



राजस्थान RAJASTHAN

AA 572332

ISSUE AGREEMENT

This issue agreement ("**Agreement**") is made and executed at **Neemrana** on this **27th Day of March 2024** by and among:

KRN HEAT EXCHANGER AND REFRIGERATION LIMITED, having CIN No. U29309RJ2017PLC058905, a public unlisted company incorporated under the Companies Act, 2013, and having its registered office at Plot No. F-46,47,48,49, EPIP, RIICO Industrial Area, Neemrana, Alwar – 301705, Rajasthan, India (hereinafter referred to as the "**Company**") which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successor(s) and permitted assign(s)), of the **FIRST PART**;

AND

HOLANI CONSULTANTS PRIVATE LIMITED, having CIN No. U65100RJ2002PTC017661, a company incorporated under the Companies Act, 1956, as amended and having its registered office at 401-405 & 416-418, 4th Floor, Soni Paris Point, Jai Singh Highway, Banipark, Jaipur – 302016, Rajasthan, India (hereinafter referred to as the "**HCPL**" or "**Book Running Lead Manager**" or "**BRLM**", which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successor(s) and permitted assign(s)) of the **SECOND PART**;

(The **Company** and **Book Running Lead Manager** shall be collectively referred to as the "**Parties**" and individually as the "**Party**").



राजस्थान स्टाम्प अधिनियम 1998 के अन्तर्गत स्टाम्प स्टाप राशि पर प्रभारित अधिभार		
1. आधारभूत अवसंरचना सुविधाओं हेतू (धारा 3-क) -10 % रुपये 50		
2. गाय और उसकी नस्ल के संरक्षण और संवर्धन हेतू (धारा 3-ख)/प्राकृतिक आपदाओं एवं निर्मित आपदाओं के निवारण हेतू 20 % रुपये 100		
कुल योग 150		ह0स्टाम्प विक्रेता

दिनांक 12.01.2024

रजि0 नंबर 4298

NAME- *KRM Heat Exchanger and Refrigeration*

वस्ते हलफनामा

जरिये

स्वयं

ह0केता

मूल्य

500/-

[Signature]

[Signature]
ह0स्टाम्प विक्रेता

तहसील परिसर पन्नालाल यादव
लाइसेंस न.198/2005

04.01.2024

राजस्थान स्टाम्प अधिनियम 1998 के अन्तर्गत स्टाम्प स्टाप राशि पर प्रभारित अधिभार

WHEREAS:

- A. The Company proposes to undertake an initial public issue of equity shares the Company ("**Equity Shares**"), of up to 1,60,00,000 Equity Shares (the "**Issue**"). The Issue shall be undertaken, in accordance with Companies Act, 2013, the SEBI (ICDR) Regulations, 2018 (*as defined hereinunder*) and other Applicable Laws (*as defined hereinunder*) at such price as may be determined through the book building process specified in the SEBI (ICDR) Regulations, 2018 ("**Issue Price**"). The Equity Shares are proposed to be issued to the public under Regulation 6(1) and 31 of Chapter II of SEBI (ICDR) Regulations, 2018.
- B. The Company, in consultation with BRLM, may consider a Pre-IPO Placement of up to **4,77,000** Equity Shares ("**Pre-IPO Placement**") prior to filing of the Red Herring Prospectus with the ROC. If the Pre-IPO Placement is completed, the amount raised pursuant to the Pre-IPO Placement will be reduced from the Issue, by the Company, in consultation with the Book Running Lead Manager, on a discretionary basis, in accordance with the SEBI (ICDR) Regulations, 2018 and subject to the issue complying with the Rule 19(2)(b) of SCRR. The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended ("**Securities Act**") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "**U.S. persons**" (as defined in 'Regulation S' under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold outside the United States in compliance with Regulation S of the Securities Act ("**Regulation S**") and the applicable laws of the jurisdiction where those issue and sales occur. The Equity Shares have not been, and will not be, registered, listed, or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, to any persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.
- C. The Company has approached the Book Running Lead Manager to manage the Issue and the Book Running Lead Manager has accepted the engagement *inter-alia*, subject to the Company entering into an agreement for the purpose being these presents;
- D. The agreed fees and expenses payable to the Book Running Lead Manager for managing the Issue are set forth in the Mandate Letter (*as defined hereinbelow*). Pursuant to the SEBI (ICDR) Regulation, the Book Running Lead Manager is required to enter into this Agreement with the Company.
- E. The Issuer Company has obtained approval for the Issue pursuant to the Board Resolution dated **March 20th, 2024** . The Company passed a special resolution under Section 62(1)(c) of the Companies Act, 2013 and other applicable laws at the Extra-Ordinary General Meeting held on **March 26th, 2024** which collectively authorized the Company's directors, or any other authorized representatives, for the purpose of the issuing and signing the Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, and this Agreement, any amendments or supplements thereto, and any and all other writings as any be legally and customarily required in pursuance of the Issue and to do all acts, deeds or things as may be required.

NOW THEREFORE IT IS HEREBY AGREED BY AND AMONG THE PARTIES HERETO AS FOLLOWS:

1. DEFINITIONS AND INTERPRETATIONS

1.1. Definitions

"**Affiliate**" shall mean, with respect to any person: (a) any persons that directly or indirectly through one or more intermediaries, control or are controlled by or are under common control with such person; (b) any persons over whom such person has a significant influence or which has significant influence over such person, provided that significant influence over a



person is the power to participate in the financial, management and operating policy decisions of the person but is less than control over those policies and that shareholders beneficially holding a 10% (Ten Percent only) interest in the voting power of the person are presumed to have a significant influence on the person; and (c) any other person which is a holding company, subsidiary or joint venture counterparty of any person in (a) or (b). As used in this definition of Affiliate, the term "control" (including the terms "controlling", "controlled by" or "under common control with") or "influence" means the possession, direct or indirect of the power to direct or cause the direction of the management and policies of a person whether through the ownership of voting shares by contract or otherwise.

"Agreement" shall mean this Agreement, or any other agreement as specifically mentioned.

