable is indicative, other than the Bid/Offer Closing Date, in nature and does not constitute any obligation or liability on our Company, the Selling Shareholders or the BRLMs.

While our Company and the Selling Shareholders shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within three Working Days from the Bid / Offer Closing Date, or such other period as prescribed by the SEBI, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company, in consultation with the BRLMs, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges , and delay in respect of final certificates from SCSBs. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholders confirm that they shall extend complete co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within three Working Days from the Bid / Offer Closing Date, or within such other period as prescribed by SEBI.

In terms of the UPI Circulars, in relation to the Offer, the Book Running Lead Managers will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

SEBI is in the process of streamlining and reducing the post issue timeline for IPOs. Any circulars or notifications from SEBI after the date of this Red Herring Prospectus may result in changes to the above-mentioned timelines. Further, the offer procedure is subject to change to any revised SEBI circulars to this effect.

Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**")
Bid/Offer Closing Date*	

Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For RIBs	Only between 10.00 a.m. and up to 5.00 p.m. IST
Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications where Bid Amount is up to ₹500,000)	Only between 10.00 a.m. and up to 4.00 p.m. IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications)	Only between 10.00 a.m. and up to 3.00 p.m. IST
Submission of Physical Applications (Bank ASBA)	Only between 10.00 a.m. and up to 1.00 p.m. IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications where Bid Amount is more than ₹500,000)	Only between 10.00 a.m. and up to 12.00 p.m. IST
Modification/ Revision/cancellation of Bids	
Modification of Bids by QIBs and Non-Institutional Investors categories and modification/cancellation of Bids by Retail Individual Bidders[#]	Only between 10.00 a.m. and 5.00 p.m. IST
Upward Revision of Bids by QIBs and Non-Institutional Bidders categories[#]	Only between 10.00 a.m. on the Bid/Offer Opening Date and up to 4.00 p.m. IST on Bid/ Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by RIBs	Only between 10.00 a.m. on the Bid/Offer Opening Date and up to 5.00 p.m. IST on Bid/Offer Closing Date

***** *UPI mandate end time and date shall be at 5.00 p.m. on Bid/Offer Closing Date*

[#] *QIBs and Non-Institutional Bidders can neither revise their bids downwards nor cancel/withdraw their bids.*

On the Bid/Offer Closing Date, the Bids shall be uploaded until:

(i) 4:00 p.m. IST for Bids by QIBs and Non-Institutional Bidders (other than UPI Investors); and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by UPI Bidders.

On the Bid/Offer Closing Date, extension of time may be granted by the Stock Exchanges only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received up to closure of timings for acceptance of Bid cum Application Forms as stated herein and as reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSB's on daily basis within 60 minutes of the Bid closure time from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSB's shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the registrar and share transfer agents on a daily basis, as per the format prescribed in SEBI ICDR Master Circular.

To avoid duplication, the facility of re-initiation provided to Syndicate Members shall preferably be allowed only once per bid/batch and as deemed fit by the Stock Exchanges, after closure of the time for uploading Bids.

It is clarified that Bids shall be processed only after the application monies are blocked in the ASBA Account and Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, would be rejected.

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date, and are advised to submit their Bids no later than 1:00 p.m. IST on the Bid/ Offer Closing Date. Any time mentioned in this Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer Closing Date, some Bids may not get uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded will not be considered for allocation under the Offer. Bids and any revision to the Bids, will be accepted only during Working Days, during the Bid/Offer Period. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing. None of our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software or hardware system or blocking of application amount by SCSBs on receipt of instructions

from the Sponsor Bank due to any errors, omissions, or otherwise non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in the UPI Mechanism.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges shall be taken as the final data for the purpose of Allotment.

Our Company, in consultation with the Book Running Lead Managers, reserves the right to revise the Price Band during the Bid/Offer Period in accordance with the SEBI ICDR Regulations. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly, but the Floor Price shall not be less than the Face Value of the Equity Shares. In all circumstances, the Cap Price shall be less than or equal to 120% of the Floor Price. Provided that, the Cap Price of the Price Band shall be at least 105% of the Floor Price.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days following such revision of the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of one Working Day, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the Book Running Lead Managers and at the terminals of the Syndicate Members and by intimation to Self-Certified Syndicate Banks ("SCSBs"), other Designated Intermediaries and the Sponsor Bank, as applicable. In case of revision of Price Band, the Bid Lot shall remain the same.

Minimum Subscription

If our Company does not receive the minimum subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, as applicable, within sixty (60) days from the date of Bid Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid Closing Date, on account of withdrawal of applications; or after technical rejections; or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares so offered under the offer document, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days, our Company and our Directors, who are officers in default, shall pay interest at the rate of 15% per annum in accordance the SEBI ICDR Master Circular.

In case of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, the Equity Shares will be allotted in the following order:

(a) such number of Equity Shares will be first allotted by the Company such that 90% of the Fresh Issue portion is subscribed; and

(b) next, if there remain any balance valid Bids in the Offer, the allotment for the balance valid Bids will be made: (i) first towards Equity Shares offered by the Selling Shareholders in proportion to the Offered Shares being offered by the Selling Shareholders; (b) only after the sale of all of the Offered Shares, towards the balance Fresh Issue.

Each of the Selling Shareholders shall, severally and not jointly, reimburse, in proportion to their respective Offered Shares, any expenses and interest incurred by our Company on behalf of the Selling Shareholders for any delays in making refunds as required under the Companies Act, 2013 and any other applicable law, provided that no Selling Shareholders shall be responsible or liable for payment of such expenses or interest, unless such delay is solely and directly attributable to an act or omission of such Selling Shareholder.

Undersubscription, if any, in any category except the QIB Portion, would be met with spill-over from the other categories at the discretion of our Company, in consultation with the Book Running Lead Managers, and the Designated Stock Exchange.

Further, in terms of Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Bidders to whom the Equity Shares will be Allotted will be not less than 1,000 failing which the entire

application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, the Selling Shareholder and our Company shall be liable to pay interest on the application money in accordance with applicable laws.

Arrangement for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

New Financial Instruments

Our Company is not issuing any new financial instruments through this Offer.

Restriction, if any, on transfer and transmission of Equity Shares

Except for lock-in of the pre-Offer capital of our Company, lock-in of the Promoter's minimum contribution and the Anchor Investor lock-in in the Offer as detailed in "*Capital Structure*" on page 117, and except as provided in our Articles of Association as detailed in "*Description of Equity Shares and Terms of Articles Of Association*" on page 631, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/ splitting. Further, there are no restrictions on transmission of any shares/debentures of our Company and on their consolidation or splitting, except as provided in our Articles of Association.

Option to receive Equity Shares in Dematerialized Form

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

Withdrawal of the Offer

The Offer shall be withdrawn in the event the requirement of the minimum subscription as prescribed under Regulation 45 of the SEBI ICDR Regulations is not fulfilled. Our Company, in consultation with the Book Running Lead Managers, reserve the right not to proceed with the Fresh Issue, and each Selling Shareholder, severally and jointly, reserves the right to not proceed with the Offer for Sale, in whole or in part thereof, to the extent of its respective portion of the Offered Shares after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published and in which the price band advertisements would be published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer and inform the Stock Exchanges promptly on which the Equity Shares are proposed to be listed. The Book Running Lead Managers through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank, in case of UPI Bidders, to unblock the bank accounts of the ASBA Bidders (other than Anchor Investors) within one Working Day from the date of receipt of such notification and also inform the Bankers to the Offer to process refunds to the Anchor Investors, as the case may be. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared and where the price band advertisements would be published and the Stock Exchanges will also be informed promptly.

In terms of the UPI Circulars, in relation to the Offer, the BRLMs will submit reports of compliance within timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within the time prescribed under applicable law, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it. Further, in case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding three Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹100 per day day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding three Working Days from the Bid/ Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

If our Company, in consultation with the Book Running Lead Managers, withdraws the Offer after the Bid/Offer Closing Date and thereafter determines that it will proceed with a public offering of the Equity Shares, our

Company shall file a fresh draft red herring prospectus with SEBI and the Stock Exchanges. Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within three Working Days or such other period as may be prescribed under applicable law, and (ii) the final RoC approval of the Prospectus after it is filed and/or submitted with the RoC. If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law.

OFFER STRUCTURE

The Offer of up to [●] Equity Shares of face value of ₹10 each, for cash at price of ₹[●] per Equity Share (including a premium of ₹[●] per Equity Share) aggregating up to ₹[●] lakhs comprising of a Fresh Issue of up to [●] Equity Shares of face value of ₹10 each aggregating up to ₹75,000 lakhs by our Company and an Offer of Sale of up to 18,00,000 Equity Shares of face value of ₹10 each, aggregating up to ₹[●] lakhs by the Selling Shareholders. The Offer shall constitute [●]% of the post-Offer paid-up equity share capital of our Company.

The Offer is being made through Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations.

Particulars	QIBs[(1)]	Non-Institutional Investors	Retail Individual Investors
Number of Equity Shares available for Allotment/allocation^[(2)]	Not more than [●] Equity Shares of face value of ₹10 each	Not less than [●] Equity Shares of face value of ₹10 each available for allocation or Offer less allocation to QIBs and Retail Individual Investors	Not less than [●] Equity Shares of face value of ₹10 each available for allocation or Offer less allocation to QIBs and Non-Institutional Investors
Percentage of Offer Size available for Allotment or allocation	Not more than 50% of the Offer size shall be available for allocation to QIBs. 5% of Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be available for allocation to other QIBs.	Not less than 15% of the Offer or the Offer less allocation to QIB Bidders and Retail Individual Investors will be available for allocation. One-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size exceeding ₹2.00 lakhs and up to ₹10.00 lakhs and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹10.00 lakhs and under-subscription in either of these two subcategories of the Non-Institutional Portion may be allocated to Bidders in the other subcategory of the Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price	Not less than 35% of the Offer or the Offer less allocation to QIBs and Non-Institutional Investors will be available for allocation
Basis of Allotment if respective category is oversubscribed^	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares of face value of ₹10 each shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to [●] Equity Shares of face value of ₹10 each) shall be available for allocation on a proportionate basis to all QIBs, including Mutual	The allotment to each NII shall not be less than the minimum application size, subject to availability of Equity Shares in the Non-Institutional Category and the remaining available Equity Shares if any, shall be Allotted on a proportionate basis, subject to: One-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size exceeding ₹2.00 lakhs and up to ₹10.00 lakhs; and	Allotment to each Retail Individual Investor shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Category and the remaining available Equity Shares shall be allocated on a proportionate basis. See "*Offer Procedure*" on page 609.

Particulars	QIBs[1]	Non-Institutional Investors	Retail Individual Investors
	Funds receiving allocation as per (a) above Up to 60% of the QIB Portion (up to [●] Equity Shares of face value ₹ 10 each may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bids being received from Mutual Funds at or above the Anchor Investor Allocation Price	(a) Two-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹10.00 lakhs provided that the unsubscribed portion in either of the aforementioned sub-categories may be allocated to applicants in the other sub-category of Non-Institutional Investors. The Allotment to each Non-Institutional Investor shall not be less than the minimum application size, subject to availability in the Non-Institutional Portion, and the remainder, if any, shall be allotted on a proportionate basis in accordance with the conditions specified in the SEBI ICDR Regulations	
Mode of Bidding[5]	Through ASBA process only except for Anchor Investors (excluding the UPI Mechanism)	Through ASBA process only (including the UPI Mechanism for an application size of up to ₹5.00 lakhs)	Through ASBA process only (including the UPI Mechanism)
Minimum Bid	Such number of Equity Shares of face value of ₹10 each in multiples of [●] Equity Shares of face value of ₹10 each so that the Bid Amount exceeds ₹2.00 lakhs	Such number of Equity Shares of face value of ₹10 each in multiples of [●] Equity Shares of face value of ₹10 each so that the Bid Amount exceeds ₹2.00 lakhs	[●] Equity Shares of face value of ₹10 each
Maximum Bid	Such number of Equity Shares of face value of ₹10 each in multiples of [●] Equity Shares of face value of ₹10 each so that the Bid does not exceed the Offer size, subject to applicable limits	Such number of Equity Shares of face value of ₹10 each in multiples of [●] Equity Shares of face value of ₹10 each so that the Bid does not exceed the Offer size (excluding the QIB Portion), subject to applicable limits	Such number of Equity Shares of face value of ₹10 each in multiples of [●] Equity Shares of face value of ₹10 each so that the Bid Amount does not exceed ₹2.00 lakhs
Mode of Allotment	Compulsorily in dematerialised form		
Bid Lot	[●] Equity Shares of face value of ₹10 each and in multiples of [●] Equity Shares of face value of ₹10 each thereafter		
Allotment Lot	A minimum of [●] Equity Shares of face value of ₹10 each and thereafter in multiples of one Equity Share of face value of ₹10 each for QIBs and RIIs. The Allotment to NIIs shall not be less than the minimum non-institutional application size ([●] Equity Shares of face value ₹10 each) and thereafter in multiples of one Equity Share of face value of ₹10 each.		
Trading Lot	One Equity Share of face value of ₹10 each		
Who can Apply[3]	Public financial institutions specified in Section 2(72) of the Companies Act, 2013,	Resident Indian individuals, HUFs (in the name of Karta), companies, corporate bodies, Eligible	Resident Indian individuals, HUFs (in the name of the Karta) and Eligible NRIs

Particulars	QIBs[(1)]	Non-Institutional Investors	Retail Individual Investors
	FPIs registered with SEBI (other than individuals, corporate bodies and family offices), scheduled commercial banks, mutual funds registered with SEBI, venture capital funds registered with the SEBI, FVCI(s), AIFs, multilateral and bilateral development financial institutions, state industrial development corporations, NBFC-SI, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds with a minimum corpus of ₹2,500.00 lakhs, pension funds with a minimum corpus of ₹2,500.00 lakhs, the National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India, insurance funds set up and managed by the army, navy, or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India	NRIs, scientific institutions, societies and trusts family offices and FPIs who are individuals, corporate bodies and family offices which are re-categorised as category II FPI (as defined in the SEBI FPI Regulations) and registered with SEBI	
Terms of Payment[(5)]	***In case of Anchor Investors:*** Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids[(4)] ***In case of all other Bidders:*** Full Bid Amount shall be blocked by the SCSBs in the bank account of the Bidders, or by the Sponsor Banks through the UPI Mechanism (other than Anchor Investors) that is specified in the Bid cum Application Form at the time of the submission of the Bid cum Application Form.[*]		

^ *Assuming full subscription in the Offer*

[*] *SEBI vide its SEBI ICDR Master Circular, has mandated that ASBA applications in public issues shall be processed only after the application monies are blocked in the investor's bank accounts. Accordingly, Stock Exchanges shall, for all categories of investors viz. Retail, QIB, NII and other reserved categories and also for all modes through which the applications are processed, accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked*

(1) *Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Offer Price, on a discretionary basis, subject to there being (i) a maximum of two Anchor Investors, where allocation in the Anchor Investor Portion is up to ₹1,000 lakhs, (ii) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹1,000 lakhs but up to ₹25,000 lakhs under the Anchor Investor Portion, subject to a minimum Allotment of ₹500.00 lakhs per Anchor Investor, and (iii) in case of allocation above ₹25,000.00 lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹25,000.00 lakhs, and an additional 10 Anchor Investors for every additional ₹25,000 lakhs or part thereof will be permitted, subject to minimum allotment of ₹500.00 lakhs per Anchor Investor. An Anchor Investor will make a minimum Bid of such number of Equity Shares, that the Bid Amount is at least ₹1,000.00 lakhs. One-third of the Anchor Investor Portion will be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is made to Anchor Investors, which price shall be determined by the Company, in consultation with the BRLMs.*

(2) *This Offer is being made in accordance with Rule 19(2)(b) of the SCRR, through the Book Building Process, in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer will be available for allocation to QIBs on a proportionate basis, provided that the Anchor Investor Portion may be allocated on a discretionary basis. Further, not less than 15% of the Offer will be available for allocation to Non-Institutional Investors, of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size exceeding ₹2.00 lakhs and up to ₹10 lakhs and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹10 lakhs and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Offer will be available for allocation to Retail Individual Investors in accordance with SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Under-subscription, if any, in any category, except the*

QIB Portion, would be met with spill-over from any other category or categories, as applicable, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, subject to valid Bids being received at or above the Offer Price and in accordance with applicable laws. Under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

(3) *In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.*

(4) *Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor pay-in date as indicated in the CAN. Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.*

(5) *SEBI through its SEBI ICDR Master Circular, has prescribed that all individual investors applying in initial public offerings opening on or after May 1, 2022, where the application amount is up to ₹5.00 lakhs, shall use UPI.*

The Bids by FPIs with certain structures as described under "*Offer Procedure - Bids by FPIs*" on page 616 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.