"Anchor Investor Allocation Price" shall mean the price at which Equity Shares will be allocated to Anchor Investors according to the terms of the Draft Red Herring Prospectus/ Red Herring Prospectus, which will be decided by the Company in consultation with the BRLM;

"Anchor Investor Portion" shall mean up to 60% of the QIB Portion which may be allocated by the Company in consultation with the BRLM, to Anchor Investors on a discretionary basis in accordance with the SEBI (ICDR) Regulation. 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;

"Anchor Investors" shall mean a Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with SEBI (ICDR) Regulation and the Draft Red Herring Prospectus, and who has Bid for an amount of at least Rs. 10 crores;

"Anti-Money Laundering Laws" shall have the same meaning ascribed to it in Clause 7.1(xxxix) of this Agreement.

"Applicable Laws" shall mean any applicable law, by-law, rule, regulation, guideline, circular, order, notification, regulatory policy (including any requirement under, or notice of, any regulatory body), equity listing agreement of the Stock Exchanges, compulsory guidance, order or decree of any court or any arbitral authority, or directive, delegated or subordinate legislation in any applicable jurisdiction, inside or outside India, including any applicable securities law in any relevant jurisdiction, including the SEBI Act, the SCRA, the SCRR, the Companies Act, the SEBI (ICDR) Regulations, 2018, the Foreign Exchange Management Act, 1999 and rules and regulations thereunder, and the guidelines, instructions, rules, communications, circulars and regulations issued by any governmental authority (and agreements, rules, regulations, orders and directions in force in other jurisdictions where there is any invitation, of the Equity Shares in the Issue.

"Application Supported by Blocked Amount" or "ASBA" means the application used by an ASBA applicant other than Anchor Investors (i) to make an application authorizing an SCSB to block the Bid Amount in their specified bank account maintained with an SCSB; or (ii) an Application submitted to an intermediary with UPI ID to block the Bid Amount;

"ASBA Bidder" shall mean any Bidder (other than an Anchor Investor) in the Issue who intends to submit a Bid;

"Bid Amount" shall mean the highest value of optional Bids indicated in the Bid cum Application Form, and payable by an Anchor Investor or blocked in the ASBA account of an ASBA Bidder, as the case may be, upon submission of the Bid in the Issue;

"Bid cum Application Form" means the form in terms of which the Bidder shall make a Bid, and which will be considered as the Application for Equity Shares pursuant to the terms of the



Red Herring Prospectus and the Prospectus including the ASBA Bid cum Application or the Anchor Investor application form as may be applicable;

"Bidder" shall mean any prospective investor who makes a Bid pursuant to the terms of the Draft Red Herring Prospectus and/or the Bid cum Application Forms and unless otherwise stated or implied, includes an Anchor Investor;

"BSE" shall mean BSE Limited.

"Companies Act" shall mean the Indian Companies Act, 1956 and the Companies Act, 2013 to the extent notified as amended from time to time along with the relevant rules, notifications and clarifications made thereunder.

"Cure Period" shall have the same meaning ascribed to it in Clause 9.7 of this Agreement.

"Draft Red Herring Prospectus" shall mean the Draft Red Herring Prospectus of the Company which will be filed with SEBI, NSE and BSE in accordance with Section 26 & 32 of the Companies Act, 2013 for getting in-principal listing approval.

"Environmental Laws" shall have the same meaning ascribed to it in Clause 7.1(xxxvi) of this Agreement.

"Equity Shares" shall have the meaning ascribed to such term in Recital A to this Agreement;

"Governmental Authority" means any governmental, political, legislative, executive or administrative body, municipality or any local or other authority, regulatory authority, court, tribunal or arbitral tribunal, exercising powers conferred by Applicable Laws and shall include, without limitation, the President of India, the Government of India, the Governor and the Government of any State in India, the Ministry of Corporate Affairs, and the Reserve Bank of India and any Ministry or Department of the same or any governmental or political subdivision thereof, or any securities exchange or body or authority regulating such securities exchange;

"Governmental Licenses" shall have the same meaning ascribed to it in Clause 7.1(xiv) of this Agreement.

"Indemnified Party" shall have the same meaning ascribed to it in Clause 9.1 of this Agreement.

"Ind AS" shall mean the Indian Accounting Standard under the provisions of the Companies Act, 2013.

"Intermediaries" shall have the meaning ascribed to it in the Securities and Exchange Board of India (Intermediaries) Regulations, 2008, as amended from time to time.

"Issue Closing Date" shall have the same meaning ascribed to it in the Red Herring Prospectus.

"Issue Documents" shall mean and include the Draft Red Herring Prospectus/Red Herring Prospectus and the Prospectus and any amendments, supplements, notices, addenda, corrections or corrigenda to such issue documents, as and when approved by the Board of Directors of the Company and filed with SEBI, NSE and BSE.

"Issue Opening Date" shall have the same meaning ascribed to it in the Red Herring Prospectus.



“**Issue Price**” shall have the same meaning ascribed to it in the Prospectus;

“**Issue**” shall have the meaning ascribed to such term in Recital A to this Agreement;

“**Mandate Letter**” means the mandate letter dated **November 26th, 2022**, between the Company and HCPL;

“**Material Adverse Change**” shall mean, individually or in the aggregate, a material adverse effect, probable or otherwise, whether or not in the ordinary course of business (a) on the condition, financial or otherwise, or on the business, operations, management, earnings or prospects of the Company, or (b) on the ability of the Company to perform their obligations under, or to consummate the transactions contemplated by, this Agreement or the transaction documents including the invitation, issue, allotment, sale and transfer of the Equity Shares contemplated herein or therein; or (c) on the ability of the Company to conduct its business, to own, lease or license its assets or properties, in substantially the same manner in which such business was previously conducted or such assets or properties were previously owned, leased or licensed as described in the Issue Documents (exclusive of all amendments, addenda, corrections, corrigenda, supplements or notices to investors);

“**NSE**” shall mean the National Stock Exchange of India Limited.

“**Party**” or “**Parties**” shall have the meaning given to such terms in the preamble to this Agreement.

“**Pre-IPO Placement**” shall have the same meaning ascribed to it in Recital (B).

“**Prospectus**” shall mean the prospectus of the Company which will be filed with BSE / NSE / SEBI / ROC and others in accordance with Section 26 & 32 of the Companies Act, 2013 after getting in-principal approval but before opening the Issue.

“**Qualified Institutions Buyer**” or “**QIB(s)**” shall mean qualified institutional buyers as defined under Regulation 2(1) (ss) of the SEBI (ICDR) Regulation.