OFFER PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (SEBI/HO/CFD/DIL1/CIR/P/2020/37) dated March 17, 2020 and the UPI Circulars which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer. Investors should note that the details and process provided in the General Information Document should be read along with this section.

Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of CAN and Allotment in the Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) Designated Date; (viii) disposal of applications and electronic registration of bids; (ix) submission of Bid cum Application Form; (x) other instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

*SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/P/CIR/P/2022/45 dated April 5, 2022, circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 and any subsequent circulars or notifications issued by SEBI in this regard, has introduced an alternate payment mechanism using Unified Payments Interface ("**UPI**") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019 the UPI Mechanism for UPI Bidders applying through Designated Intermediaries, in phase I, was made effective along with the prior process and existing timeline of T+6 days ("**UPI Phase I**"), until June 30, 2019. Subsequently, with effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to bids by Retail Individual Bidders through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and the UPI Mechanism for such Bids with timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later.*

*The applicability of UPI Phase II was extended from time to time. Thereafter, pursuant to SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, the final reduced timeline of T+3 days using the UPI Mechanism for applications by UPI Bidders ("**UPI Phase III**"), was implemented by SEBI, voluntarily for all public issues opening on or after September 1, 2023, and on a mandatory basis for public issues opening on or after December 1, 2023. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase III of the UPI Circular, subject to the timing of the Offer and any circulars, clarification or notification issued by the SEBI from time to time,. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to the SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI master circular no. SEBI/HO/CFD/PoD-2/P/CIR/2023/00094 dated June 21, 2023, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular came into force for initial public offers opening on or after May 1, 2021 except as amended pursuant to SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI Circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI/HO/CFD/DIL2/P/CIR/2022/75 May 30, 2022 and SEBI circular SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**UPI Streamlining Circular**") has instituted certain mechanisms towards the streamlining of applications made through the UPI Mechanism as well as redressal of investor grievances.*

Further, the SEBI ICDR Master Circular consolidated the aforementioned circulars and rescinded these circulars to the extent they relate to the SEBI ICDR Regulations. Further, pursuant to SEBI ICDR Master Circular, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹5.00 lakhs shall use the UPI Mechanism and provide their UPI ID in the Bid-cum-Application Form for bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. Subsequently, pursuant to SEBI ICDR Master Circular, applications made using the ASBA facility in initial public offerings shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

Further, our Company, the Selling Shareholders and the BRLMs are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus and the Prospectus.

Pursuant to circular no. NSDL/CIR/II/28/2023 dated August 8, 2023 issued by NSDL and circular no. CDSL/OPS/RTA/POLCY/2023/161 dated August 8, 2023 issued by CDSL, our Company may request the Depositories to suspend/ freeze the ISIN in depository system till listing/ trading effective date. Pursuant to the aforementioned circulars, our Company may request the Depositories to suspend/ freeze the ISIN in depository system from or around the date of this Red Herring Prospectus till the listing and commencement of trading of our Equity Shares. The shareholders who intend to transfer the pre-Offer shares may request our Company and/ or the Registrar for facilitating transfer of shares under suspended/ frozen ISIN by submitting requisite documents to our Company and/ or the Registrar. Our Company and/ or the Registrar would then send the requisite documents along with applicable stamp duty and corporate action charges to the respective depository to execute the transfer of shares under suspended ISIN through corporate action. The transfer request shall be accepted by the Depositories from our Company till one day prior to Bid/ Offer Opening Date.

The BRLMs shall be the nodal entity for any issues arising out of public issuance process.

In terms of Regulation 23(5) of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023, shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and in terms of Regulation 52 of SEBI ICDR Regulations, the lead managers shall continue to coordinate with intermediaries involved in the said process.

Our Company, the Selling Shareholders and the BRLMs are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR through the Book Building Process in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation to QIBs on a proportionate basis, provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. In case of under-subscription or non-allocation in the Anchor Investor Portion, the remaining Equity Shares will be added back to the QIB Portion. Further, 5% of the Net QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Investors of which one-third of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹2.00 lakhs and up to ₹10.00 lakhs and two-thirds of the Non-Institutional Portion will be available for allocation to Bidders with an application size of more than ₹10.00 lakhs and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion. Further, not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or categories, as applicable, at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, subject to receipt of valid Bids received at or above the Offer Price. Under-subscription, if any, in the QIB Portion, will not be allowed to be met with spill-over from any other category or a combination of categories. In case of an undersubscription in the Offer, the Equity Shares proposed for sale by the Selling Shareholder shall be in proportion to the Offered Shares by such Selling Shareholders.

In accordance with Rule 19(2)(b) of the SCRR, the Offer will constitute at least [●]% of the post Offer paid-up Equity Share capital of our Company.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020, read with press release dated June 25, 2021, and September 17, 2021, read with press release dated September 17, 2021. CBDT circular no.7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023 the last date for linking PAN and Aadhaar has been extended to June 30, 2023.

The Equity Shares, on Allotment, shall be traded only in the dematerialized mode on the platform of the Stock Exchanges.

Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including the DP ID and the Client ID and the PAN and UPI ID (for UPI Bidders Bidding through the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.

Phased implementation of UPI Mechanism

SEBI has issued the UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under ASBA) for applications by UPI Bidders through Designated Intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced the UPI Mechanism in three phases in the following manner:

Phase I: This phase was applicable from January 1, 2019, until March 31, 2019, or floating of five main board public issues, whichever was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, an RII had the option to submit the ASBA Form with any of the Designated Intermediary and use his/ her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase was applicable from July 1, 2019, and the continuation of this phase has been extended until March 31, 2020, vide SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019. Under this phase, submission of the ASBA Form by UPI Bidders through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds was discontinued and is replaced by the UPI Mechanism. However, the time duration from public issue closure to listing continued to be six Working Days during this phase. Further, pursuant to SEBI circular dated March 30, 2020, this phase was extended till further notice.

Phase III: This phase has become applicable on a voluntary basis for all issues opening on or after September 1, 2023 and on a mandatory basis for all issues opening on or after December 1, 2023, vide and SEBI circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 9, 2023 ("**T+3 Notification**"). In this phase, the time duration from public issue closure to listing has been reduced to three Working Days. The Offer shall be undertaken as per the processes and procedures under UPI Phase III, as notified in the T+3 Circular, subject to any circulars, clarification or notification issued by the SEBI from time to time, including any circular, clarification or notification which may be issued by SEBI.

The Offer is being made under Phase III of the UPI (on a mandatory basis) in accordance with the SEBI ICDR Master Circular and the T+3 Notification. All SCSBs offering facilities for making applications in public issues shall also provide facilities to make applications using UPI. Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders using the UPI.

Pursuant to the UPI Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Circulars include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities

law. Additionally, if there is any delay in the redressal of investors' complaints, the relevant SCSB as well as the post–Offer BRLM will be required to compensate the concerned investor.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI.

Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the UPI Bidders.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the SCSBs only after such banks provide a written confirmation on compliance with SEBI ICDR Master Circular .

Pursuant to SEBI ICDR Master Circular, all individual bidders in initial public offerings (opening on or after May 1, 2022) whose application sizes are up to ₹5.00 lakhs shall use the UPI Mechanism and provide their UPI ID in the Bid-cum-Application Form for bidding through Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers. This circular has come into force for initial public offers opening on or after May 1, 2022 and the provisions of these circular are deemed to form part of this Red Herring Prospectus.

For further details, please refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

Electronic registration of Bids

(a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the Offer.

(b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in this Red Herring Prospectus.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries shall modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period till 5.00 pm on the Bid/Offer Closing Date after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

The Sponsor Banks shall host a web portal for intermediaries (closed user group) from the date of Bid/ Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/ unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/ bearing on the Offer bidding process.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at relevant Bidding Centers and at our Registered and Corporate Office. The Bid cum Application Forms will also be available for download on the websites of the NSE (www.nseindia.com) and the BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

For Anchor Investors, the Bid cum Application Forms will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. UPI Bidders shall Bid in the Offer through UPI Mechanism for submitting their bids to Designated Intermediaries and are allowed to use ASBA Process by way of ASBA Forms to submit their bids directly to SCSBs. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

Bidders (other than Anchor Investors and UPI Bidders) must provide bank account details and authorisation by the ASBA account holder to block funds in their respective ASBA Accounts in the relevant space provided in the

Bid cum Application Form and the Bid cum Application Form that does not contain such details are liable to be rejected.

UPI Bidders submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) shall be required to bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Bid cum Application Form. UPI Bidders submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. Applications made using third party bank account or using third party linked bank account UPI ID are liable for rejection. UPI Bidders may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

Further, ASBA Bidders shall ensure that the Bids are submitted at the Bidding Centres only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of electronic ASBA Forms) and ASBA Forms not bearing such specified stamp maybe liable for rejection. UPI Bidders using UPI Mechanism, may submit their ASBA Forms, including details of their UPI IDs, with the Syndicate, Sub-Syndicate members, Registered Brokers, RTAs or CDPs. RIBs authorising an SCSB to block the Bid Amount in the ASBA Account may submit their ASBA Forms with the SCSBs. Bidders, using the ASBA process to participate in the Offer, must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked therein. In order to ensure timely information to investors SCSBs are required to send SMS alerts to investors intimating them about the Bid Amounts blocked/unblocked. SEBI vide its SEBI ICDR Master Circular has mandated all the ASBA applications in Public Issues shall be processed only after the application monies are blocked in the investor's bank accounts. Stock Exchanges shall accept the ASBA applications in their electronic book building platform only with a mandatory confirmation on the application monies blocked. The circular shall be applicable for all categories of investors viz. Retail, QIB and NIB and also for all modes through which the applications are processed.

Since the Offer is made under Phase III, ASBA Bidders may submit the ASBA Form in the manner below:

(i) RIIs (other than UPI Bidders) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(ii) UPI Bidders may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.

(iii) QIBs and NIIs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians, including resident QIBs, Non-Institutional Investors, UPI Bidders and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs, FVCIs, FPIs and registered bilateral and multilateral development financial institutions applying on a repatriation basis	Blue
Anchor Investors	White

* *Excluding electronic Bid cum Application Forms*

Notes:

Electronic Bid cum Application forms and the abridged prospectus will also be available for download on the website of NSE (www.nseindia.com) and BSE (www.bseindia.com)

Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLMs

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchanges. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms (except Bid cum

Application Forms submitted by UPI Bidders) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s). For UPI Bidders, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate a UPI Mandate Request to such UPI Bidders for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every Bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the issuer bank) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank and the issuer bank. The Sponsor Bank and the Bankers to the Offer shall provide the audit trail to the BRLMs for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI ICDR Master Circular.

Stock Exchanges shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis through API integration and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

In accordance with BSE Circular No: 20220803-40 and NSE Circular No: 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Issue Closing Date ("**Cut-Off Time**"). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the BRLMs in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Bank on a continuous basis.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

The processing fees for applications made by UPI Bidders may be released to the remitter banks (SCSBs) only after such banks provide a an application for release of processing fees to the BRLMs in compliance with SEBI ICDR Master Circular. NPCI vide circular reference no. NPCI/UPI/OC No. 127/ 2021-22 dated December 09, 2021, inter alia, has enhanced the per transaction limit in UPI from more than ₹2.00 lakhs to ₹5.00 lakhs for UPI based ASBA in initial public offerings.

Pursuant to NSE circular dated August 3, 2022, with reference no. 25/2022, the following is applicable to all initial public offers opening on or after September 1, 2022:

a. Cut-off time for acceptance of UPI Mandate shall be up to 5:00 pm on the initial public offer closure date and existing process of UPI bid entry by syndicate members, registrars to the offer and depository participants shall continue till further notice.
b. There shall be no T+1 mismatch modification session for PAN-DP mismatch and bank/ location code on T+1 day for already uploaded bids. The dedicated window provided for mismatch modification on T+1 day shall be discontinued.
c. Bid entry and modification/ cancellation (if any) shall be allowed in parallel to the regular bidding period up to 4:00 p.m. for QIBs and Non-Institutional Bidders and up to 5:00 pm for Retain Individual Bidders on the initial public offer closure day.

d. Exchanges shall display bid details of only successful ASBA blocked applications i.e. Application with latest status as RC 100 – Block Request Accepted by Investor/ Client, based on responses/ status received from the Sponsor Banks.

Participation by Promoters and members of the Promoter Group of the Company, the BRLMs, associates and affiliates of the BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares in the Offer in the QIB Portion or in the Non-Institutional Portion, as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the BRLMs or any associates of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs, pension funds sponsored by entities which are associate of the BRLMs or FPIs other than individuals, corporate bodies and family offices sponsored by the entities which are associates of the BRLMs); nor (ii) any "person related to the Promoter or Promoter Group" shall apply in the Offer under the Anchor Investor Portion.

Further, an Anchor Investor shall be deemed to be an "associate of the Lead Manager" if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

Further, the Promoters and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer, except in accordance with the applicable law. Furthermore, persons related to a Promoter and the Promoter Group shall not apply in the Offer under the Anchor Investor Portion. It is clarified that a qualified institutional buyer who has rights under a shareholders' agreement or voting agreement entered into with any of the Promoters or members of the Promoter Group of our Company, veto rights or a right to appoint any nominee director on our Board, shall be deemed to be a person related to a Promoter or member of the Promoter Group of our Company.

Bids by Mutual Funds

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme concerned for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights**.**

Bids by Eligible NRIs

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs applying on a repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their Non-Resident External Accounts ("**NRE Account**") (including UPI ID, if activated), or Foreign Currency Non-Resident Accounts ("**FCNR Account**"), and Eligible NRIs bidding on a non-repatriation basis by using Resident Forms should authorise their SCSBs or

confirm or accept the UPI Mandate Request (in case of UPI Bidders) to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid amount, at the time of submission of the Bid cum Application Form. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA regulations.

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (Blue in colour). Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White in colour). By way of Press Note 1 (2021 Series) dated March 19, 2021, issued by the DPIIT, it has been clarified that an investment made by an Indian entity which is owned and controlled by NRIs on a non-repatriation basis, shall not be considered for calculation of indirect foreign investment.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/NRO accounts.

Participation by Eligible NRIs in the Offer shall be subject to the Foreign Exchange Management (Non-Debt instruments) Rules, 2019 ("**FEMA Rules**").

(a) In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

(b) For details, see "*Restrictions on Foreign Ownership of Indian Securities*" on page 630.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (White in colour).

Bids by HUFs

Bids by Hindu Undivided Families or HUFs should be made in the individual name of the Karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs will be considered at par with Bids/Applications from individuals**.**

Bids by FPIs

In terms of the SEBI FPI Regulations, investment in the Equity Shares by a single FPI or an investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% or common control) must be below 10% of our post-Offer Equity Share capital on a fully diluted basis. Further, in terms of the applicable FEMA Rules the total holding by each FPI cannot exceed 10% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the aggregate holdings of all the FPIs, including any other direct and indirect foreign investments in our Company, shall not exceed 24% of the total paid-up Equity Share capital on a fully diluted basis.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents (Blue in colour).

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the GoI from time to time.

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the capital of an Indian company is subject to certain limits, i.e., the individual holding of an FPI (including its investor group) is restricted to below 10% of the capital of the company. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up equity capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (i.e., up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. Our Company has increased the aggregate limit of investment by non-resident Indians in the Company from 10% to 24% of the paid-up equity share capital by a resolution of our Board dated May 3, 2024 and a resolution by our Shareholders dated May 10, 2024. In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

The FEMA Non-Debt Instruments Rules was enacted on October 17, 2019 in supersession of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, except as respects things done or omitted to be done before such supersession. FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

To ensure compliance with the above requirement, SEBI, pursuant to SEBI ICDR Master Circular and SEBI RTA Master Circular, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

(A) such offshore derivative instruments are issued only by persons registered as Category I FPIs;

(B) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;

(C) such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and

(D) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d)); including the conditions to deal in overseas direct instruments and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

The FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for non-residents. Bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Bids from FPIs that utilize the multiple investment manager structure in accordance with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (such structure referred to as "**MIM Structure**"), provided such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

Accordingly, it should be noted that multiple Bids received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation in the Bid cum Application Forms that the relevant FPIs making multiple Bids utilize the MIM Structure. In the absence of such confirmation from the relevant FPIs, such multiple Bids shall be rejected.

Participation of FPIs in the Offer shall be subject to the FEMA Rules.

Bids by SEBI registered Alternative Investment Funds, Venture Capital Funds and Foreign Venture Capital Investors

The SEBI AIF Regulations prescribe, amongst others, investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up. The SEBI FVCI Regulations prescribe the investment restrictions on FVCIs.

Category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A VCF registered as a category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking. The holding in any company by any individual FVCI or VCF registered with SEBI should not exceed 25% of the corpus of the FVCI or VCF. An FVCI or VCF can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations).

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules.

All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.

Our Company, the Selling Shareholders or the BRLMs shall not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLMs, reserves the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "**Banking Regulation Act**"), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet, whichever is less. Further, the aggregate equity investment in subsidiaries and other entities engaged in financial and non-financial services cannot exceed 20% of the bank's paid-up share capital and reserves. A banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid-up share capital of such investee company if: (a) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or (b) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the bank's interest on loans / investments made to a company, provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause (b)) within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI ICDR Master Circular. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, the Company, in consultation with BRLMs, reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment Functions of Insurers) Regulations, 2024 read with the Master Circular on Insurance Regulatory and Development Authority of India (Actuarial, Finance and Investment) Regulations, 2024, each as amended ("**IRDA AFIFI Regulations**") based on the investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Insurance companies are entitled to invest only in other listed insurance companies and Bidders are advised to refer to the IRDA AFIFI Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

Bids by Systemically Important Non-Banking Financial Companies

In case of Bids made by NBFC – SI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s) and such other approvals as may be required by the NBFC – SI, must be attached to the Bid-cum Application Form. Failing this, our Company in consultation with the BRLMs reserves the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

The investment limit for NBFC – SI shall be prescribed by RBI from time to time.

Bids under power of attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC – SI, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹2,500 lakhs (subject to applicable laws) and pension funds with a minimum corpus of ₹2500 lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company in consultation with the BRLMs, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company in consultation with the BRLMs, may deem fit.

Bids by provident funds/pension funds

In case of Bids made by provident funds/pension funds, with minimum corpus of ₹2500 lakhs, subject to applicable laws, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company in consultation with the BRLMs reserves the right to reject any Bid, without assigning any reason therefor.

Bids by Anchor Investors

In accordance with the SEBI Regulations, the key terms for participation by Anchor Investors are provided below:

1) Anchor Investor Application Forms will be made available for the Anchor Investor Portion at the offices of

the Book Running Lead Managers.

2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹1,000. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹1,000 lakhs.

3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.

4) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date.

5) Our Company, in consultation with the Book Running Lead Managers will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion will not be less than: (a) maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹1,000 lakhs; (b) minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹1,000 lakhs but up to ₹25,000 lakhs, subject to a minimum Allotment of ₹500 lakhs per Anchor Investor; and (c) in case of allocation above ₹25,000 lakhs under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹25,000 lakhs, and an additional 10 Anchor Investors for every additional ₹25,000 lakhs, subject to minimum allotment of ₹500 lakhs per Anchor Investor.

6) Allocation to Anchor Investors will be completed on the Anchor Investor Bidding Date. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation will be made available in the public domain by the Book Running Lead Managers before the Bid/ Offer Opening Date, through intimation to the Stock Exchanges.

7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.

8) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors on the Anchor Investor Pay-in Date specified in the CAN. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.

9) Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in the following manner: there shall be a lock-in of 90 days on 50% of the Equity Shares Allotted to each of the Anchor Investors from the date of Allotment, and a lock-in of 30 days on the remaining 50% of the Equity Shares Allotted to each of the Anchor Investors from the date of Allotment.

10) Neither (a) the Book Running Lead Managers (s) or any associate of the Book Running Lead Managers (other than mutual funds sponsored by entities which are associate of the Book Running Lead Managers or insurance companies promoted by entities which are associate of the Book Running Lead Managers or Alternate Investment Funds (AIFs) sponsored by the entities which are associates of the Book Running Lead Managers or FPIs, other than individuals, corporate bodies and family offices, sponsored by the entities which are associate of the Book Running Lead Managers) nor (b) the Promoter, Promoter Group or any person related to the Promoter or members of the Promoter Group shall apply under the Anchor Investors category.

11) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.

For more information, please read the General Information Document.

The above information is given for the benefit of the Bidders. Our Company, the respective Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus, when filed. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation and as specified in the Draft Red Herring Prospectus, this Red Herring Prospectus and the Prospectus when filed. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest

therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than in accordance with applicable laws.

In accordance with RBI regulations, OCBs cannot participate in the Offer.

Information for Bidders

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus or this Red Herring Prospectus; nor does it warrant that the Equity Shares will belisted or will continue to be listed on the Stock Exchanges.

Pre-Offer and Price Band Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will, after filing this Red Herring Prospectus with the RoC, publish a pre-Offer and Price Band advertisement, in the form prescribed by the SEBI ICDR Regulations, in all editions of The Financial Express, an English national daily newspaper and all editions of Jansatta, a Hindi national daily newspaper and Belagavi edition of Vishwavani, a Kannada daily newspaper (Kannada being the regional language of Karnataka, where our Registered and Corporate Office is located), each with wide circulation. Our Company shall, in the pre-Offer advertisement, state the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

Allotment Advertisement

Our Company, the Book Running Lead Managers and the Registrar to the Offer shall publish an allotment advertisement before commencement of trading, disclosing the date of commencement of trading in: (i) all editions of The Financial Express, a widely circulated English national daily newspaper; (ii) all editions of Jansatta, a widely circulated Hindi national daily newspaper; and (iii) Belagavi editions of Vishwavani a widely circulated Kannada daily newspaper (Kannada also being the regional language of Karnataka, where our Registered and Corporate Office is located).

Signing of the Underwriting Agreement and the RoC Filing

(a) Our Company, the Selling Shareholder and the Syndicate intend to enter into an Underwriting Agreement prior to the filing of the Prospectus with the RoC, as applicable, in accordance with the nature of underwriting which is determined in accordance with Regulation 40(3) of SEBI ICDR Regulations.

(b) Subject to the nature of the underwriting determined in accordance with Regulation 40(3) of SEBI ICDR Regulations, after signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

General Instructions

Please note that QIBs and Non-Institutional Investors are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. UPI Bidders can revise their Bid(s) during the Bid/ Offer Period and withdraw their Bid(s) until Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

***Do's*:**

1. Check if you are eligible to apply as per the terms of this Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. All Bidders (other than Anchor Investors) should submit their Bids using the ASBA process only;

3. Ensure that you have Bid within the Price Band;

4. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than UPI Bidders Bidding using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. UPI Bidders must mention their correct UPI ID and shall use only his / her own bank account which is linked to such UPI ID and not the bank account of any third party;

5. UPI Bidders Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;

6. UPI Bidders Bidding using the UPI Mechanism shall make Bids only through the SCSBs, mobile applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Bidders shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;

7. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

8. Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialized form only;

9. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with Syndicate, Sub-Syndicate Members, Registered Brokers, RTA or CDP;

10. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;

11. Retail Individual Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;

12. Ensure that they have correctly signed the authorisation / undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank(s), as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank(s) for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;

13. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;

14. Ensure that the name(s) given in the Bid cum Application Form is / are exactly the same as the name(s) in which the beneficiary account is held with the Collecting Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear

as the first holder of the beneficiary account held in joint names;

15. Bidders should ensure that they receive the Acknowledgment Slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form;

16. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;

17. Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

18. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular (MRD/DoP/Cir-20/2008) dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular MRD/DoP/Dep/Cir-09/06 dated July 20, 2006 and SEBI circular MRD/DoP/SE/Cir-13/06 dated September 26, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral / bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

19. Ensure that the Demographic Details are updated, true and correct in all respects;

20. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

21. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;

22. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;

23. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;

24. UPI Bidders Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank(s) to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;

25. Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;

26. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.

27. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;

28. In case of QIBs and NIBs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at http://www.sebi.gov.in);

29. Ensure that you have correctly signed the authorization / undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank(s), as applicable via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;

30. UPI Bidders Bidding using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his / her UPI PIN. Upon the authorization of the mandate using his / her UPI PIN, the UPI Bidder shall be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank(s) to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in his / her ASBA Account;

31. UPI Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the Bid cum Application Form;

32. UPI Bidders Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in his / her account and subsequent debit of funds in case of allotment in a timely manner;

33. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank(s) to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;

34. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs.

35. Ensure that ASBA bidders shall ensure that bids above ₹500,000, are uploaded only by the SCSBs;

36. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank(s) prior to 12:00 p.m. of the Working Day immediately after the Bid / Offer Closing Date.

37. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of Direct Taxes notification dated February 13, 2020 and press releases dated June 25, 2021 and September 17, 2021. Pursuant to the press release dated March 28, 2023, the last date for linking PAN and Aadhaar has been extended to June 30, 2023.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid / revise Bid Amount to less than the Floor Price or higher than the Cap Price;

3. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by UPI Bidders)

4. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated

Intermediary;

5. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;

6. Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary only;

7. Bids by HUFs not mentioned correctly as provided in "*Offer Procedure– Bids by HUFs*" on page 616;

8. Anchor Investors should not Bid through the ASBA process;

9. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centers;

10. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;

11. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;

12. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

13. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer / Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of this Red Herring Prospectus;

14. Do not submit your Bid after 3.00 pm on the Bid / Offer Closing Date;

15. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid / Offer Closing Date;

16. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

17. If you are a UPI Bidders using UPI Mechanism, do not submit more than one Bid cum Application Form for each UPI ID;

18. In case of ASBA Bidders (other than 3 in 1 Bids) Syndicate Members shall ensure that they do not upload any bids above ₹500,000;

19. Do not submit the General Index Register (GIR) number instead of the PAN;

20. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;

21. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of UPI Bidders Bidding using the UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;

22. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders can revise or withdraw their Bids until the Bid / Offer Closing Date;

23. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

24. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders;

25. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

26. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

27. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a UPI Bidder Bidding using the UPI Mechanism, do not submit Bids through an SCSB and/or mobile application and/or UPI handle that is not listed on the website of SEBI;

28. Do not submit a Bid using UPI ID, if you are not a UPI Bidder;

29. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;

30. Do not submit the Bid cum Application Form to any non-SCSB Bank or our Company;

31. Do not submit a Bid cum Application Form with third party UPI ID or using a third party bank account (in case of Bids submitted by UPI Bidders); and

32. Do not Bid if you are an OCB

For helpline details of the Book Running Lead Managers pursuant to the SEBI ICDR Master Circular, see "*General Information*" on page 106.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Further, in case of any pre-Offer or post Offer related issues regarding share certificates/demat credit/refund orders/unblocking etc., investors shall reach out to our Company Secretary and Compliance Officer. For details of Company Secretary and Compliance Officer, see "*General Information*" on page 106.

For details of grounds for technical rejections of a Bid cum Application Form, see the General Information Document.

Names of entities responsible for finalising the basis of allotment in a fair and proper manner

The authorised employees of the Stock Exchanges, along with the BRLMs and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

Method of allotment as may be prescribed by SEBI from time to time

Our Company will not make any allotment in excess of the Equity Shares through the Offer except in case of oversubscription for the purpose of rounding off to make allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an allotment of not more than 1% of the Offer to public may be made for the purpose of making allotment in minimum lots.

The allotment of Equity Shares to applicants other than to the the UPI Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Investor Portion, and the remaining available shares, if any, shall be allotted on a proportionate basis.

The Allotment to each Non-Institutional Bidder shall not be less than the minimum application size, subject to the availability of Equity Shares in the Non-Institutional Portion, and the remaining Equity Shares, if any, shall be allotted on a proportionate basis.

Payment into Escrow Account(s) for Anchor Investors

Our Company, in consultation with the BRLMs, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT). For Anchor Investors, the payment instruments for payment into the Escrow Accounts should be drawn in favour of:

(a) In case of resident Anchor Investors: "Trualt Bioenergy Limited Anchor R"

(b) In case of non-resident Anchor Investors: "Trualt Bioenergy Limited Anchor NR"

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Bankers to the Offer and the Registrar to the Offer to facilitate collection of Bid Amounts from Anchor Investors.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). For more information, see "*Terms of the Offer*" on page 597.

Undertakings by our Company

Our Company undertakes the following:

(A) The complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;

(B) That all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within the timeline prescribed by SEBI;

(C) That funds required for making refunds to unsuccessful Bidders as per the mode(s) disclosed shall be made available to the Registrar to the Offer by the Company;

(D) That where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the unsuccessful Bidder within three Working Days from the Bid/ Offer Closing Date, or such time period as specified by SEBI, giving details of the bank where the refunds shall be credited along with the amount and the expected date of electronic credit of refund;

(E) The decisions with respect to the Price Band and the Minimum Bid lot as applicable, revision of Price Band, Offer Price, will be taken by our Company, in consultation with the BRLMs.

(F) Promoter's contribution, if any, shall be brought in advance before the Bid/ Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;

(G) that if our Company or the Selling Shareholder do not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given by our Company as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published and where the price band advertisements would be published. The Stock Exchanges shall be informed promptly;

(H) that if our Company and the Selling Shareholder withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh offer document with SEBI, in the event our Company or the Selling Shareholder subsequently decide to proceed with the Offer;

(I) Except for Equity Shares that may be allotted pursuant to the Pre – IPO Placement and the conversion of

the Preference Shares, no further issue of Equity Shares shall be made until the Equity Shares offered through this Red Herring Prospectus are listed or until the Bid monies are refunded/ unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.; and

(J) That adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Forms from Anchor Investor.

Undertakings by the Selling Shareholders

Each Selling Shareholder undertakes the following severally and not jointly in respect of itself as a Selling Shareholder and its respective portion of the Equity Shares offered by it in the Offer for Sale that:

(A) the Equity Shares offered for sale by it in the Offer are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations;

(B) it is the legal and beneficial owner of and holds clear and marketable title to its respective portion of the Offered Shares, which are free and clear of any pre-emptive rights, liens, charges, pledges, or transfer restrictions, and shall be in dematerialized form, at the time of transfer;

(C) it shall provide such reasonable cooperation to our Company in relation to their respective portion of the Equity Shares offered by it in the Offer for Sale for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange;

(D) it shall provide all reasonable cooperation as requested by our Company in relation to completion if Allotment and dispatch of Allotment Advice and CAN, if required, and refund orders, to the extend of its offered Equity Shares offered pursuant to the Offer;

(E) it is not debarred from accessing the capital markets or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any authority or court;

(F) it shall deposit its Equity Shares offered for sale in the Offer in an escrow demat in accordance with the share escrow agreement dated September 19, 2025 executed between the parties to such share escrow agreement;

(G) it shall not have recourse to the proceeds of the Offer until final approvals for listing and trading of the Equity Shares from the Stock Exchanges have been received; and

(H) it shall provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLMs in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer for Sale.

The decisions with respect to the Price Band, the minimum Bid Lot, revision of Price Band will be taken by our Company, in consultation with the BRLMs. The Offer Price will be decided by our Company, in consultation with the BRLMs, on the Pricing Date in accordance with the Book Building Process and this Red Herring Prospectus. Each Selling Shareholder, severally and not jointly, agrees and acknowledges that it has not been, and shall not be involved in any decision in relation to determination of Price Band, Offer Price, allocation, Allotment and other related activities.

Only the statements and undertakings in relation to the Selling Shareholders and their portion of the Equity Shares offered in the Offer for Sale which are confirmed or undertaken by the Selling Shareholders in this Red Herring Prospectus, shall be deemed to be "statements and undertakings made or confirmed" by the Selling Shareholders. No other statement in this Red Herring Prospectus will be deemed to be "made or confirmed" by a Selling Shareholder, even if such statement relates to such Selling Shareholder.

The filing of this Red Herring Prospectus also does not absolve the Selling Shareholders from any liabilities to the extent of the statements specifically made or confirmed by themselves in respect of themselves and of their respective Offered Shares, under Section 34 or Section 36 of Companies Act, 2013.

Utilisation of Offer Proceeds

Our Board certifies that:

(a) all monies received out of the Offer shall be credited/transferred to a separate bank account other than the bank account referred to in sub-Section (3) of Section 40 of the Companies Act, 2013;

(b) details of all monies utilised out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

(c) details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested.

The Company and each of the Selling Shareholders, severally and not jointly, specifically confirm and declare that all monies received out of the Offer shall be transferred to a separate bank account other than the bank account referred to in sub-section 3 of Section 40 of the Companies Act, 2013.