“**QIB Portion**” shall mean Equity Shares, which shall be available for allocation to QIBs (including Anchor Investors) on a proportionate basis, subject to valid Bids being received at or above the Issue Price;

“**ROC**” shall mean the Registrar of Companies, Jaipur, Rajasthan India;

“**Sanctions**” shall have the same meaning ascribed to it in Clause 7.1(xxxvii) of this Agreement.

“**SCRA**” shall mean Securities Contracts (Regulation) Act, 1956 as amended from time to time;

“**SCRR**” shall mean Securities Contracts (Regulation) Rules, 1957 as amended from time to time;

“**SCSB**” shall mean self-certified syndicate bank(s).

“**SEBI (ICDR) Regulations, 2018**” or “**SEBI (ICDR) Regulation**” shall mean the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018, as amended and as applicable to the Issue.

“**SEBI Act**” shall mean Securities and Exchange Board of India Act, 1992 as amended from time to time;



"SEBI" shall mean the Securities and Exchange Board of India.

"Stock Exchange or Stock Exchange(s)" shall mean BSE and NSE

"Underwriter" shall mean the Underwriter to the Issue.

2. THE ISSUE

- 2.1. The Issue is being made by the Company pursuant to the approval granted by the Shareholders through the resolution dated **March 26th, 2024**. Accordingly, the Company, in consultation with the BRLM, shall decide the terms of the Issue including any revisions, modifications, or amendments thereof.
- 2.2. The Company shall not, without the approval of the BRLM, file the Draft Red Herring Prospectus/Red Herring Prospectus, Prospectus including any amendments or supplement thereto, preliminary, or final international wrap and/or any documentation with relation to the Issue, with SEBI, ROC, NSE, BSE or any other authorities whatsoever, as the case may be.
- 2.3. The Company shall jointly determine the Issue Opening Date and Issue Closing Date (including the Issue Closing Date applicable to Qualified Institutional Buyers), in consultation with the BRLM.
- 2.4. The basis of allotment (except with respect to Anchor Investors) and all allocations, allotments and transfers of Equity Shares made pursuant to the Issue shall be finalized by the Company in consultation with the BRLM and the Designated Stock Exchange in accordance with Applicable Laws. Allocation to Anchor Investors, if any, shall be made on a discretionary basis by the Company in consultation with the BRLM, in accordance with Applicable Laws. In the event of under-subscription in the Issue, subject to receiving a minimum subscription for 90% of the Issue and compliance with Rule 19(2)(b) of the SCRR, allotment shall first be made towards the Issue. As required under Rule 19(2)(b) of the SCRR and 90% of the Issue, the balance subscription in the Issue will be met in the manner i.e. the issuance of the balance part of the Issue.

3. APPOINTMENT OF INTERMEDIARIES

- 3.1. The Company shall appoint other intermediaries (except self-certified syndicate banks) and other person associated with the Issue only with prior consent of the BRLM.
- 3.2. The Company shall enter into an underwriting agreement with the BRLM, which would include customary provisions including representations and warranties, conditions as to the closing of the Issue, force majeure provisions, and provisions as to the indemnification of the BRLM. Any agreement or commitment between the Parties with respect to underwriting or purchasing the Equity Shares shall be set forth in such an underwriting agreement, in form and substance as may be mutually agreed upon by the Company and the BRLM.
- 3.3. Whenever required, the Company shall, in consultation with the BRLM, enter into a memorandum of understanding or agreement, as the case may be, with the concerned intermediary associated with the Issue, clearly setting forth their mutual rights, responsibilities, and obligation. A certified true copy of such memorandum of understanding or agreement, as the case may be, shall be furnished to the BRLM. The Parties agree that any intermediary who is so appointed shall have to be necessarily registered with SEBI under the applicable SEBI guidelines/regulations. The Parties acknowledge that any such intermediary, being an independent entity shall be fully and solely responsible for the performance of its duties and obligations.



3.4. The Company agrees that the BRLM shall not be directly or indirectly be held responsible for any action/ inaction for any intermediary including any processes adopted by the intermediary for discharging its professional duties for the Issue, such intermediary, being an independent entity, shall be fully and solely responsible for the performance of its duties and obligations. However, the BRLM shall co-ordinate the activities of all the Intermediaries in order that they perform their respective functions in accordance with their respective terms of engagement. In case the work of the Intermediaries appointed by the BRLM is not found satisfactory, the BRLM would be required to substitute the intermediary to the satisfaction of the Company.

4. PUBLICITY FOR THE ISSUE

4.1. The Company shall obtain prior approval of the BRLM in respect of all Issue advertisements, publicity material, or any other media communications in connection with the Issue or for the term of this Agreement and shall make available to them copies of all Issue related material. The Company, in consultation with the BRLM, shall ensure that all advertisements prepared and released by the advertising agency or otherwise in connection with the Issue conform to the regulations/ guidelines, etc. issued by SEBI and instruction given by it from time to time and with all Applicable Laws in India and abroad and instructions given by BRLM time to time. The Company shall not make any statement or release any material or other information which is not contained in the Draft Red Herring Prospectus/Red Herring Prospectus and/or Prospectus, in any advertisements or at any press, conferences, roadshows meetings or brokers or investors conferences without the prior approval of the BRLM. The Company shall follow restrictions in respect of all advertisements, publicity material, or other media communications including any corporate and product advertisement as prescribed under the SEBI (ICDR) Regulations, 2018 or as may be prescribed by the legal counsels for the Issue.

4.2. The Company and their respective Affiliates shall not make any misleading or incorrect statements in any public communication or publicity material including corporate and Issue advertisements of the Company. The interviews by the Company's promoters, directors, duly authorized employees or representatives of the Company, documentaries about the Issue or its promoters, periodical reports and press releases issued by the Company or researched report made by the Company, any intermediary connected with the Issue or their respective associates or at any press, stock brokers' or investors' conferences, shall confirm with the SEBI (ICDR) Regulations, 2018.

4.3. Subject to applicable regulations and laws regarding publicity restrictions issued by SEBI or the restrictions in any other jurisdiction in which the Company proposes to circulate the Draft Red Herring Prospectus and/or the Prospectus, the BRLM may, at its own expense place advertisements in newspapers and other external publications describing its involvement in the Issue and the services rendered by them, and may use the Company's name and/or logo in this regard, with the prior consent of the Company, which shall not be unreasonably withheld. The BRLM hereby agrees that such advertisements shall be issued only after the closure of the Issue.

4.4. The Company agrees that it will not indulge in any publicity activities prohibited by any other jurisdiction in which the Equity Shares under the Issue are being issued, during the period in which it is prohibited under each such law.

4.5. In addition to the above, all public communications, publicity materials, advertisements, and research reports related to the Issue shall comply with provisions of Schedule IX: Public Communications and Publicity Materials, of SEBI (ICDR) Regulations, 2018.

5. POST ISSUE WORK



- 5.1. The Company shall take such steps as are necessary to ensure the completion of transfer/allotment, and dispatch of letters of intimation/ letters of allotment/demat credits and refund orders/ unblocking of funds to the Bidders, including non-resident Indians, soon after the basis of allotment has been approved by the Stock Exchange and in any case not later than the statutory time limit, if any, save and except on account of reasons beyond its control, and in the event of failure to do so, the Company shall pay interest to the Bidders as provided in the Prospectus.
- 5.2. The Company has set up a shareholders'/investors' grievance committee to satisfy all Issue related grievances to the satisfaction of the BRLM. The Company has duly authorized the Compliance Officer and Company Secretary of the Company and the Registrar to the Issue to satisfy all investor grievances in relation to the Issue.
- 5.3. From the date of this Agreement until the commencement of trading of the Equity Shares, the Company shall not resort to any legal proceedings in respect of any matter having a bearing on the Issue, except in consultation with and after receipt of the advice of the BRLM. The Company shall keep the BRLM immediately informed in writing of all the developments pertaining to such legal proceedings in relation to the Issue.
- 5.4. The Company shall not access the money raised in the Issue till completion of transfer formalities and receipt of listing and trading approval from the Stock Exchanges. The Company further agrees that it shall refund the money raised in the Issue together with any interest to the Bidders if required to do so for any reason such as failing to get requisite listing permissions or under any direction or order of the SEBI or any other governmental or statutory authority. The Company agrees that it shall pay requisite interest if so, required under the Applicable Laws or direction or order of the SEBI, Stock Exchanges, or the ROC.

6. DUTIES OF THE BOOK RUNNING LEAD MANAGER

- 6.1. The BRLM hereby undertakes to observe the code of conduct as stipulated in the SEBI (Merchant Bankers) Regulations, 1992, including any subsequent amendments and the SEBI (ICDR) Regulations, 2018 issued by SEBI from time to time. The BRLM further undertakes to exercise due diligence and care in the preparation of the Draft Red Herring Prospectus/Red Herring prospectus and/or the Prospectus and manage the process diligently.
- 6.2. The services rendered by the BRLM shall be performed in a professional manner with due diligence, on a best-efforts basis, and in an advisory capacity. The BRLM shall not be held responsible for any acts of commission or omission of the Company or directors, agents, employees, or authorized persons of the Company.
- 6.3. The duties and responsibilities of the BRLM under this Agreement shall not include general financial or strategic advice and shall be limited to those expressly set out in this Agreement, and in particular, shall not include providing services as receiving bankers or registrars. No tax, legal, regulatory, or accounting advice is being given by the BRLM. The Company agrees that the BRLM may provide services hereunder through one or more of its Affiliates, as the BRLM deems appropriate.
- 6.4. The BRLM shall be responsible for the activities carried out by its Affiliates in relation to this Issue. The Company understands and agrees that the BRLM or its Affiliates may be engaged in securities trading, securities brokerage, financing, banking, and investment activities, as well as providing investment banking and financial advisory services. In the ordinary course of its trading, brokerage, and financing activities, the BRLM or Affiliates may at any time hold long or short positions and may trade or otherwise effect transaction for its own account or account of customers in debt or equity securities or senior loans of any company that may be



involved in the Issue, subject to compliance with provisions under Applicable Law, including the SEBI (ICDR) Regulations, 2018.

- 6.5. The BRLM, its directors, officers, and employees may also at any time invest on a principal basis or manage funds that invest on a principal basis, in debt or equity securities of any company that may be involved in the Issue, subject to compliance with provisions under the Applicable Laws, including the SEBI (ICDR) Regulations, 2018. The Company hereby acknowledge and agree that, by reason of law or duties of confidentiality owed to other persons, or the rules of any regulatory authority, the group companies, or Affiliates of the BRLM may be prohibited from disclosing information to the Company, in particular, information as to the BRLM or its Affiliates' possible interests as described in this Clause 6.5. In addition, while the BRLM shall, pursuant to this Agreement, act on behalf of and in the best interest of the Company as its clients, the BRLM and its group companies or Affiliates can represent other entities whose interest's conflict with or are adverse to those of the Company. The BRLM shall not be obligated to disclose to the Company any information in connection with any such representation by the BRLM or any Affiliate of the BRLM.
- 6.6. The Company acknowledges and agrees that (i) any purchase and sale of the Equity Shares pursuant to an underwriting agreement and the determination of the Issue Price, shall be at arms' length commercial transaction between the Company and the BRLM; (ii) in connection with the Issue, and the process leading to such transaction, the BRLM shall act solely as a principal and not as the agent or fiduciary of the Company or its respective Affiliates, stockholders, creditors, employees or any other party, and irrespective of whether the BRLM has advised or is currently advising the Company on other matters; (iii) the BRLM does not have any obligation to the Company with respect to the Issue except the obligations expressly set forth herein; and (iv) the BRLM and its respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company.
- 6.7. The Company acknowledges that the provision of services by the BRLM herein is subject to the requirements of any laws and regulations applicable to the BRLM and its Affiliates. The BRLM and its Affiliates are authorized by the Company to do all such acts necessary to comply with any Applicable Laws and regulations in the course of its services required to be provided under this Agreement or under the Mandate Letter. The BRLM may comply with all instructions, both oral and written, which it reasonably believes has been issued by or on behalf of the Company. However, the BRLM may request the Company to issue written instructions to confirm any oral instruction given by the Company if it deems necessary and the Company shall issue such written instruction as expeditiously as possible.
- 6.8. BRLM and Intermediaries associated with this Issue shall maintain records of the book building prices undertaken for this Issue.
- 6.9. The BRLM shall ensure availability of the Issue Documents and other Issue material including application forms to Stock Exchanges, syndicate members, registrar to Issue, registrar and share transfer agents, depository participants, stockbrokers, underwriters, bankers to the Issue, investors' associations, and self-certified syndicate banks before the opening of the Issue.