Utilisation of the Offer Proceeds by Selling Shareholders

Our Company will not receive any proceeds of the Offer for Sale by the Selling Shareholders. Each of the Selling Shareholders will be entitled to the respective proportion of the proceeds of the Offer for Sale after deducting their portion of the Offer related expenses the relevant taxes thereon. For details of Offered Shares by each Selling Shareholder, see "*Other Regulatory and Statutory Disclosures*" beginning on page 581.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"*Any person who –*

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹10.00 lakhs or one per cent of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹10.00 lakhs or one per cent of the turnover of the company, whichever is lower, and does not involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹50.00 lakhs or with both.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment ("**FDI**") through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India ("**DPIIT**"), issued the Consolidated FDI Policy Circular of 2020 ("**FDI Policy**"), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular and shall be subject to FEMA Non-debt Instruments Rules.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 ("**FEMA Rules**"), which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank of fund in India.

As per the FDI Policy, FDI in companies engaged in the sector that we operate in is permitted up to 100% of the paid-up share capital of such company under the automatic route.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer. For further details, see "*Offer Procedure*" on page 609.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in offshore transactions as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those 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.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the members of the Syndicate are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Offer and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under applicable laws or regulations.

SECTION VIII: DESCRIPTION OF EQUITY SHARES AND TERMS OF ARTICLES OF ASSOCIATION

This set of Articles of Association has been approved pursuant to the provisions of Section 14 of the Companies Act, 2013 and by a special resolution passed at the Extraordinary General Meeting of TruAlt Bioenergy Limited (the "**Company**") held on January 31, 2024. These Articles have been adopted as the Articles of Association of the Company in substitution for and to the exclusion of all the existing Articles thereof.

PRELIMINARY

1. Subject as hereinafter provided and in so far as these presents do not modify or exclude them, the regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013, as amended from time to time, shall apply to the Company only so far as they are not inconsistent with any of the provisions contained in these Articles or modification thereof or are not expressly or by implication excluded from these Articles.

2. The regulations contained in the Table marked 'F' in Schedule I to the Companies Act, 2013, as amended from time to time, shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the said Act.

3. The regulations for the management of the Company and for the observance by the members thereto and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the deletion or alteration of or addition to its regulations by resolution as prescribed or permitted by the Companies Act, 2013, as amended from time to time, be such as are contained in these Articles.

DEFINITIONS AND INTERPRETATION

4. In these Articles, the following words and expressions, unless repugnant to the subject, shall mean the following:

"**Act**" means the Companies Act, 2013 or any amendments, statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable.

"**Annual General Meeting**" means the annual general meeting of the Company convened and held in accordance with the Act.

"**Articles of Association**" or "**Articles**" mean these articles of association of the Company, as may be altered from time to time in accordance with the Act.

"**Board**" or "**Board of Directors**" means the board of directors of the Company in office at applicable times.

"**Company**" means TruAlt Bioenergy Limited, a company incorporated under the laws of India.

"**Depositories Act**" means the Depositories Act, 1996 or any statutory modification or re-enactment thereof for the time being in force.

"**Depository**" means a depository, as defined in clause (e) of sub-section (1) of Section 2 of the Depositories Act, 1996 and a company formed and registered under the Act and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992.

"**Director**" means any director of the Company, including alternate directors, Independent Directors and nominee directors appointed in accordance with and the provisions of these Articles.

"**Equity Shares or Shares**" means the issued, subscribed and fully paid-up equity shares of the Company of ₹ 10 (Rupee Ten only) each;

"**Exchange**" means BSE Limited and the National Stock Exchange of India Limited.

"**Extraordinary General Meeting**" means an extraordinary general meeting of the Company convened and held in accordance with the Act;

"**General Meeting**" means any duly convened meeting of the shareholders of the Company and any adjournments thereof;

"**Independent Director**" shall have the meaning assigned to the said term under the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

"**Member**" means a member of the Company within the meaning of sub-Section 55 of Section 2 of the Act, as amended from time to time;

"**Memorandum**" or "**Memorandum of Association**" means the memorandum of association of the Company, as may be altered from time to time;

"**Office**" means the registered office, for the time being, of the Company;

"**Officer**" shall have the meaning assigned thereto by the Act;

"**Ordinary Resolution**" shall have the meaning assigned thereto by the Act;

"**Register of Members**" means the register of members to be maintained pursuant to the provisions of the Act and the register of beneficial owners pursuant to Section 11 of the Depositories Act, 1996, in case of shares held in a Depository; and

"**Special Resolution**" shall have the meaning assigned thereto by the Act.

5. Except where the context requires otherwise, these Articles will be interpreted as follows:

(a) headings are for convenience only and shall not affect the construction or interpretation of any provision of these Articles.

(b) where a word or phrase is defined, other parts of speech and grammatical forms and the cognate variations of that word or phrase shall have corresponding meanings;

(c) words importing the singular shall include the plural and vice versa;

(d) all words (whether gender-specific or gender neutral) shall be deemed to include each of the masculine, feminine and neuter genders;

(e) the expressions "hereof", "herein" and similar expressions shall be construed as references to these Articles as a whole and not limited to the particular Article in which the relevant expression appears;

(f) the ejusdem generis (of the same kind) rule will not apply to the interpretation of these Articles. Accordingly, **include** and **including** will be read without limitation;

(g) any reference to a **person** includes any individual, sole proprietorship firm, unincorporated organization, corporation, partnership, unlimited or limited liability company, trust, association, joint venture, government (or agency or political subdivision thereof) Hindu undivided family, trust, union, organization or other entity of any kind, that may be treated as a person under applicable law. A reference to any person in these Articles shall, where the context permits, include such person's executors, administrators, heirs, legal representatives and permitted successors and assigns;

(h) a reference to any document (including these Articles) is to that document as amended, consolidated, supplemented, novated or replaced from time to time;

(i) references made to any provision of the Act shall be construed as meaning and including the references to the rules and regulations made in relation to the same by the Ministry of Corporate Affairs. The applicable provisions of the Companies Act, 1956 shall cease to have effect from the date on which the corresponding provisions under the Companies Act, 2013 have been notified.

(j) a reference to a statute or statutory provision includes, to the extent applicable at any relevant time:

(i) that statute or statutory provision as from time to time consolidated, modified, re-enacted or replaced by any other statute or statutory provision; and

(ii) any subordinate legislation or regulation made under the relevant statute or statutory provision.

(k) references to 'writing' or 'written' include any mode of reproducing words in a legible and non-transitory form; and

(l) references to **Rupees, Re., Rs., INR, ₹** are references to the lawful currency of India.

PUBLIC COMPANY

6. The Company is a public company within the meaning of the Act.

SHARE CAPITAL AND VARIATION OF RIGHTS

7. AUTHORISED SHARE CAPITAL

The authorized share capital of the Company shall be such amount, divided into such class(es), denomination(s) and number of shares in the Company as stated in Clause V of the Memorandum of Association, with power to increase or reduce such capital from time to time and power to divide the shares in the capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the Articles of the Company, subject to the provisions of applicable law for the time being in force.

8. NEW CAPITAL PART OF THE EXISTING CAPITAL

Except so far as otherwise provided by the conditions of issue or by these Articles, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

9. KINDS OF SHARE CAPITAL

The Company may issue the following kinds of shares in accordance with these Articles, the Act and other applicable laws and subject to such other approvals, permissions or sanctions as may be necessary:

(a) Equity share capital:

(i) with voting rights; and/or

(ii) with differential rights as to dividend, voting or otherwise in accordance with the Act or guidelines issued by the statutory authorities and/or listing requirements and that the provisions of these Articles; and

(b) Preference share capital.

10. SHARES AT THE DISPOSAL OF THE DIRECTORS

Subject to the provisions of Section 62 and other applicable provisions of the Act, and these Articles, the shares in the capital of the Company shall be under the control of the Board of Directors who may issue, allot or otherwise dispose of all or any of such shares to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of section 53 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in General Meeting give to any person the option or right to call for any shares either at par or at a premium during such time and for such consideration as the Board of Directors think fit. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

11. CONSIDERATION FOR ALLOTMENT

The Board of Directors may issue and allot shares of the Company as payment in full or in part, for any property purchased by the Company or in respect of goods sold or transferred or machinery or appliances supplied or for services rendered to the Company in the acquisition and/or in the conduct of its business; and any shares which may be so allotted may be issued as fully paid up shares and if so issued shall be deemed as fully paid up shares. However, the aforesaid shall be subject to the approval of shareholders under the relevant provisions of the Act and Rules. However, the aforesaid shall be subject to the approval of shareholders under the relevant provisions of the Act and Rules.

12. SUB-DIVISION, CONSOLIDATION AND CANCELLATION OF SHARE CERTIFICATE

Subject to the provisions of the Act, the Company in its General Meetings may, by an Ordinary Resolution, from time to time:

(a) Increase, reduce or otherwise alter the share capital by such sum, to be divided into shares of such amount as it thinks expedient;

(b) divide, sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that as between the holders of the shares resulting from such sub-division one or more of such shares have some preference or special advantage in relation to dividend, capital or otherwise as compared with the others;

(c) cancel shares which at the date of such General Meeting have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled. A cancellation of Shares pursuant to this Article shall not be deemed to be a reduction of the Share Capital within the meaning of the Act;

(d) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; provided that any consolidation and division which results in changes in the voting percentage of Members shall require applicable approvals under the Act; and

(e) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.

13. FURTHER ISSUE OF SHARES

(1) Where at any time the Board or the Company, as the case may be, propose to increase the subscribed capital, either out of the unissued capital or increased Share Capital, by the issue of further shares then such shares shall be offered, subject to the provisions of section 62 of the Act, and the rules made thereunder:

(A)

(i) To the persons who at the date of the offer are holders of the Equity Shares of the Company, in proportion as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in (ii) to (iv) below;

(ii) The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days or such lesser number of days as

may be prescribed under applicable Indian law and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined.

Provided that the notice shall be dispatched through registered post or speed post or through electronic mode or courier or any other mode having proof of delivery to all the existing shareholders at least three days before the opening of the issue;

(iii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favor of any other person and the notice referred to in sub-clause(ii)shall contain a statement of this right;

(iv) After the expiry of time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that the person declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the Members and the Company;

(B) to employees under any scheme of employees' stock option subject to Special Resolution passed by the Company and subject to the rules and such other conditions, as may be prescribed under applicable law; or

(C) to any person(s), if it is authorised by a Special Resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer (where such valuation is required under the Act), subject to compliance with the applicable conditions of Chapter III of the Act and any other conditions as may be prescribed under the Act, the rules made thereunder and other applicable laws;

(2) Nothing in sub-clause (iii) of Clause (1)(A) shall be deemed:

(i) To extend the time within which the offer should be accepted; or

(ii) To authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares compromised in the renunciation.

(3) Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option as a term attached to the debentures issued or loans raised by the Company to convert such debentures or loans into shares in the Company or to subscribe for shares of the Company:

Provided that the terms of issue of such debentures or loans containing such an option have been approved before the issue of such debentures or the raising of such loans by a Special Resolution passed by the Company in a General Meeting.

(4) Notwithstanding anything contained in Article 13(3) hereof, where any debentures have been issued, or loan has been obtained from any government by the Company, and if that government considers it necessary in the public interest so to do, it may, by order, direct that such debentures or loans or any part thereof shall be converted into shares in the Company on such terms and conditions as appear to the Government to be reasonable in the circumstances of the case even if terms of the issue of such debentures or the raising of such loans do not include a term for providing for an option for such conversion:

Provided that where the terms and conditions of such conversion are not acceptable to the Company, it may, within sixty days from the date of communication of such order, appeal to National Company Law Tribunal which shall after hearing the Company and the Government pass such order as it deems fit.

Where the Government has, by an order made under Article 12 (4), directed that any debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal under Article 12 (4) or where such appeal has been dismissed, the memorandum of the Company shall, where such order has the effect of increasing the authorised share capital of the Company, stand altered and the authorised share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into

A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the rules made thereunder.

(5) In determining the terms and conditions of conversion under Article 12 (4), the Government shall have due regard to the financial position of the Company, the terms of issue of debentures or loans, as the case may be, the rate of interest payable on such debentures or loans and such other matters as it may consider necessary.

(6) Where the Government has, by an order made under Article 12 (4), directed that any debenture or loan or any part thereof shall be converted into shares in the Company and where no appeal has been preferred to the Tribunal under Article 12 (4) or where such appeal has been dismissed, the memorandum of the Company shall, where such order has the effect of increasing the authorised share capital of the Company, stand altered and the authorised share capital of the Company shall stand increased by an amount equal to the amount of the value of shares which such debentures or loans or part thereof has been converted into.

14. ALLOTMENT ON APPLICATION TO BE ACCEPTANCE OF SHARES

Any application signed by or on behalf of an applicant for shares in the Company followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register of Members, shall, for the purpose of these Articles, be a Member.

15. RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT

The Board shall observe the restrictions as regards allotment of shares to the public contained in the Act, and as regards return on allotments, the Directors shall comply with applicable provisions of the Act.

16. MONEY DUE ON SHARES TO BE A DEBT TO THE COMPANY

The money (if any) which the Board shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them, shall immediately on the inscription of the name of allottee in the Register as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.

17. INSTALLMENTS ON SHARES

If, by the conditions of allotment of any shares, whole or part of the amount or issue price thereof shall be payable by installments, every such installment shall, when due, be paid to the Company by the person who, for the time being and from time to time, shall be the registered holder of the share or his legal representative.

18. MEMBERS OR HEIRS TO PAY UNPAID AMOUNTS

Every Member or his heirs, executors or administrators shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being remain unpaid thereon, in such amounts, at such time or times and in such manner, as the Board shall from time to time, in accordance with these Articles require or fix for the payment thereof.

19. VARIATION OF SHAREHOLDERS' RIGHTS

(a) If at any time the share capital of the Company is divided into different classes of shares, the rights attached to the shares of any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to provisions of the Act and whether or not the Company is being wound up, be varied with the consent in writing of the holders of not less than three-fourth of the issued shares of that class or with the sanction of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class, as prescribed by the Act.

(b) Subject to the provisions of the Act, to every such separate meeting, the provisions of these Articles relating to meeting shall *mutatis mutandis* apply.

20. PREFERENCE SHARES

(a) **Redeemable Preference Shares**

The Company, subject to the applicable provisions of the Act and the consent of the Board and subject to such other approvals, permissions or sanctions as may be necessary, shall have the power to issue on a cumulative or non-cumulative basis, preference shares liable to be redeemed in such manner as the Company may determine before the issue of such preference shares and in any manner permissible under the Act, and the Directors may, subject to the applicable provisions of the Act, exercise such power in any manner as they deem fit and provide for redemption of such shares on such terms including the right to redeem at a premium or otherwise as they deem fit.

(b) **Convertible Redeemable Preference Shares**

The Company, subject to the applicable provisions of the Act and the consent of the Board, shall have power to issue on a cumulative or non-cumulative basis convertible redeemable preference shares liable to be redeemed in any manner permissible under the Act and the Directors may, subject to the applicable provisions of the Act, exercise such power as they deem fit and provide for redemption at a premium or otherwise and/or conversion of such shares into such securities on such terms as they may deem fit.

(c) The period of redemption of such preference shares shall not exceed the maximum period for redemption provided under the Act.

21. PAYMENTS OF INTEREST OUT OF CAPITAL

The Company shall have the power to pay interest out of its capital on so much of the shares which have been issued for the purpose of raising money to defray the expenses of the construction of any work or building for the Company in accordance with the Act.

22. AMALGAMATION

Subject to provisions of these Articles, the Company may amalgamate or cause itself to be amalgamated with any other person, firm or body corporate subject to the provisions of the Act.

SHARE CERTIFICATES

23. ISSUE OF CERTIFICATE

Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying ₹20 (Indian Rupees Twenty)) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates, unless prohibited by any provision of law or any order of court, tribunal or other authority having jurisdiction, within two (2) months from the date of allotment, or within one (1) month of the receipt of application of registration of transfer, transmission, sub division, consolidation or renewal of any of its shares as the case maybe or within a period of six (6) months from the date of allotment in the case of any allotment of debenture. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more

than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such joint holders.

Every certificate thereon and shall be signed by two directors or by a director and the company secretary and the common seal it shall be affixed in the presence of the persons required to sign the certificate.

24. RULES TO ISSUE SHARE CERTIFICATES

The Act shall be complied with in respect of the issue, reissue, renewal of share certificates and the format, sealing and signing of the certificates and records of the certificates issued shall be maintained in accordance with the Act.

25. ISSUE OF NEW CERTIFICATE IN PLACE OF ONE DEFACED, LOST OR DESTROYED

If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued upon payment of such fees for each certificate as may be specified by the Board (which fees shall not exceed the maximum amount permitted under the applicable law). Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other act or rules applicable in this behalf. The provision of this Article shall *mutatis mutandis* apply to debentures of the Company.

COMMISSION

26. COMMISSION FOR PLACING SHARES, DEBENTURES, ETC.

(a) The Company may exercise the powers of paying commissions conferred by sub-Section (6) of Section 40 or the Act (as amended from time to time), provided that the rate per cent or amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(b) The rate or amount of the commission shall not exceed the rate or amount prescribed under the applicable rules made under sub-Section (6) of Section 40 or the Act (as amended from time to time).

(c) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

LIEN

27. COMPANY'S LIEN ON SHARES / DEBENTURES

The Company shall subject to applicable law have a first and paramount lien on every share / debenture (not being a fully paid share / debenture) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called, or payable at a fixed time, in respect of that share / debenture. Unless otherwise agreed, the registration of transfer of shares / debentures shall operate as a waiver of the Company's lien, if any, on such shares / debentures.

Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

The fully paid-up shares shall be free from all lien on any account whatsoever and in the case of partly paid up shares, if any, the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

28. LIEN TO EXTEND TO DIVIDENDS, ETC.

The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares / debentures.

29. ENFORCING LIEN BY SALE

Subject to the provisions of the Act, the Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:

Provided that no sale shall be made—

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen (14) days' after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.

No Member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.

30. VALIDITY OF SALE

To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale.

31. VALIDITY OF COMPANY'S RECEIPT

The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case maybe) constitute a good title to the share and the purchaser shall be registered as the holder of the share.

32. APPLICATION OF SALE PROCEEDS

The proceeds of any such sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.

33. OUTSIDER'S LIEN NOT TO AFFECT COMPANY'S LIEN

In exercising its lien, the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not (except as ordered by a court of competent jurisdiction or unless required by law) be bound to recognise any equitable or other claim to, or interest in, such share on the part of any other person, whether a creditor of the registered holder or otherwise. The Company's lien shall prevail notwithstanding that it has received notice of any such claim.

34. PROVISIONS AS TO LIEN TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.

The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

CALLS ON SHARES

35. BOARD TO HAVE RIGHT TO MAKE CALLS ON SHARES

The Board may subject to the provisions of the Act and any other applicable law, from time to time, make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares (whether on account of the nominal value of the shares or by premium) and not by the conditions of allotment thereof made payable at fixed times. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call. A call may be revoked or postponed at the discretion of the Board. The power to call on shares shall not be delegated to any other person except with the approval of the shareholders' in a General Meeting.

36. NOTICE FOR CALL

Each Member shall, subject to receiving at least fourteen (14) days' notice specifying the time or times and place of payment, pay to the Company, at the time or times and place so specified, the amount called on his shares.

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call in respect of one or more Members as the Board may deem appropriate in any circumstances.

37. CALL WHEN MADE

The Board of Directors may, when making a call by resolution, determine the date on which such call shall be deemed to have been made, not being earlier than the date of resolution making such call, and thereupon the call shall be deemed to have been made on the date so determined and if no such date is so determined a call shall be deemed to have been made at the date when the resolution authorizing such call was passed at the meeting of the Board and may be required to be paid in installments.

38. LIABILITY OF JOINT HOLDERS FOR A CALL

The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

39. CALLS TO CARRY INTEREST

If a Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at the rate of ten percent or such other lower rate as shall from time to time be fixed by the Board but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such Member. The Board shall be at liberty to waive payment of any such interest wholly or in part.

40. DUES DEEMED TO BE CALLS

Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these Articles, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

41. EFFECT OF NON-PAYMENT OF SUMS

In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

42. PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST

The Board –

(a) may, subject to provisions of the Act, if it thinks fit, agree to and receive from any Member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and

(b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate as as may be agreed upon between the Board and the Member paying the sum in advance. Nothing contained in this Article shall confer on the Member (i) any right to participate in profits or dividends; or (ii) any voting rights in respect of the moneys so paid by him, until the same would, but for such payment, become presently payable by him. The Directors may at any times repay the amount so advanced.

43. PROVISIONS AS TO CALLS TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.

The provisions of these Articles relating to calls shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

FORFEITURE OF SHARES

44. BOARD TO HAVE A RIGHT TO FORFEIT SHARES

If a Member fails to pay any call, or installment of a call or any money due in respect of any share, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on him requiring payment of so much of the call or installment or other money as is unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of non-payment.

45. NOTICE FOR FORFEITURE OF SHARES

The notice aforesaid shall:

(a) name a further day (not being earlier than the expiry of fourteen days from the date of services of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

46. RECEIPT OF PART AMOUNT OR GRANT OF INDULGENCE NOT TO AFFECT FORFEITURE

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereof nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member in respect of any shares either by way of principal or interest nor any indulgence granted by the Company in respect of payment of any such money shall preclude the forfeiture of such shares as herein provided. There shall be no forfeiture of unclaimed dividends before the claim becomes barred by applicable law.

47. FORFEITED SHARE TO BE THE PROPERTY OF THE COMPANY

Any share forfeited in accordance with these Articles, shall be deemed to be the property of the Company and may be sold, re-allocated or otherwise disposed of either to the original holder thereof or to any other person upon such terms and in such manner as the Board thinks fit.

48. ENTRY OF FORFEITURE IN REGISTER OF MEMBERS

When any share shall have been so forfeited, notice of the forfeiture shall be given to the defaulting member and any entry of the forfeiture with the date thereof, shall forthwith be made in the Register of Members but no forfeiture shall be invalidated by any omission or neglect or any failure to give such notice or make such entry as aforesaid.

49. MEMBER TO BE LIABLE EVEN AFTER FORFEITURE

A person whose shares have been forfeited shall cease to be a Member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay, and shall pay, to the Company all monies which, at the date of forfeiture, were presently payable by him to the Company in respect of the shares. All such monies payable shall be paid together with interest thereon at such rate as the Board may determine, from the time of forfeiture until payment or realization. The Board may, if it thinks fit, but without being under any obligation to do so, enforce the payment of the whole or any portion of the monies due, without any allowance for the value of the shares at the time of forfeiture or waive payment in whole or in part. The liability of such person shall cease if and when the Company shall have received payment in full of all such monies in respect of the shares.

50. EFFECT OF FORFEITURE

The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles expressly saved.

51. CERTIFICATE OF FORFEITURE

A duly verified declaration in writing that the declarant is a director, the manager or the secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share.

52. TITLE OF PURCHASER AND TRANSFEREE OF FORFEITED SHARES

The Company may receive the consideration, if any, given for the share on any sale, re-allotment or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of. The transferee shall thereupon be registered as the holder of the share and the transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or disposal of the share.

53. VALIDITY OF SALES

Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold and after his name has been entered in the Register of Members in respect of such shares the validity of the sale shall not be impeached by any person.

54. CANCELLATION OF SHARE CERTIFICATE IN RESPECT OF FORFEITED SHARES

Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the Company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

55. BOARD ENTITLED TO CANCEL FORFEITURE

The Board may at any time before any share so forfeited shall have them sold, reallotted or otherwise disposed of, cancel the forfeiture thereof upon such conditions at it thinks fit.

56. SURRENDER OF SHARE CERTIFICATES

The Board may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering them on such terms as they think fit.

57. SUMS DEEMED TO BE CALLS

The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

58. PROVISIONS AS TO FORFEITURE OF SHARES TO APPLY MUTATIS MUTANDIS TO DEBENTURES, ETC.

The provisions of these Articles relating to forfeiture of shares shall *mutatis mutandis* apply to any other securities, including debentures, of the Company.

TRANSFER AND TRANSMISSION OF SHARES

59. REGISTER OF TRANSFERS

The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares. The Company shall also use a common form of transfer.

60. ENDORSEMENT OF TRANSFER

In respect of any transfer of shares registered in accordance with the provisions of these Articles, the Board may, at its discretion, direct an endorsement of the transfer and the name of the transferee and other particulars on the existing share certificate and authorize any Director or Officer of the Company to authenticate such endorsement on behalf of the Company or direct the issue of a fresh share certificate, in lieu of and in cancellation of the existing certificate in the name of the transferee.

61. INSTRUMENT OF TRANSFER

(a) The instrument of transfer of any share shall be in writing and all the provisions of the Act, and of any statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. The Company shall use the form of transfer, as prescribed under the Act, in all cases. In case of transfer of shares, where the Company has not issued any certificates and where the shares are held in dematerialized form, the provisions of the Depositories Act, 1996 shall apply.

(b) The Board may decline to recognize any instrument of transfer unless-

(i) the instrument of transfer is in the form prescribed under the Act;

(ii) the instrument of transfer is accompanied by the certificate of shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and

(iii) the instrument of transfer is in respect of only one class of shares.

(c) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

62. EXECUTION OF TRANSFER INSTRUMENT

Every such instrument of transfer shall be executed, both by or on behalf of both the transferor and the transferee and the transferor shall be deemed to remain holder of the shares until the name of the transferee is entered in the Register of Members in respect thereof.

63. CLOSING REGISTER OF TRANSFERS AND OF MEMBERS

Subject to compliance with the Act and other applicable law, the Board shall be empowered, on giving not less than seven (7) days' notice or such period as may be prescribed, to close the transfer books, Register of Members, the register of debenture holders at such time or times, and for such period or periods, not exceeding thirty (30) days at a time and not exceeding an aggregate forty five (45) days in each year as it may seem expedient.

64. DIRECTORS MAY REFUSE TO REGISTER TRANSFER

Subject to the provisions of these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may (at its own absolute and uncontrolled discretion), subject to the right of appeal conferred by the Act, decline or refuse by giving reasons, whether in pursuance of any power of the Company under these Articles or otherwise, to register or acknowledge any transfer of, or the transmission by operation of law of the right to, any securities or interest of a Member in the Company, after providing sufficient cause, within a period of thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company. Provided that the registration of transfer of any securities shall not be refused on the ground of the transferor being alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except where the Company has a lien on shares.

65. TRANSFER OF PARTLY PAID SHARES

Where in the case of partly paid shares, an application for registration is made by the transferor alone, the transfer shall not be registered, unless the Company gives the notice of the application to the transferee in accordance with the provisions of the Act and the transferee gives no objection to the transfer within the time period prescribed under the Act.

66. TITLE TO SHARES OF DECEASED MEMBERS

The executors or administrators or the holders of a succession certificate issued in respect of the shares of a deceased Member and not being one of several joint holders shall be the only person whom the Company shall recognize as having any title to the shares registered in the name of such Members and in case of the death of one or more of the joint holders of any registered share, the survivor or survivors shall be entitled to the title or interest in such shares but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person. Provided nevertheless that in case the Directors, in their absolute discretion think fit, it shall be lawful for the Directors to dispense with the production of a probate or letters of administration or a succession certificate or such other legal representation upon such terms (if any) (as to indemnify or otherwise) as the Directors may consider necessary or desirable.

67. TRANSFERS NOT PERMITTED

No share shall in any circumstances be transferred to any infant, insolvent or a person of unsound mind, except fully paid shares through a legal guardian.

68. TRANSMISSION OF SHARES

Subject to the provisions of the Act and these Articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any Members, or by any lawful means other than by a transfer in accordance with these Articles, may with the consent of the Board (which it shall not be under any obligation to give), upon producing such evidence as the Board thinks sufficient, that he sustains the character in respect of which he proposes to act under this Article, or of his title, elect to either be registered himself as holder of the shares or elect to have some person nominated by him and

approved by the Board, registered as such holder or to make such transfer of the share as the deceased or insolvent member could have made. If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects. Provided, nevertheless, if such person shall elect to have his nominee registered, he shall testify that election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained and until he does so he shall not be freed from any liability in respect of the shares. Further, all limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfer of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.

69. RIGHTS ON TRANSMISSION

A person becoming entitled to a share by reason of the death or insolvency of the holder shall, subject to the Directors' right to retain such dividends or money, be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a Member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board may at any time give a notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety (90) days, the Board may thereafter withhold payment of all dividends, bonus or other moneys payable in respect of such share, until the requirements of notice have been complied with.

70. SHARE CERTIFICATES TO BE SURRENDERED

Before the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with (save as provided in the Act) properly stamped and executed instrument of transfer.

71. COMPANY NOT LIABLE TO NOTICE OF EQUITABLE RIGHTS

The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register) to the prejudice of persons having or claiming any equitable rights, title or interest in the said shares, notwithstanding that the Company may have had notice of such equitable rights referred thereto in any books of the Company and the Company shall not be bound by or required to regard or attend to or give effect to any notice which may be given to it of any equitable rights, title or interest or be under any liability whatsoever for refusing or neglecting to do so, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

72. TRANSFER AND TRANSMISSION OF DEBENTURES

The provisions of these Articles, shall, *mutatis mutandis*, apply to the transfer of or the transmission by law of the right to any securities including, debentures of the Company.

ALTERATION OF CAPITAL

73. RIGHTS TO ISSUE SHARE WARRANTS

The Company may issue share warrants subject to, and in accordance with provisions of the Act. The Board may, in its discretion, with respect to any share which is fully paid up on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may from time to time require as to the identity of the person signing the application, and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require having been paid, issue a warrant.

74. BOARD TO MAKE RULES

The Board may, from time to time, make rules as to the terms on which it shall think fit, a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

75. SHARES MAY BE CONVERTED INTO STOCK

Where shares are converted into stock:

(a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same Articles under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose;

(b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage;

(c) such of the Articles of the Company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder"/"Member" shall include "stock" and "stock-holder" respectively.

76. REDUCTION OF CAPITAL

The Company may, by a Special Resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act—

(a) its share capital; and/or

(b) any capital redemption reserve account; and/or

(c) any share premium account

and in particular without prejudice to the generality of the foregoing power may be: (i) extinguishing or reducing the liability on any of its shares in respect of share capital not paid up; (ii) either with or without extinguishing or reducing liability on any of its shares, (a) cancel paid up share capital which is lost or is unrepresented by available assets; or (b) pay off any paid up share capital which is in excess of the wants of the Company; and may, if and so far as is necessary, alter its Memorandum, by reducing the amount of its share capital and of its shares accordingly.

77. DEMATERIALISATION OF SECURITIES

(a) The Company shall recognise interest in dematerialised securities under the Depositories Act, 1996.

Subject to the provisions of the Act, either the Company or the investor may exercise an option to issue (in case of the Company only), deal in, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event, the rights and obligations of the parties concerned and matters connected therewith or incidental thereof shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification(s) thereto or re-enactment thereof, the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and other applicable law.

(b) Dematerialisation/Re-materialisation of securities

Notwithstanding anything to the contrary or inconsistent contained in these Articles, the Company shall be entitled to dematerialise its existing securities, re materialise its securities held in Depositories and/or offer its fresh securities in the dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.

(c) Option to receive security certificate or hold securities with the Depository

Every person subscribing to or holding securities of the Company shall have the option to receive the security certificate or hold securities with a Depository. Where a person opts to hold a security with the Depository, the Company shall intimate such Depository of the details of allotment of the security and on receipt of such information, the Depository shall enter in its Record, the name of the allottees as the beneficial owner of that Security.

(d) Securities in electronic form

All securities held by a Depository shall be dematerialized and held in electronic form. No certificate shall be issued for the securities held by the Depository.

(e) Beneficial owner deemed as absolute owner

Except as ordered by a court of competent jurisdiction or by applicable law required and subject to the provisions of the Act, the Company shall be entitled to treat the person whose name appears on the applicable register as the holder of any security or whose name appears as the beneficial owner of any security in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such securities or (except only as by these Articles otherwise expressly provided) any right in respect of a security other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any security in the joint names of any two or more persons or the survivor or survivors of them.

(f) Register and index of beneficial owners

The Company shall cause to be kept a register and index of beneficial owners with details of securities held in materialised and dematerialised forms in any media as may be permitted by law including any form of electronic media. The register and index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a register and index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members, resident in that state or country.

78. BUY BACK OF SHARES

Notwithstanding anything contained in these Articles, but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.

GENERAL MEETINGS

79. ANNUAL GENERAL MEETINGS

(a) The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meeting in that year.

(b) An Annual General Meeting of the Company shall be held in accordance with the provisions of the Act.

80. EXTRAORDINARY GENERAL MEETINGS

All General Meetings other than the Annual General Meeting shall be called "Extraordinary General Meeting". Provided that, the Board may, whenever it thinks fit, call an Extraordinary General Meeting.

81. EXTRAORDINARY MEETINGS ON REQUISITION

The Board shall, on the requisition of Members, convene an Extraordinary General Meeting of the Company in the circumstances and in the manner provided under the Act.