7. REPRESENTATIONS, WARRANTIES, AND UNDERTAKINGS:

- 7.1. The Company represents and warrants to, and agrees with, the Book Running Lead Manager, as of the date of this Agreement, as of the Issue Opening Date, and as of the Issue Closing Date that:
- (i) The Company has complied with at all times and agrees to comply with all the statutory formalities under all corporate, fiscal, economic legislation and any other statutes as



are applicable to the Company and the Issue, including the Companies Act and the SEBI (ICDR) Regulations, 2018 and other relevant statutes, circulars, instructions, conditions, advices or communications issued by SEBI and other Applicable Laws, to enable the Company to make the Issue (and similar agreements, rules, and regulations in force in other countries where the Issue is to be launched or marketed) and that consent of lenders and any third party having any pre-emptive rights in respect of the Equity Shares has been obtained, to the extent applicable and that the Company has complied with and agrees to comply with the terms and conditions of such approvals, as applicable.

- (ii) The Issue Documents are complete in all respects and shall be true and correct. Further, Issue Documents did not, and will not, include any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the representations and warranties made in this paragraph shall not apply to any statement or omission in the Issue Documents relating to the Book Running Lead Manager made in reliance upon and in conformity with the information furnished in writing to the Company by or on behalf of the Book Running Lead Manager expressly for use therein. For the avoidance of doubt, such information provided by the Book Running Lead Manager consists solely of its legal name, SEBI registration number and contact details, and details regarding its net worth.
- (iii) Except for the disclosures that would appear in the Draft Red Herring Prospectus or Red Herring Prospectus or Prospectus or any supplement thereto to be approved by the Board of Directors or its Committee (a) the Company is not in default of the terms of, or there has been no delay in the payment of the principal or the interest under, any indenture, lease, loan, credit or other agreement or instrument to which the Company is a party to or under which the Company's assets or properties are subject to and (b) there has been no notice or communication, written or otherwise, issued by any third party to the Company, with respect to any default or violation of or seeking acceleration of repayment with respect to any indenture, lease, loan, credit or other agreement or instrument to which the Company is a party to or under which the Company's assets or properties are subject to, nor is there any reason to believe that the issuance of such notice or communication is imminent.
- (iv) The Issue Documents comply with all the statutory formalities under the Companies Act, 2013 to the extent notified, the SEBI (ICDR) Regulations, 2018, and other applicable statutes to enable it to make the Issue.
- (v) The Company has obtained approval for the Issue through a board resolution dated **March 20th, 2024** and shareholders' approval dated **March 26th, 2024** and it has complied with or agrees to comply with the terms and conditions of such approvals.
- (vi) The Company hereby represents, warrants and agrees with the Book Running Lead Manager as of the date of this Agreement and the Issue Closing Date, that, unless otherwise expressly authorized in writing by the Book Running Lead Manager, neither it nor any of its Affiliates nor any of its respective directors, employees or agents has made or will make any verbal or written representations in connection with the Issue, other than those representations made pursuant to and based on the terms and conditions set forth in this Agreement, the Issue Documents or in any other document the contents of which are or have been expressly approved or provided for in writing for this purpose by the Book Running Lead Manager.
- (vii) All representations, warranties, undertakings and covenants in this Agreement or the other agreements relating to or given by the Company or on behalf of its directors, officers, employees, or Affiliates, as applicable, have been made by the Company after



due consideration and inquiry, and the BRLM may seek recourse from the Company for any breach of any such representation, warranty, undertaking or covenant.

- (viii) The Company has been duly incorporated and is validly existing as a public limited company under the laws of the Republic of India and no steps have been taken or proposed to be taken for its winding up, liquidation, or receivership under the laws of the Republic of India and has all requisite corporate power and authority to own, operate and lease its properties and to conduct its business as described in the Issue Documents and to enter into and perform its obligations under each of the Issue Documents. The Company is duly qualified or licensed to transact business in each jurisdiction in which it operates, except to the extent that a failure to be so would amount to a Material Adverse Change.
- (ix) Each of the Issue Documents have been duly authorized, executed, and delivered by, and are valid and legally binding obligations of, the Company and are enforceable against the Company in accordance with their respective terms.
- (x) The authorized and issued share capital of the Company conforms in all respects to the description thereof contained in the Issue Documents. The Equity Shares conform to the description thereof contained in the Issue Documents and such description: (a) is true and correct in all respects and (b) contains all material disclosures which are true and adequate to enable investors to make an informed decision as to the investment in the Issue.
- (xi) All the outstanding or issued share capital of the Company including the Equity Shares proposed to be issued and allotted in the Issue (a) has been duly authorized, (b) is validly issued, fully paid and (c) was not issued in violation of any pre-emptive or similar rights.
- (xii) The Equity Shares have been duly and validly authorized and, when issued and delivered against payment thereof, shall be validly issued and subscribed for and fully-paid, shall have attached to them the rights and benefits specified as described in the Issue Documents and, in particular, shall rank *pari-passu* in all respects with all other equity shares of the Company, shall not be subject to any pre-emptive or other similar rights in relation to the transfer thereof and shall be free and clear of any encumbrances whatsoever.
- (xiii) Except as described in the Issue Documents, there are no limitations on the rights of holders of Equity Shares to hold or vote or transfer their Equity Shares.
- (xiv) Except as disclosed in the Draft Red Herring Prospectus and except as will be disclosed in the Red Herring Prospectus/Prospectus, the Company possesses all the necessary permits, licenses, approvals, consents, and other authorizations (collectively, "Governmental Licenses") issued by and has made all necessary declarations and filings with, the appropriate central, state, local or foreign regulatory agencies or bodies for the business carried out by the Company and in relation to its projects as of the date hereof as described in the Draft Red Herring Prospectus and as will be described in the Red Herring Prospectus/Prospectus and that all such Governmental Licenses are valid and in full force and effect and no notice of proceedings has been received relating to the revocation or modification of any such Governmental Licenses. Further, in the case of Governmental Licenses which are required in relation to the business and in relation to the projects and have not yet been obtained, the Company represents that it will make the necessary applications for obtaining such Governmental Licenses. Furthermore, the material terms and conditions of all such Governmental Licenses have been duly complied with. Also, except as described in the Issue Documents, no approvals of any governmental or regulatory authorities are required in India (including



any foreign exchange or foreign currency approvals) in order for the Company to pay dividends declared by the Company to the holders of Equity Shares.