82. NOTICE FOR GENERAL MEETINGS

All General Meetings shall be convened by giving not less than clear twenty one (21) days' notice, in such manner as is prescribed under the Act, specifying the place, date and hour of the meeting and a statement of the business proposed to be transacted at such a meeting, in the manner mentioned in the Act. Notice shall be given to all the Members and to such persons as are under the Act and/or these Articles entitled to receive such notice from the Company but any accidental omission to give notice to or non-receipt of the notice by any Member or other person to whom it should be given shall not invalidate the proceedings of any General Meetings.

The Members may participate in General Meetings through such modes as permitted by applicable laws.

83. SHORTER NOTICE ADMISSIBLE

Upon compliance with the relevant provisions of the Act, an Annual General Meeting or any General Meeting may be convened by giving a shorter notice than twenty one (21) days.

84. CIRCULATION OF MEMBERS' RESOLUTION

The Company shall comply with provisions of Section 111 of the Act, as to giving notice of resolutions and circulating statements on the requisition of Members.

85. SPECIAL AND ORDINARY BUSINESS

(a) Subject to the provisions of the Act, all business shall be deemed special that is transacted at the Annual General Meeting with the exception of declaration of any dividend, the consideration of financial statements and reports of the Directors and auditors, the appointment of Directors in place of those retiring and the appointment of and fixing of the remuneration of the auditors. In case of any other meeting, all business shall be deemed to be special.

(b) In case of special business as aforesaid, an explanatory statement as required under the applicable provisions of the Act shall be annexed to the notice of the meeting.

86. QUORUM FOR GENERAL MEETING

Five (5) Members or such other number of Members as required under the Act or the applicable law for the time being in force prescribes, personally present shall be quorum for a General Meeting and no business shall be transacted at any General Meeting unless the requisite quorum is present at the commencement of the meeting.

87. TIME FOR QUORUM AND ADJOURNMENT

Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting, a quorum is not present, the meeting, if called upon the requisition of Members, shall be cancelled and in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine. If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall be quorum and may transact the business for which the meeting was called.

88. CHAIRMAN OF GENERAL MEETING

The chairman, if any, of the Board of Directors shall preside as chairman at every General Meeting of the Company.

89. ELECTION OF CHAIRMAN

Subject to the provisions of the Act, if there is no such chairman or if at any meeting he is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as chairman, the Directors present shall elect another Director as chairman and if no Director be present or if all the Directors decline to take the chair, then the Members present shall choose a Member to be the chairman.

90. ADJOURNMENT OF MEETING

Subject to the provisions of the Act, the chairman of a General Meeting may, with the consent given in the meeting at which a quorum is present (and shall if so directed by the meeting) adjourn that meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When the meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as nearly to the original meeting, as may be possible. Save as aforesaid and as provided in Section 103 of the Act, it shall not be necessary to give any notice of adjournment of the business to be transacted at an adjourned meeting.

91. VOTING AT MEETING

At any General Meeting, a demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than that on which a poll has been demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand. Further, no objection shall be raised to the qualification of any voter except at the General Meeting or adjourned General Meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the chairperson of the General Meeting, whose decision shall be final and conclusive.

92. DECISION BY POLL

If a poll is duly demanded in accordance with the provisions of the Act, it shall be taken in such manner as the chairman directs and the results of the poll shall be deemed to be the decision of the meeting on the resolution in respect of which the poll was demanded.

93. CASTING VOTE OF CHAIRMAN

In case of equal votes, whether on a show of hands or on a poll, the chairman of the General Meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote in addition to the vote or votes to which he may be entitled to as a Member.

94. PASSING RESOLUTIONS BY POSTAL BALLOT

(a) Notwithstanding any of the provisions of these Articles, the Company may, and in the case of resolutions relating to such business as notified under the Act, to be passed by postal ballot, shall get any resolution passed by means of a postal ballot, instead of transacting the business in the General Meeting of the Company.

(b) Where the Company decides to pass any resolution by resorting to postal ballot, it shall follow the procedures as prescribed under the Act.

(c) If a resolution is assented to by the requisite majority of the shareholders by means of postal ballot, it shall be deemed to have been duly passed at a General Meeting convened in that behalf.

VOTE OF MEMBERS

95. VOTING RIGHTS OF MEMBERS

Subject to any rights or restrictions for the time being attached to any class or classes of shares:

(a) On a show of hands every Member holding Equity Shares and present in person shall have one vote.

(b) On a poll, every Member holding Equity Shares therein shall have voting rights in proportion to his share in the paid-up equity share capital.

(c) A Member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

96. VOTING BY JOINT-HOLDERS

In case of joint holders the vote of first named of such joint holders in the Register of Members who tender a vote whether in person or by proxy shall be accepted, to the exclusion of the votes of other joint holders.

97. VOTING BY MEMBER OF UNSOUND MIND

A Member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or legal guardian may, on a poll, vote by proxy.

98. NO RIGHT TO VOTE UNLESS CALLS ARE PAID

No Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable by him have been paid, or in regard to which the Company has lien and has exercised any right of lien.

99. PROXY

Any Member entitled to attend and vote at a General Meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting.

100. INSTRUMENT OF PROXY

An instrument appointing a proxy shall be in the form as prescribed under the Act for this purpose. The instrument appointing a proxy shall be in writing under the hand of appointer or of his attorney duly authorized in writing or if appointed by a body corporate either under its common seal or under the hand of its officer or attorney duly authorized in writing by it. Any person whether or not he is a Member of the Company may be appointed as a proxy.

The instrument appointing a proxy and power of attorney or other authority (if any) under which it is signed or a notarized copy of that power or authority must be deposited at the Office of the Company not less than forty eight (48) hours prior to the time fixed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in case of a poll, not less than twenty four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

101. VALIDITY OF PROXY

A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of shares in respect of which the proxy is given, provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its Office before the commencement of the meeting or adjourned meeting at which the proxy is used.

102. CORPORATE MEMBERS

Any corporation which is a Member of the Company may, by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the Company and the said person so authorized shall be entitled to exercise the same powers on behalf of the corporation which he represents as that corporation could have exercised if it were an individual Member of the Company (including the right to vote by proxy).

DIRECTOR

103. NUMBER OF DIRECTORS

Unless otherwise determined by General Meeting, the number of Directors shall not be less than three (3) and not more than fifteen (15), and at least one (1) Director shall be resident of India in the previous year.

Provided that the Company may appoint more than fifteen (15) directors after passing a Special Resolution.

The following were the first Directors of the Company:

(i) Mr. Sangamesh Nirani;

(ii) Mr. Vijaykumar Murugesh Nirani; and

(iii) Mr. Vishal Nirani.

104. SHARE QUALIFICATION NOT NECESSARY

Any person whether a Member of the Company or not may be appointed as Director and no qualification by way of holding shares shall be required of any Director.

105. INDEPENDENT DIRECTORS

The Company shall have such number of Independent Directors on the Board of the Company, as may be required to comply with applicable laws, including the Act and the Securities and Exchange Board of India (Listing and Disclosure Requirements) Regulations, 2015, as amended.

106. ADDITIONAL DIRECTORS

Subject to the provisions of the Act, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the Articles.

107. ALTERNATE DIRECTORS

(a) The Board may, subject to provisions of the Act, appoint a person, not being a person holding any alternate directorship for any other director in the Company or holding directorship in the Company, to act as an alternate director for a director during his absence for a period of not less than 3 (three) months from India (hereinafter in this Article called the "**Original Director**").

(b) An alternate director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when the Original Director returns to India. If the term of office of the Original Director is determined before he returns to India the automatic re-appointment of retiring directors in default of another appointment shall apply to the Original Director and not to the alternate director.

108. APPOINTMENT OF DIRECTOR TO FILL A CASUAL VACANCY

If the office of any Director appointed by the Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by the Board of Directors at a meeting of the Board which shall be subsequently approved by members in the immediate next

general meeting. The director so appointed shall hold office only up to the date which the director in whose place he is appointed would have held office if it had not been vacated.

109. REMUNERATION OF DIRECTORS

(a) A Director (other than a managing Director or whole-time Director) may receive a sitting fee not exceeding such sum as may be prescribed by the Act or the Central Government from time to time for each meeting of the Board of Directors or any committee thereof attended by him. The remuneration of Directors including managing Director and/or whole-time Director may be paid in accordance with the applicable provisions of the Act.

(b) The Board of Directors may allow and pay or reimburse any Director who is not a bona fide resident of the place where a meeting of the Board or of any committee is held and who shall come to such place for the purpose of attending such meeting or for attending its business at the request of the Company, such sum as the Board may consider fair compensation for travelling, and out-of-pocket expenses and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business he shall be entitled to be reimbursed any travelling or other expenses incurred in connection with the business of the Company.

(c) The managing Directors/ whole-time Directors shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the Company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company any remuneration that they may pay to such part time employees.

110. REMUNERATION FOR EXTRA SERVICES

If any Director, being willing, shall be called upon to perform extra services or to make any special exertions (which expression shall include work done by Director as a Member of any committee formed by the Directors) in going or residing away from the town in which the Office of the Company may be situated for any purposes of the Company or in giving any special attention to the business of the Company or as member of the Board, then subject to the provisions of the Act, the Board may remunerate the Director so doing either by a fixed sum, or by a percentage of profits or otherwise and such remuneration, may be either in addition to or in substitution for any other remuneration to which he may be entitled.

111. CONTINUING DIRECTOR MAY ACT

The continuing Directors may act notwithstanding any vacancy in the Board, but if the number is reduced below three, the continuing Directors or Director may act for the purpose of increasing the number of Directors to three or for summoning a General Meeting of the Company, but for no other purpose.

112. VACATION OF OFFICE OF DIRECTOR

The office of a Director shall be deemed to have been vacated under the circumstances enumerated under Act.

ROTATION AND RETIREMENT OF DIRECTOR

113. ONE-THIRD OF DIRECTORS TO RETIRE EVERY YEAR

At the Annual General Meeting of the Company to be held every year, one third of such of the Directors as are liable to retire by rotation for time being, or, if their number is not three or a multiple of three then the number nearest to one third shall retire from office, and they will be eligible for re-election. Provided nevertheless that the managing director appointed or the Directors appointed as a debenture director under Articles hereto shall not retire by rotation under this Article nor shall they be included in calculating the total number of Directors of whom one third shall retire from office under this Article.

114. RETIRING DIRECTORS ELIGIBLE FOR RE-ELECTION

A retiring Director shall be eligible for re-election and the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid, may fill up the vacated office by electing a person thereto.

115. WHICH DIRECTOR TO RETIRE

The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lots.

116. POWER TO REMOVE DIRECTOR BY ORDINARY RESOLUTION

Subject to the provisions of the Act, the Company may by an Ordinary Resolution in General Meeting, remove any Director before the expiration of his period of office and may, by an Ordinary Resolution, appoint another person instead.

Provided that an independent director re-appointed for second term under the provisions of the Act shall be removed by the company only by passing a Special Resolution and after giving him a reasonable opportunity of being heard.

117. DIRECTORS NOT LIABLE FOR RETIREMENT

The Company in General Meeting may, when appointing a person as a Director declare that his continued presence on the Board of Directors is of advantage to the Company and that his office as Director shall not be liable to be determined by retirement by rotation for such period until the happening of any event of contingency set out in the said resolution.

118. DIRECTOR FOR COMPANIES PROMOTED BY THE COMPANY

Directors of the Company may be or become a director of any company promoted by the Company or in which it may be interested as vendor, shareholder or otherwise and no such Director shall be accountable for any benefits received as a director or member of such company subject to compliance with applicable provisions of the Act.

PROCEEDINGS OF BOARD OF DIRECTORS

119. MEETINGS OF THE BOARD

(a) The Board of Directors shall meet at least once in every three (3) months with a maximum gap of four (4) months between two (2) meetings of the Board for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in accordance with the Act, provided that at least four (4) such meetings shall be held in every year. Place of meetings of the Board shall be at a location determined by the Board at its previous meeting, or if no such determination is made, then as determined by the chairman of the Board.

(b) The chairman may, at any time, and the secretary or such other Officer of the Company as may be authorised in this behalf on the requisition of Director shall at any time summon a meeting of the Board. Notice of at least seven (7) days in writing of every meeting of the Board shall be given to every Director and every alternate Director at his usual address whether in India or abroad, provided always that a meeting may be convened by a shorter notice to transact urgent business subject to the condition that at least one independent director, if any, shall be present at the meeting and in case of absence of independent directors from such a meeting of the Board, decisions taken at such a meeting shall be circulated to all the directors and shall be final only on ratification thereof by at least one independent director, if any.

(c) The notice of each meeting of the Board shall include (i) the time for the proposed meeting; (ii) the venue for the proposed meeting; and (iii) an agenda setting out the business proposed to be transacted at the meeting.

(d) To the extent permissible by applicable law, the Directors may participate in a meeting of the Board or any committee thereof, through electronic mode, that is, by way of video conferencing i.e., audio visual electronic communication facility. The notice of the meeting must inform the Directors regarding the availability of participation through video conferencing. Any Director participating in a meeting through the use of video conferencing shall be counted for the purpose of quorum.

120. QUESTIONS AT BOARD MEETING HOW DECIDED

Questions arising at any time at a meeting of the Board shall be decided by majority of votes and in case of equality of votes, the Chairman, in his absence the Vice Chairman or the Director presiding shall have a second or casting vote.

121. QUORUM

Subject to the provisions of the Act and other applicable law, the quorum for a meeting of the Board shall be one third of its total strength (any fraction contained in that one-third being rounded off as one) or two Directors whichever is higher and the participation of the directors by video conferencing or by other audio visual means shall also be counted for the purposes of quorum.

At any time the number of interested Directors is equal to or exceeds two-thirds of total strength, the number of remaining Directors, that is to say the number of Directors who are not interested, present at the meeting being not less than two, shall be the quorum during such time. The total strength of the Board shall mean the number of Directors actually holding office as Directors on the date of the resolution or meeting, that is to say, the total strength of Board after deducting there from the number of Directors, if any, whose places are vacant at the time. The term 'interested director' means any Director whose presence cannot, by reason of applicable provisions of the Act be counted for the purpose of forming a quorum at meeting of the Board, at the time of the discussion or vote on the concerned matter or resolution.

122. ADJOURNED MEETING

Subject to the provisions of the Act, if within half an hour from the time appointed for a meeting of the Board, a quorum is not present, the meeting, shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the Directors may determine.

123. ELECTION OF CHAIRMAN OF BOARD

(a) The Board may elect a chairman of its meeting and determine the period for which he is to hold office.

(b) If no such chairman is elected or at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting the Directors present may choose one among themselves to be the chairman of the meeting.

124. POWERS OF DIRECTORS

(a) The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act or any other applicable law, or by the Memorandum or by the Articles required to be exercised by the Company in a General Meeting, subject nevertheless to these Articles, to the provisions of the Act or any other applicable law and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in a General Meeting; but no regulation made by the Company in a General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

(b) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted,

endorsed, or otherwise executed, as the case maybe, by such person and in such manner as the Board shall from time to time by resolution determine.

125. DELEGATION OF POWERS AND CONSTITUTION OF COMMITTEES OF THE BOARD

(a) Subject to Section 179 of the Act, the Board shall have the right to delegate any of their powers to such managers, agents or other Persons as they may deem fit and may at their own discretion revoke, vary or withdraw such powers.

(b) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such members of its body as it thinks fit.

(c) Any committee so formed shall, in the exercise of the power so delegated conform to any regulations that may be imposed on it by the Board.

126. ELECTION OF CHAIRMAN OF COMMITTEE

(a) A committee may elect a chairman of its meeting. If no such chairman is elected or if at any meeting the chairman is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be the chairman of the committee meeting.

(b) The quorum of a committee may be fixed by the Board of Directors.

127. QUESTIONS HOW DETERMINED

(a) A committee may meet and adjourn as it thinks proper.

(b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present as the case may be and in case of equality of vote, the chairman shall have a second or casting vote, in addition to his vote as a member of the committee.

128. VALIDITY OF ACTS DONE BY BOARD OR A COMMITTEE

All acts done by any meeting of the Board, of a committee thereof, or by any person acting as a Director shall notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid or that they or any of them were disqualified be as valid as if even such Director or such person has been duly appointed and was qualified to be a Director.

129. RESOLUTION BY CIRCULATION

Save as otherwise expressly provided in the Act, a resolution in writing circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the committee then in India, not being less in number than the quorum fixed of the meeting of the Board or the committee, as the case may be and to all other Directors or Members at their usual address in India and approved by such of the Directors as are then in India or by a majority of such of them as are entitled to vote at the resolution shall be valid and effectual as if it had been a resolution duly passed at a meeting of the Board or committee duly convened and held.

130. MAINTENANCE OF FOREIGN REGISTER

The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of those Sections) make and vary such regulations as it may think fit respecting the keeping of any register.

131. BORROWING POWERS

(a) Subject to the provisions of the Act and these Articles, the Board may from time to time at their discretion raise or borrow or secure the payment of any such sum of money for the purpose of the Company, in such manner and upon such terms and conditions in all respects as they think fit, and in particular, by promissory notes or by receiving deposits and advances with or without security or by the issue of bonds, debentures, perpetual or otherwise, including debentures convertible into shares of this Company or any other company or perpetual annuities and to secure any such money so borrowed, raised or received, mortgage, pledge or charge the whole or any part of the property, assets or revenue of the Company present or future, including its uncalled capital by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders powers of sale and other powers as may be expedient and to purchase, redeem or pay off any such securities; provided however, that the moneys to be borrowed, together with the money already borrowed by the Company apart from temporary loans (as defined under Section 180(1) of the Act) obtained from the Company's bankers in the ordinary course of business shall not, without the sanction of the Company by a Special Resolution at a General Meeting, exceed the aggregate of the paid up capital of the Company, its free reserves and securities premium. Provided that every Special Resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow shall specify the total amount up to which moneys may be borrowed by the Board of Directors.

(b) The Directors may by resolution at a meeting of the Board delegate the above power to borrow money otherwise than on debentures to a committee of Directors or managing Director or to any other person permitted by applicable law, if any, within the limits prescribed.

(c) To the extent permitted under the applicable law and subject to compliance with the requirements thereof, the Directors shall be empowered to grant loans to such entities at such terms as they may deem to be appropriate and the same shall be in the interests of the Company.

(d) Any bonds, debentures, debenture-stock or other securities may if permissible under applicable law be issued at a discount, premium or otherwise by the Company and shall with the consent of the Board be issued upon such terms and conditions and in such manner and for such consideration as the Board shall consider to be for the benefit of the Company, and on the condition that they or any part of them may be convertible into Equity Shares of any denomination, and with any privileges and conditions as to the redemption, surrender, allotment of shares, attending (but not voting) in the General Meeting, appointment of Directors or otherwise. Provided that debentures with rights to allotment of or conversion into Equity Shares shall not be issued except with, the sanction of the Company in General Meeting accorded by a Special Resolution.

132. NOMINEE DIRECTORS

(a) Subject to the provisions of the Act, so long as any moneys remain owing by the Company to Financial Institutions regulated by the Reserve Bank of India, State Financial Corporation or any financial institution owned or controlled by the Central Government or State Government or any Non-Banking Financial Company regulated by the Reserve Bank of India or any such company from whom the Company has borrowed for the purpose of carrying on its objects or each of the above has granted any loans / or subscribes to the debentures of the Company or so long as any of the aforementioned companies of financial institutions holds or continues to hold debentures /shares in the Company as a result of underwriting or by direct subscription or private placement or so long as any liability of the Company arising out of any guarantee furnished on behalf of the Company remains outstanding, and if the loan or other agreement with such institution/ corporation/ company (hereinafter referred to as the "**Corporation**") so provides, the Corporation may, in pursuance of the provisions of any law for the time being in force or of any agreement, have a right to appoint from time to time any person or persons as a Director or Directors whole-time or non whole-time (which Director or Director/s is/are hereinafter referred to as "**Nominee Directors/s**") on the Board of the Company and to remove from such office any person or person so appointed and to appoint any person or persons in his /their place(s).

(b) The Nominee Director/s appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board meetings and of the meetings of the committee of which

Nominee Director/s is/are member/s as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes.

(c) The Company may pay the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees commission, monies or remuneration in any form is payable to the Directors of the Company the fees, commission, monies and remuneration in relation to such Nominee Director/s may accrue to the nominee appointer and same shall accordingly be paid by the Company directly to the Corporation.

(d) Provided that the sitting fees, in relation to such Nominee Director/s shall also accrue to the appointer and same shall accordingly be paid by the Company directly to the appointer.

133. MANAGING DIRECTOR(S) AND/OR WHOLE TIME DIRECTORS

(a) The Board may from time to time and with such sanction of the Central Government as may be required by the Act, appoint one or more of the Directors to the office of the managing director and/ or whole time directors for such term and subject to such remuneration, terms and conditions as they may think fit.

(b) The Directors may from time to time resolve that there shall be either one or more managing directors and/ or whole-time directors.

(c) In the event of any vacancy arising in the office of a managing director and/or whole time director, the vacancy shall be filled by the Board of Directors subject to the approval of the Members.

(d) If a managing director and/or whole time director ceases to hold office as Director, he shall *ipso facto* and immediately cease to be managing director/whole time director.

(e) The managing director and/or whole time director shall not be liable to retirement by rotation as long as he holds office as managing director or whole-time director.

134. POWERS AND DUTIES OF MANAGING DIRECTOR OR WHOLE-TIME DIRECTOR

The managing director/whole time director shall subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable under these Articles by the Board of Directors, as they may think fit and confer such power for such time and to be exercised as they may think expedient and they may confer such power either collaterally with or to the exclusion of any such substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers. The managing Directors/ whole time Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board's direction.

135. REGISTER OF CHARGES

The Directors shall cause a proper register to be kept, in accordance with the Act, of all mortgages and charges specifically affecting the property of the Company and shall duly comply with the requirements of the Act in regard to the registration of mortgages and charges therein specified.

136. REIMBURSEMENT OF EXPENSES

The managing Directors/whole-time Directors shall be entitled to charge and be paid for all actual expenses, if any, which they may incur for or in connection with the business of the Company. They shall be entitled to appoint part time employees in connection with the management of the affairs of the Company and shall be entitled to be paid by the Company any remuneration that they may pay to such part time employees.

137. CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

Subject to the provisions of the Act —

(a) A chief executive officer, manager, company secretary and chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary and chief financial officer so appointed may be removed by means of a resolution of the Board.

(b) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. Further, an individual may be appointed or reappointed as the chairperson of the Company as well as the managing Director or chief executive officer of the Company at the same time.

(c) A provision of the Act or the Articles requiring or authorising a thing to be done by or to a Director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as a Director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

COMMON SEAL

138. CUSTODY OF COMMON SEAL

The Board shall provide for the safe custody of the common seal for the Company and they shall have power from time to time to destroy the same and substitute a new seal in lieu thereof.

139. SEAL HOW AFFIXED

The Directors shall provide a common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof, and the Directors shall provide for the safe custody of the seal for the time being and the seal shall never be used except by or under the authority of the Directors or a committee of the Directors previously given, and in the presence of at least (1) one Director and of the company secretary or such other person duly authorised by the Directors or a committee of the Directors, who shall sign every instrument to which the seal is so affixed in his presence.

The Company may exercise the powers conferred by the Act with regard to having an official seal for use abroad and such powers shall accordingly be vested in the Directors or any other person duly authorized for the purpose.

DIVIDEND

140. COMPANY IN GENERAL MEETING MAY DECLARE DIVIDENDS

The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

141. INTERIM DIVIDENDS

Subject to the provisions of the Act, the Board may from time to time pay to the members such interim dividends of such amount on such class of shares and at such times as it may think fit and as appear to it to be justified by the profits of the company.

142. RIGHT TO DIVIDEND AND UNPAID OR UNCLAIMED DIVIDEND

(a) Where capital is paid in advance of calls on any share, such capital, whilst carrying interest, shall not in respect thereof, confer a right to dividend or to participate in the profits.

(b) Where the Company has declared a dividend but which has not been paid or claimed within thirty (30) days from the date of declaration, the Company shall within seven (7) days from the date of expiry of the said period of thirty (30) days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty (30) days, to a special account to be opened by the Company in that behalf in any scheduled bank to be called “Unpaid Dividend Account”.

(c) Any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years from the date of such transfer, shall be transferred by the Company to the fund known as Investor Education and Protection Fund established under the Act and the Company shall send a statement in the prescribed form of the details of such transfer to the authority which administers the said fund and that authority shall issue a receipt to the Company as evidence of such transfer.

(d) No unclaimed or unpaid dividend shall be forfeited by the Board before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.

(e) All other provisions under the Act will be complied with in relation to the unpaid or unclaimed dividend.

143. DIVISION OF PROFITS

Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.

144. DIVIDENDS TO BE APPORTIONED

All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

145. RESERVE FUNDS

(a) The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall at the discretion of the Board, be applied for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends and pending such application, may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time think fit.

(b) The Board may also carry forward any profits when it may consider necessary not to divide, without setting them aside as a reserve.

146. DEDUCTION OF ARREARS

Subject to the Act, no Member shall be entitled to receive payment of any interest or dividend in respect of his share or shares whilst any money may be due or owing from him to the Company in respect of such share or shares of or otherwise howsoever whether alone or jointly with any other person or persons and the Board may deduct from any dividend payable to any Members all sums of money, if any, presently payable by him to the Company on account of the calls or otherwise in relation to the shares of the Company.

147. RETENTION OF DIVIDENDS

The Board may retain dividends payable upon shares in respect of which any person is, under Articles 57 to 70 hereinbefore contained, entitled to become a Member, until such person shall become a Member in respect of such shares.

148. RECEIPT OF JOINT HOLDER

Any one of two or more joint holders of a share may give effective receipt for any dividends, bonuses or other moneys payable in respect of such shares.

149. DIVIDEND HOW REMITTED

Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the Register of Members, or to such person and to such address as the holder or joint holders may in writing direct. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

150. DIVIDENDS NOT TO BEAR INTEREST

No dividends shall bear interest against the Company.

151. TRANSFER OF SHARES AND DIVIDENDS

Subject to the provisions of the Act, any transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

CAPITALISATION OF PROFITS

152. CAPITALISATION OF PROFITS

(a) The Company in General Meeting, may, on recommendation of the Board resolve:

(i) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or securities premium account or to the credit of the profit and loss account or otherwise available for distribution; and

(ii) that such sum be accordingly set free for distribution in the manner specified in the sub-clause (b) amongst the Members who would have been entitled thereto if distributed by way of dividend and in the same proportion.

(b) The sum aforesaid shall not be paid in cash but shall be applied, either in or towards:

(i) paying up any amounts for the time being unpaid on shares held by such Members respectively;

(ii) paying up in full, unissued share of the Company to be allotted and distributed, credited as fully paid up, to and amongst such Members in the proportions aforesaid; or

(iii) partly in the way specified in sub-clause (i) and partly that specified in sub -clause (ii).

(iv) A securities premium account and a capital redemption reserve account or any other permissible reserve account may be applied as permitted under the Act in the paying up of unissued shares to be issued to Members of the Company as fully paid bonus shares.

(v) The Board shall give effect to the resolution passed by the Company in pursuance of these Articles.

153. POWER OF DIRECTORS FOR DECLARATION OF BONUS ISSUE

(a) Whenever such a resolution as aforesaid shall have been passed, the Board shall:

(i) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and

(ii) generally do all acts and things required to give effect thereto.

(b) The Board shall have full power:

(i) to make such provisions, by the issue of fractional certificates or by payments in cash or otherwise as it thinks fit, in the case of shares or debentures becoming distributable in fractions; and

(ii) to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares or other securities to which they may be entitled upon such capitalization or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalized, of the amount or any parts of the amounts remaining unpaid on their existing shares.

(c) Any agreement made under such authority shall be effective and binding on such Members.

AUDIT

154. The appointment, removal, remuneration, rights, obligations and duties of the Auditor or Auditors shall be regulated by the provisions of the Act.

ACCOUNTS

155. WHERE BOOKS OF ACCOUNTS TO BE KEPT

The Books of Account shall be kept at the Office or at such other place in India as the Directors think fit in accordance with the applicable provisions of the Act.

156. INSPECTION BY DIRECTORS

The books of account and books and papers of the Company, or any of them, shall be open to the inspection of directors in accordance with the applicable provisions of the Act.

157. INSPECTION BY MEMBERS

No Member (not being a Director) shall have any right of inspecting any account or books or documents of the Company except as conferred by law or authorised by the Board.

SERVICE OF DOCUMENTS AND NOTICE

158. MEMBERS TO NOTIFY ADDRESS IN INDIA

Each registered holder of shares from time to time notify in writing to the Company such place in India to be registered as his address and such registered place of address shall for all purposes be deemed to be his place of residence.

159. SERVICE ON MEMBERS HAVING NO REGISTERED ADDRESS

If a Member has no registered address in India, and has not supplied to the Company any address within India, for the giving of the notices to him, a document advertised in a newspaper circulating in the neighborhood of Office of the Company shall be deemed to be duly served to him on the day on which the advertisement appears.

160. SERVICE ON PERSONS ACQUIRING SHARES ON DEATH OR INSOLVENCY OF MEMBERS

A document may be served by the Company on the persons entitled to a share in consequence of the death or insolvency of a Member by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased, assignees of the insolvent by any like description

at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by serving the document in any manner in which the same might have been served as if the death or insolvency had not occurred.

161. PERSONS ENTITLED TO NOTICE OF GENERAL MEETINGS

Subject to the provisions of the Act and these Articles, notice of General Meeting shall be given:

(a) To the Members of the Company as provided by these Articles.

(b) To the persons entitled to a share in consequence of the death or insolvency of a Member.

(c) To the Directors of the Company.

(d) To the auditors for the time being of the Company; in the manner authorized by as in the case of any Member or Members of the Company.

162. NOTICE BY ADVERTISEMENT

Subject to the provisions of the Act any document required to be served or sent by the Company on or to the Members, or any of them and not expressly provided for by these Articles, shall be deemed to be duly served or sent if advertised in a newspaper circulating in the district in which the Office is situated.

163. MEMBERS BOUND BY DOCUMENT GIVEN TO PREVIOUS HOLDERS

Every person, who by the operation of law, transfer or other means whatsoever, shall become entitled to any shares, shall be bound by every document in respect of such share which, previously to his name and address being entered in the Register of Members, shall have been duly served on or sent to the person from whom he derived his title to such share.

Any notice to be given by the Company shall be signed by the managing Director or by such Director or Secretary (if any) or Officer as the Directors may appoint. The signature to any notice to be given by the Company may be written or printed or lithographed.

WINDING UP

164. Subject to the applicable provisions of the Act–

(a) If the Company shall be wound up, the liquidator may, with the sanction of a Special Resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.

(b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the Members or different classes of Members.

(c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

(d) Any person who is or has been a Director or manager, whose liability is unlimited under the Act, shall, in addition to his liability, if any, to contribute as an ordinary member, be liable to make a further contribution as if he were at the commencement of winding up, a member of an unlimited company, in accordance with the provisions of the Act.

165. APPLICATION OF ASSETS

Subject to the provisions of the Act as to preferential payment the assets of the Company shall, on its winding up, be applied in satisfaction of its liabilities *pari passu* and, subject to such application shall be distributed among the Members according to their rights and interests in the Company.

INDEMNITY

166. DIRECTOR'S AND OTHERS' RIGHT TO INDEMNITY

Subject to the provisions of the Act, every Director and Officer of the Company shall be indemnified by the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the tribunal. Provided, however, that such indemnification shall not apply in respect of any cost or loss or expenses to the extent it is finally judicially determined to have resulted from the negligence, willful misconduct or bad faith acts or omissions of such Director.

167. INSURANCE

The Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former directors and key managerial personnel for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but have acted honestly and reasonably.

SECRECY CLAUSE

168. SECRECY

No Member shall be entitled to inspect the Company's works without the permission of the managing director/Directors or to require discovery of any information respectively and detail of the Company's trading or any matter which is or may be in the nature of a trade secret, history of trade or secret process which may be related to the conduct of the business of the Company and which in the opinion of the managing director/Directors will be inexpedient in the interest of the Members of the Company to communicate to the public.

GENERAL POWER

169. Wherever in the Act, it has been provided that the Company shall have any right, privilege or authority or that the Company could carry out any transaction only if the Company is so authorized by its articles, then and in that case this Article authorizes and empowers the Company to have such rights, privileges or authorities and to carry such transactions as have been permitted by the Act, without there being any specific Article in that behalf herein provided.

170. At any point of time from the date of adoption of these Articles, if the Articles are or become contrary to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**Listing Regulations**"), the provisions of the Listing Regulations shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the Listing Regulations, from time to time.

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts which have been entered into or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Red Herring Prospectus) which are, or may be deemed material, are attached to the copy of this Red Herring Prospectus delivered to the Registrar of Companies for registration. Copies of the aforementioned contracts and also the documents for inspection referred to hereunder, may be inspected at our Registered and Corporate Office, between 10.00 am and 5.00 pm on all Working Days and are also available at the website: https://www.trualtbioenergy.com/investor-relations, from the date of this Red Herring Prospectus until the Bid/Offer Closing Date (except for such agreements executed after the Bid/Offer Closing Date).