- (xv) The execution and delivery by the Company of, and the performance by the Company of its obligations under each of the Issue Documents did not, and will not, result in a breach or violation or constitute a default under (a) any provision of the Applicable Laws or the articles of association of the Company; (b) agreement, obligation, condition, covenant or other instrument binding upon the Company; or (c) any judgment, order or decree of any governmental or regulatory body, agency or court having jurisdiction over the Company. No consent, approval, authorization, filing or order of, or qualification with, any governmental or regulatory body, agency, or court is required for the performance by the Company of any of its obligations under, or for the consummation of the transactions contemplated by, each of the Issue Documents, this Agreement or in relation to the issuance of Equity Shares, except such as may be required by the SEBI, ROC and the Stock Exchange in connection with the Issue and except such as have been obtained and are in full force and effect.
- (xvi) There has not occurred, any Material Adverse Change, in the condition, financial or otherwise, or in the business, management, assets or prospects of the Company, from that set forth in the Issue Documents;
- (xvii) There have been no additional transactions entered into by the Company, which, in its opinion, are material with respect to those set forth in Issue Documents.
- (xviii) Except as disclosed in the Issue Documents, there are no actions, suits, proceedings, inquiries, or investigations, before or brought by any court or governmental agency or body, domestic or foreign, or any arbitration proceeding now pending, against or affecting the Company which would reasonably be expected to result in a Material Adverse Change. All pending legal or governmental proceedings to which the Company is a party or of which any of its property or assets is the subject have been or will be, described in the Issue Documents.
- (xix) Except as disclosed in the Issue Documents and except where it would not result in a Material Adverse Change: (a) the Company has all necessary licenses, consents, authorizations, approvals, orders, certificates, and permits to own, lease, license, operate, and use its properties and assets, to conduct its business as conducted as of the date of this Agreement and as of the Issue Closing Date; (b) each such Governmental Licenses, consents, authorizations, approvals, orders, certificates, and permits has been duly obtained by the Company, as applicable, and is held in the name of the Company, was validly issued, is in full force and effect; and (c) there are no proceedings pending, relating to the revocation, modification or non-renewal of any such license, consent, authorization, approval, order, certificate or permit.
- (xx) The Company is not (a) in violation of its articles of association, (b) except as described in Issue Documents, in default (and there has not been any event that has occurred that with the giving of notice or lapse of time or both would constitute a default) in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or other agreement or instrument to which the Company is a party or by which it may be bound, or to which any of the property or assets of the Company is subject, or (c) in violation or default (and there has not been any event that has occurred that with the giving of notice or lapse of time or both would constitute a default) of any law, judgement, order or decree of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Company.



- (xxi) All descriptions of (a) this Agreement, (b) the articles of association of the Company and (c) all other documents forming part of the Issue Documents, in each case, fairly and accurately summarize the contents of these contract or documents and do not omit any material information that affects the import of such descriptions. There are no contracts or documents that would be required to be described in the Issue Documents under Indian law or any other Applicable Laws that have not been so described.
- (xxii) The Company own or possess, or can acquire on reasonable terms, all material patents, patent rights, licenses, inventions, copyrights, know how (including trade secrets and other unpatented and/or un-patentable proprietary or confidential information, systems or procedures), trademarks, service marks and trade names currently employed by them in connection with the business now operated by them, and the Company has not received any notice of infringement of, or conflict with, asserted rights of others with respect to any of the foregoing, except as disclosed in the Issue Documents, which would result in an unfavorable decision, ruling or finding, against the Company which would result in a Material Adverse Change.
- (xxiii) Except as disclosed in the Issue Documents, (i) no labour dispute with the employees of the Company exists; and (ii) the Company is not aware of any existing labour disturbances by the employees of the Company's principal customers, suppliers, contractors, or subcontractors; which would result in a Material Adverse Change.
- (xxiv) Except as disclosed in the Issue Documents, the Company has legal, valid and transferable title to all immovable property owned by it and legal and valid title to all other properties owned by it, in each case, free and clear of all mortgages, liens, security interests, claims, restrictions or encumbrances, otherwise secured to any third party except such as do not, singly or in the aggregate, materially affect the value of such property and do not interfere with the use made and proposed to be made of such property by the Company; and all of the leases and sub-leases material to the business of the Company under which such properties are held are in full force and effect, and the Company has not received any notice of any material claim that has been asserted that is adverse to the rights of the Company under any of the leases or subleases mentioned above, or affecting the rights of the Company to the continued possession of the leased or subleased premises under any such lease or sublease, except in each case, to hold such property or have such enforceable lease would not result in a Material Adverse Change.
- (xxv) The Company has accurately prepared and timely filed, except where a delay or omission is not material in the opinion of the Book Running Lead Manager, all tax returns, reports, and other information which are required to be filed by or with respect to it or has received extensions with respect thereof. Except as would not have a Material Adverse Change in the opinion of the Book Running Lead Manager, the Company has paid all taxes required to be paid by it and any other assessment, fine or penalty levied against it, to the extent that any of the foregoing is due and payable, except for any such tax, assessment, fine or penalty that is being contested in good faith and by appropriate proceedings, to the extent, such tax, assessment, fine or penalty is disclosed in the Issue Documents.
- (xxvi) The Company maintains a system of internal accounting controls sufficient to provide reasonable assurance that (a) transactions are executed in accordance with management's general and specific authorizations; (b) transactions are recorded as necessary to enable the preparation of financial statements in conformity with the Companies (Indian Accounting Standard) Rules, 2015 and to maintain accountability for its assets; (c) access to assets of the Company is permitted only in accordance with management's general or specific authorizations and (d) the recorded assets of the



Company are compared to existing assets at periodic intervals of time, and appropriate action is taken with respect to any differences.