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the Shareholders, subject to compliance of the provisions contained in the Companies Act, 2013 and other applicable law.

Material Contracts to the Offer

1. Offer Agreement dated August 16, 2024 read with the First Amendment Agreement to the Offer Agreement, dated September 6, 2025, both entered into among our Company, the Selling Shareholders and the BRLMs.

2. Registrar Agreement dated August 16, 2024 entered into among our Company, the Selling Shareholders and the Registrar to the Offer.

3. Cash Escrow and Sponsor Bank Agreement dated September 19, 2025 entered into among our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Escrow Collection Bank(s), the Public Offer Bank(s), the Refund Bank(s) and Sponsor Bank(s).

4. Share Escrow Agreement dated September 19, 2025 entered into among the Selling Shareholders, our Company and the Share Escrow Agent.

5. Syndicate Agreement dated September 19, 2025 entered into among the members of the Syndicate, our Company, the Selling Shareholders and the Registrar to the Offer.

6. Monitoring Agency Agreement dated September 19, 2025 entered into between our Company and the Monitoring Agency.

7. Underwriting Agreement dated [●] entered into among our Company, the Registrar to the Offer, the Selling Shareholders and the BRLMs.

Material Documents in relation to the Offer

(1) Certified copies of updated Memorandum of Association and Articles of Association of our Company as amended until date.

(2) Certificate of incorporation dated March 31, 2021.

(3) Fresh certificate of incorporation dated July 1, 2022, consequent upon change of name of our Company pursuant to its conversion to a public company.

(4) Resolution passed by our Board in relation to authorizing the Offer dated August 3, 2024.

(5) Resolution passed by our Shareholders in relation to approving and authorizing the Fresh Issue dated August 10, 2024.

(6) Resolution by our Board in relation to taking on record the consents of the Selling Shareholders for Offer for Sale of their Offered Shares dated August 16, 2024 and September 6, 2025.

(7) Resolution by our Board for approval of DRHP dated August 16, 2024.

(8) Resolution of the Board for approval of RHP dated September 19, 2025.

(9) Resolution by our audit committee for approval of KPIs dated September 19, 2025.

(10) Statutory Auditor Certificate on KPIs dated September 19, 2025.

(11) Consent letters from the Selling Shareholders in relation to the Offer for Sale of its Offered Shares authorizing the Offer for Sale.

(12) Copies of the auditor's reports of our Company in respect of our audited financial statements for Fiscal Years 2025, 2024 and 2023.

(13) Copies of annual reports of our Company for the last three Fiscals, *i.e.*, Fiscals 2023, 2024 and 2025.

(14) Managing director agreement dated May 14, 2024 among our Company and Vijaykumar Murugesh Nirani.

(15) Business Transfer Agreement dated September 26, 2022 among our Company and MRN Cane Power (India) Limited and its valuation report dated September 25, 2022.

(16) Business Transfer Agreement dated September 26, 2022 among our Company and Erstwhile Nirani Sugars Limited and its valuation report dated September 25, 2022.

(17) Business Transfer Agreement dated September 26, 2022 among our Company and Shri Sai Priya Sugars Limited and its valuation report dated September 25, 2022.

(18) Master Supply Agreement dated April 25, 2024, statement of work dated April 25, 2024, Addendum to MRN Bhima SOW dated April 25, 2024 and Amendment to the MRN Bhima MSA dated May 22, 2024, amongst our Company and MRN Bhima Sugar and Power Private Limited.

(19) Master Supply Agreement dated April 25, 2024, statement of work dated April 25, 2024, Addendum to MRN Canepower SOW dated April 25, 2024 and Amendment to the MRN Canepower MSA dated May 22, 2024, amongst our Company and MRN Canepower and Biorefineries Private Limited.

(20) Master Supply Agreement dated April 25, 2024, statement of work dated April 25, 2024, Addendum to NSL SOW dated April 25, 2024, Amendment to the NSL MSA dated May 22, 2024 and NSL Novation Agreement dated July 26, 2024 amongst our Company and Nirani Sugars Limited (formerly known as MRN Chamundi Canepower and Biorefineries Limited).

(21) Transition Services Agreement dated October 1, 2022 amongst our Company and MRN Cane Power India Limited.

(22) Transition Services Agreement dated October 1, 2022 amongst our Company and Erstwhile Nirani Sugars Limited.

(23) Transition Services Agreement dated October 1, 2022 amongst our Company and Shri Sai Priya Sugars Limited.

(24) Investment Agreement dated March 15, 2024 amongst our Company, Erstwhile Nirani Sugars Limited and Chirag D Lakhi, read with the amendment to the investment agreement dated May 14, 2024.

(25) Investment Agreement dated March 15, 2024 amongst our Company, Erstwhile Nirani Sugars Limited and Ritesh G Lakhi, read with the amendment to the investment agreement dated May 14, 2024

(26) Investment Agreement dated April 5, 2024 amongst our Company, Erstwhile Nirani Sugars Limited and Mayank Bajaj, read with the amendment to the investment agreement dated May 14, 2024.

(27) Investment Agreement dated April 8, 2024 amongst our Company, Erstwhile Nirani Sugars Limited and Narendra Goel (on behalf of Shri Bajrang Commodity), read with the amendment to the investment agreement dated May 14, 2024.

(28) Investment Agreement dated April 16, 2024 amongst our Company, MRN Cane Power (India) Limited and Chartered Finance & Leasing Limited, read with the amendment to the investment agreement dated May 14, 2024.

(29) Investment Agreement dated April 16, 2024 amongst our Company, Shri Sai Priya Sugars Limited and Chartered Finance & Leasing Limited, read with the amendment to the investment agreement dated May 14, 2024.

(30) Investment Agreement dated April 16, 2024 amongst our Company, Erstwhile Nirani Sugars Limited and Praj Engineering and Infra Limited, read with the amendment to the investment agreement dated May 23, 2024.

(31) Investment Agreement dated April 18, 2024 amongst our Company, MRN Cane Power (India) Limited and Nirani Holdings Private Limited, read with the amendment to the investment agreement dated May 14, 2024.

(32) Investment Agreement dated April 20, 2024 amongst our Company, MRN Cane Power India Limited and Siddhartha Sacheti, read with the amendment to the investment agreement dated May 14, 2024.

(33) Investment Agreement dated April 20, 2024 amongst our Company, Shri Sai Priya Sugars Limited and Mithun Padam Sacheti, read with the amendment to the investment agreement dated May 14, 2024.

(34) Investment Agreement dated April 23, 2024 amongst our Company, Erstwhile Nirani Sugars Limited and Nirani Holdings Private Limited, read with the amendment to the investment agreement dated May 14, 2024.

(35) Investment Agreement dated April 23, 2024 amongst our Company, Shri Sai Priya Sugars Limited and Nirani Holdings Private Limited, read with the amendment to the investment agreement dated May 14, 2024.

(36) Memorandum of Understanding dated April 12, 2024 amongst our Company and Visolis, Inc.

(37) Share purchase agreement dated October 4, 2023 among our Company, Vijaykumar Murugesh Nirani, Subhransu Sekhar Biswal and Leafiniti Bioenergy Private Limited and closing letter dated January 30, 2024.

(38) Share purchase agreement dated December 27, 2023 among our Company, SS Biswal Ventures Private Limited and Leafiniti Bioenergy Private Limited and closing letter dated January 30, 2024.

(39) Share purchase agreement dated February 24, 2024 among our Company, SS Biswal Ventures Private Limited and Leafiniti Bioenergy Private Limited and closing letter dated March 31, 2024.

(40) Share purchase agreement dated May 31, 2024 amongst our Company, Nirani Holdings Private Limited and Dhruv Khush Business Ventures.

(41) Share purchase agreement dated June 11, 2024 amongst our Company, Nirani Holdings Private Limited and Vikasa India EIF I Fund – Incube Global Opportunities.

(42) Share purchase agreement dated August 8, 2024 amongst our Company, Nirani Holdings Private Limited and Vikasa India EIF I Fund.

(43) Share purchase agreement dated August 8, 2024 amongst our Company, Nirani Holdings Private Limited and Minerva Ventures Fund.

(44) Scheme of Amalgamation and its valuation report dated January 3, 2023.

(45) Consent letter dated September 19, 2025 from N.M. Raiji & Co., Statutory Auditors of our Company, to include their name as required under section 26 (1) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Red Herring Prospectus and as an "Expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated May 13, 2025 on our Restated Financial Information; (ii) their report dated September 6, 2025 on the statement of special tax benefits available to the Company and its shareholders in this Red Herring Prospectus; (iii) proforma assurance report dated May 3, 2024; and (iv) in respect of the certificates issued by them in their capacity as the Statutory Auditors of our Company.

(46) Detailed project report on "For Add on Grains Investment in TBL Unit 4 (Kerakalmatti), Bagalkot District, Karnataka", prepared by ITCOT Limited and consent letter dated September 5, 2025.

(47) Environmental clearance issued by the Ministry of Environment Forest and Climate Change, Delhi, State Environment Impact Assessment Authority and State High-Level Clearance Committee of Department of Commerce and Industries of the Government of Karnataka under the Environmental (Protection) Act, 1986 and Environmental (Protection) Rules, 1986 in relation to TBL Unit 4.

(48) Consent for establishment issued by the Karnataka State Pollution Control Board in relation to TBL Unit 4.

(49) Certificate of verification for weights and measurement issued by the Department of Legal Metrology, Bagalkot of Government of Karnataka under the Karnataka Legal Metrology (Enforcement) Rules, 2021 in relation to TBL Unit 4.

(50) Regular interconnection approval issued by the Karnataka Power Transmission Corporation under the Central Electricity Regulatory Commission (Cross Border Trade of Electricity) Regulations, 2019 in relation to TBL Unit 4.

(51) Compliance certificate for firefighting and fire precautionary measures issued by the Office of the Chief Fire Officer Hubli, Government of Karnataka under the Karnataka Fire Force Act, 1964 in relation to TBL Unit 4.

(52) Petroleum Storage License issued by the Ministry of Commerce and Industry, Petroleum and Explosives Safety Organisation under the Petroleum Rules, 2002 in relation to TBL Unit 4.

(53) Independent Chartered Engineer report prepared by Anudeep Krishna B dated September 6, 2025.

(54) Industry report titled "Assessment of Biofuels Market" dated September 2025, prepared by CRISIL and consent letter dated September 5, 2025 from CRISIL MI&A.

(55) Engagement letter dated August 9, 2023, and addendums dated June 18, 2024 and November 18, 2024, between our Company and CRISIL for appointment of CRISIL for commissioning of the Report "Assessment of Biofuels Market".

(56) Statement of Special Tax Benefits dated September 6, 2025.

(57) Examination report of our Statutory Auditors dated May 13, 2025, on the Restated Financial Information included in this Red Herring Prospectus.

(58) Certificate dated September 19, 2025 issued by, N.M. Raiji & Co., Chartered Accountants, certifying the weighted average cost of acquisition of equity shares of our Company.

(59) Certificate dated September 19, 2025 issued by, N.M. Raiji & Co., Chartered Accountants, certifying tax litigation involving our Company, Subsidiaries, Directors and Promoters.

(60) Certificate dated September 19, 2025 issued by, N.M. Raiji & Co., Chartered Accountants, certifying the outstanding dues to creditors.

(61) Certificate dated September 19, 2025 issued by, N.M. Raiji & Co., Chartered Accountants, certifying the Company's eligibility for the Offer.

(62) Certificate dated September 19, 2025 issued by, N.M. Raiji & Co., Chartered Accountants, certifying the Company's working capital requirements and source of funding

(63) Consents of the BRLMs, the Syndicate Members, Registrar to the Offer, Bankers to the Offer, Escrow Banks, Refund Banks, Sponsor Banks, Monitoring Agency, legal advisors, our Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Indian legal counsel to the Company, as referred to act, in their respective capacities.

(64) Certificate dated September 19, 2025 issued by, N.M. Raiji & Co., Chartered Accountants, certifying the Company's source and deployment of funds

(65) Certificate dated September 19, 2025, from S. P. Ghali & Co, Company Secretaries.

(66) Certificate dated September 5, 2025 from MP Engineering Works, one of the vendors of our Company.

(67) Certificate dated September 5, 2025 from ESBEE Power Solutions Private Limited, one of the vendors of our Company.

(68) Certificate dated September 5, 2025 from Raj Process Equipment and Systems Private Limited, one of the vendors of our Company.

(69) Certificate dated September 5, 2025 from MRN Civiltech Private Limited, one of the vendors of our Company.

(70) In-principle listing approvals each dated November 5, 2024 from BSE and NSE, respectively.

(71) Tripartite Agreement dated October 12, 2023 among our Company, NSDL and the Registrar to the Offer.

(72) Tripartite Agreement dated August 5, 2022 among our Company, CDSL and the Registrar to the Offer.

(73) Due diligence certificate dated August 16, 2024 to SEBI from the BRLMs.

(74) SEBI observation letter bearing reference number SEBI/HO/CFD/RAC-DIL1/P/OW/2024/36652/1 and dated November 27, 2024 and the in-seriatim reply of the BRLMs to the same dated September 7, 2025.

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines or regulations issued by the Government of India or the rules, or guidelines or regulations 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Vijaykumar Murugesh Nirani
Managing Director

Date: 19.09.2025

Place: Bengaluru

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines or regulations issued by the Government of India or the rules, or guidelines or regulations 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY



Vishal Nirani
Director

Date: 19.09.2025

Place: Bengaluru

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines or regulations issued by the Government of India or the rules, or guidelines or regulations 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY

Sushmitha VN

Sushmitha Vijaykumar Nirani
Non-Executive Director

Date: 19.09.2025

Place: BENGALURU

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines or regulations issued by the Government of India or the rules, or guidelines or regulations 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY



Yagati Badarinarayana Ramakrishna
Chairman and Non-Executive Independent Director

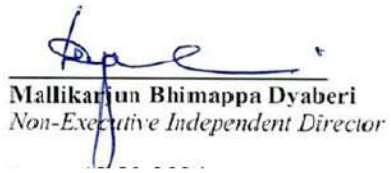
Date: 19.09.2025

Place: Bengaluru

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines or regulations issued by the Government of India or the rules, or guidelines or regulations 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY



Mallikarjun Bhimappa Dyaberi
Non-Executive Independent Director

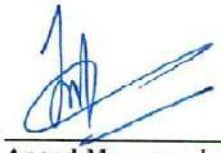
Date: 19.09.2025

Place: Bengaluru

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines or regulations issued by the Government of India or the rules, or guidelines or regulations 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY



Anand Murugan Jakkampati Durairaj
Executive Director

Date: 19.09.2025

Place: Bengaluru

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines or regulations issued by the Government of India or the rules, or guidelines or regulations 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTOR OF OUR COMPANY



Kanekal Chandrasekhar
Non-Executive Independent Director

Date: 19.09.2025

Place: Bengaluru

DECLARATION

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, or guidelines or regulations issued by the Government of India or the rules, or guidelines or regulations 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 Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992, or rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements in this Red Herring Prospectus are true and correct.

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Anand Kishore
Chief Financial Officer

Date: 19.09.2025

Place: BENGALURU

DECLARATION BY DHRAKSAYANI SANGAMESH NIRANI, AS A SELLING SHAREHOLDER

I, Dhraksayani Sangamesh Nirani, acting as a Selling Shareholder, hereby confirm, certify, and declare that all statements, disclosures, and undertakings specifically made or confirmed by me in this Red Herring Prospectus in relation to me and the Equity Shares being sold by me pursuant to the Offer for Sale are true and correct, provided however, I assume no responsibility for any other statement, and undertakings, including statements made by, or relating to, the Company, or any other Selling Shareholders, or any expert, or any other person(s) in this Red Herring Prospectus.



Dhraksayani Sangamesh Nirani

Date: 19.09.2025

Place: Bengaluru

DECLARATION BY DHRAKSAYANI SANGAMESH NIRANI, AS A SELLING SHAREHOLDER

I, Dhraksayani Sangamesh Nirani, acting as a Selling Shareholder, hereby confirm, certify, and declare that all statements, disclosures, and undertakings specifically made or confirmed by me in this Red Herring Prospectus in relation to me and the Equity Shares being sold by me pursuant to the Offer for Sale are true and correct, provided however, I assume no responsibility for any other statement, and undertakings, including statements made by, or relating to, the Company, or any other Selling Shareholders, or any expert, or any other person(s) in this Red Herring Prospectus.



Sangamesh Rudrappa Nirani

Date: 19.09.2025

Place: Bengaluru