- (xxvii) Except as described in the Issue Documents, since the end of the Company's most recent audited fiscal year, there has been (a) no material weakness in the Company's internal control over financial reporting (whether or not remediated) and (b) no change in the Company's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.
- (xxviii) Except as disclosed in the Issue Documents, no indebtedness (actual or contingent) and no contract or series of similar contracts (other than employment contracts) is outstanding between the Company and (a) any director or key managerial personnel of the Company, or (b) such director's or key managerial personnel's spouse or parents or any of his or her children, or (c) any company, undertaking or entity in which such director holds a controlling interest.
- (xxix) All transactions and loans, liability or obligation between the Company on the one hand and (a) entities that Control or are Controlled by, or are under common Control with, the Company, (b) entities over which the Company has a significant influence or which has a significant influence over the Company, (c) persons owning an interest in the voting power of the Company that gives them significant influence over the Company, (d) management personnel having authority and responsibility for planning, directing and Controlling the activities of the Company (including relatives of such management personnel, directors and senior management of the Company) and (e) entities in which a substantial interest in the voting power is owned, directly or indirectly, by any person described in (c) or (d) or over which such a person is able to exercise significant influence (including entities owned by directors or major shareholders of the Company and entities that have a member of key management personnel in common with the Company) on the other hand (i) have been and are, or will be, as the case may be, fair and on terms that are no less favourable to the Company than those that would have been obtained in a comparable transaction by the Company with an unrelated person and (ii) are, or will be, adequately disclosed in all material respects in the Issue Documents and (iii) are, or will be, as the case may be, to the Company's knowledge, legally binding obligations of and fully enforceable against the persons enumerated in (a) to (e) above.
- (xxx) The financial statements of the Company included in the Issue Documents, together with the respective related notes, schedules, and annexures thereto, are complete and correct in all respects and present fairly and truly, in all respects, the financial position of the Company as of the date shown and its results of operations and cash flows for the periods shown, and such financial statements have been prepared in accordance with the Annexure enumerated in the Companies (Indian Accounting Standard) Rules, 2015, applied on a consistent basis throughout the periods involved.



- (xxxii) The auditors including peer reviewed auditor appointed and who have certified or reviewed the financial statements of the Company are independent chartered accountants within the rules of the code of professional ethics of the Institute of Chartered Accountants in India, as applicable. The selected financial data and the summary financial information of the Company included in the Issue Documents have been derived from such financial statements.



- (xxxiii) The financial statements of the Company included in the Issue Documents, to the extent required, have been prepared in accordance with and in conformity with the Annexure enumerated in the Companies (Indian Accounting Standard) Rules, 2015, the

Companies Act, the applicable provisions of the SEBI (ICDR) Regulations, 2018, and any other applicable regulations.

(xxxiii) The Company has applied / will apply for in-principal approval for listing the Equity Shares issued in the Issue on the Stock Exchange. Such approvals will be in full force and effect once received.

(xxxiv) The Company acknowledges and agrees that (a) the issuance of the Equity Shares pursuant to this Agreement, is an arm's-length commercial transaction between the Company and the Book Running Lead Manager, (b) in connection with the Issue contemplated hereby and the process leading to such transaction the Book Running Lead Manager is and has been acting solely as a principal and is not the agent or fiduciary of the Company, or its stockholders, creditors, employees or any other party, (c) the Book Running Lead Manager has not assumed or will not assume an advisory or fiduciary responsibility in favour of the Company with respect to the Issue contemplated hereby or the process leading thereto (irrespective of whether the Book Running Lead Manager has advised or is currently advising the Company on other matters) and the Book Running Lead Manager has no obligation to the Company with respect to the Issue contemplated hereby except the obligations expressly set forth in this Agreement, (d) the Book Running Lead Manager and its Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of each of the Company, and (e) the Book Running Lead Manager has not provided any legal, accounting, regulatory or tax advice with respect to the Issue contemplated hereby and the Company has consulted its own legal, accounting, regulatory and tax advisors to the extent it deemed appropriate. The Company has waived to the full extent as permitted by Applicable Laws any claims they may have against the Book Running Lead Manager arising from an alleged breach of fiduciary duty in connection with the issuing of the Equity Shares.

(xxxv) As at the date of any amended Issue Documents or supplement to Issue Documents prepared by the Company in accordance with the terms of this Agreement, the representations and warranties of the Company contained in this Clause 7 will be true and accurate with respect to any Issue Documents as so amended or supplemented as if repeated as at such date.

(xxxvi) All descriptions of the governmental approvals, authorizations, and other third-party consents and approvals, if any described in the Issue Documents are accurate descriptions in all material respects, fairly summarize the contents of these approvals, authorizations, and consents, and do not omit any material information that affects the import of such descriptions. Except as described in the Issue Documents and the Company (a) is in compliance with any and all applicable Indian, state, and local laws relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants, or contaminants ("**Environmental Laws**"), (b) have received all permits, licenses or other approvals required by any applicable Environmental Laws and (c) are in compliance with all terms and conditions of any such permit, license or approval; there are no pending or, threatened administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, notices of non-compliance or violation, investigation or proceedings relating to any Environmental Law against the Company. Except as disclosed in the Issue Documents, there are no costs or liabilities associated with Environmental Laws (including, without limitation, any capital or operating expenditures required for clean-up, closure of properties or compliance with Environmental Laws or any permit, license or approval, any related constraints on operating activities and any contingent liabilities to third parties).

(xxxvii) The Company represents and covenants that it has not knowingly engaged in, is not knowingly engaged in, and will not engage in, any dealings or transactions with any



person in any country or territory that at the time of dealing is or was the subject of sanctions imposed by any government, legal authority, or United Nations (“Sanctions”).

- (xxxviii) The Company represents and covenants that it will use the proceeds of the Issue exclusively in the manner set forth in the section titled “Objects of the Issue” in the Issue Documents, and will not, directly or indirectly, use the proceeds of the Issue, or lend, contribute otherwise make available any such proceeds to any person (a) to fund or facilitate any activities or business of or with any person or in any country or territory that, at the time of such funding or facilitation, is the subject of Sanctions; or (b) in any other manner that will result in a violation of Sanctions against any person (including a person participating in the Issue, whether as an advisor, investor, underwriters or otherwise).
- (xxxix) The operations of the Company are and have been conducted at all times in compliance with all applicable financial record keeping and reporting requirements and applicable anti-money laundering statutes of jurisdictions where the Company conducts business, the rules and regulations there under and any related or similar rules, regulations, or guidelines, issued, administered or enforced by any governmental agency (collectively, the “Anti-Money Laundering Laws”) and no action, suit or proceeding by or before any court or governmental agency, authority or body, or any arbitrator involving the Company with respect to the Anti-Money Laundering Laws is pending or, to the best knowledge of the Company, threatened.
- (xl) The Company represents and undertakes that neither (a) the Company and its promoters, directors, and Affiliates, nor (b) the companies with which any of the Affiliates, promoters, and directors of the Company are or were associated as a promoter, director, or person in control, are debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other regulatory or administrative authority or agency or have proceedings alleging violations of securities laws initiated or pending against them by such authorities or agencies.
- (xli) The Company, its directors and companies in which Company's directors are directors have not been declared as willful defaulters or fraudulent borrowers by RBI or any other government authority and there has been no violation of securities laws committed by them in the past or no such proceeding are pending against the Company or its directors.
- (xlii) The Promoters or Directors of the Company have not been declared as a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018;
- (xliii) The Company undertakes that there shall be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue, or in any other manner during the period between the date of filing the Red Herring Prospectus/ Prospectus with the ROC till the listing of the Equity Shares in the Issue or refund of application money on non-listing or failure of the Issue.
- (xliv) The Equity Shares proposed to be transferred and sold in the Issue will be free and clear of any pre-emptive rights, liens, charges, or any other encumbrances, present or future.
- (xlv) The Company undertakes to sign and cause each of the Company's directors to sign the Draft Red Herring Prospectus/Red Herring Prospectus and Prospectus to be filed with the SEBI, the Stock Exchange, and the ROC, as applicable. Such signatures will be construed to mean that the Company agrees that (a) each of the Draft Red Herring Prospectus/Red Herring Prospectus and Prospectus gives a fair, true and accurate description of the Company, its business and assets and contains all information with



regard to the Company, the Issue, which is material in the context of the Issue, which information is true and correct in all material aspects and is not misleading in any material respect and all opinions and intentions expressed in each of the Draft Red Herring Prospectus/Red Herring prospectus, and Prospectus are honestly held; (b) the Draft Red Herring Prospectus/Red Herring Prospectus and Prospectus, as of each of their respective dates, and the Prospectus will not as of the Issue Closing Date, do not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and (c) the affixing of signature shall also mean that no relevant material information has been omitted from the Draft Red Herring Prospectus/Red Herring Prospectus and Prospectus.

- (xlvi) The Company agrees that it will not, without the prior written consent of the BRLM, during the period starting from the date hereof and ending 180 (One Hundred and Eighty) days after the date of the Prospectus, (i) issue, lend, pledge, encumber, sell, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares; (ii) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of shares of the Company or any securities convertible into or exercisable as or exchangeable for the Equity Shares; or (iii) publicly announce any intention to enter into any transaction described in (i) or (ii) above; whether any such transaction described in (i) or (ii) above is to be settled by delivery of Equity Shares or such other securities, in cash or otherwise or (iv) engage in any publicity activities prohibited under the SEBI (ICDR) Regulations, 2018.
- (xlvii) The Company undertakes to appoint and bear the expenses for an initial public offer grading agency in case the same is required in compliance with SEBI (ICDR) Regulation, 2018, if applicable
- (xlviii) The Company shall take steps to pay the Book Running Lead Manager fees as per its Mandate Letter.
- (xlix) The Company shall not resort to any legal proceedings in respect of any matter having a bearing on the Issue except in consultation with and after receipt of advice from the Book Running Lead Manager.
- (i) The Company shall refund the monies raised in the Issue to the Bidders if required to do so for any reason such as failing to get listing permission or under any direction or order of SEBI. The Company shall pay the requisite interest amount if so, required under the laws or direction or order of SEBI.
- (ii) The Company shall take all necessary steps to pay fees, underwriting commission, brokerage to the underwriters, stockbrokers, SCSBs, sponsor banks, registered Intermediaries, Book Running Lead Manager etc. within the time specified in their respective agreements with such Intermediaries or within a reasonable time.
- (iii) All the Equity Shares held by the Promoters which shall be locked-in upon the completion of the Issue are eligible as of the date of the Draft Red Herring Prospectus, for computation of promoter's contribution under Regulation 14 and Regulation 15 of the SEBI (ICDR) Regulation, and shall continue to be eligible for such contribution at the time of filing the Red Herring Prospectus and the Prospectus with the Registrar of Companies and upon the listing and trading of the Equity Shares in the Issue. Further, in accordance with Regulation 54 of the SEBI (ICDR) Regulation, any transactions in



securities (including the Equity Shares) of the Company by the promoters and promoter group between the date of filing of the Draft Red Herring Prospectus and the Issue Closing Date shall be subject to prior intimation to the BRLM in writing and shall be reported by the promoters and promoter group after the completion of such transaction to the BRLM and the Company, which shall in turn inform the Stock Exchanges, within twenty-four hours of such transactions.

8. UNDERTAKINGS BY THE COMPANY AND BRLM; SUPPLY OF INFORMATION AND DOCUMENTS

- 8.1. The Company shall provide all necessary information as required with respect to the Issue to the BRLM and shall, under no circumstances, withhold or refuse to provide any information which is likely to mislead the investors.
- 8.2. The Company undertakes to furnish complete audited annual reports, other relevant documents, papers, information relating to pending litigations, etc. to enable the Book Running Lead Manager to corroborate the information and statements given in the Issue Documents.
- 8.3. The Company undertakes to furnish such information and details regarding the Issue as may be required by the BRLM, to enable BRLM to file a report with the SEBI or place it on its website.
- 8.4. The Company accepts full responsibilities to update the information provided earlier and duly communicate to Book Running Lead Manager in cases of all changes in the materiality of the same subsequent to the submission of the Issue Documents to Stock Exchange but prior to Issue Opening Date.
- 8.5. The Company accept full responsibility for consequences if any, for making false misleading information or withholding, concealing material facts which have the bearing on the Issue.
- 8.6. The Company shall, if so required, extend such facilities as may be called for by the Book Running Lead Manager to enable them to visit the plant site, office of the Company, or such other places to ascertain for themselves the state of affairs of the Company including the progress made in respect of the project implementation, status, and other facts relevant to the Issue.
- 8.7. The Company shall extend all necessary facilities to the Book Running Lead Manager to interact on any matter relevant to the Issue with the solicitors / legal advisors, auditors, consultants, advisors to the Issue, financial institutions, banks or any other organization, and any other intermediary associated with the Issue in any capacity whatsoever.
- 8.8. The Company shall keep the Book Running Lead Manager informed if it encounters any problems due to dislocation of communication system or any other material adverse circumstance which is likely to prevent or which has prevented the Company from complying with its obligations, whether statutory or contractual, in respect of the matters pertaining to the allotment, dispatch of certificates, demat credit, making rounds/ unblocking of funds, refund orders, share certificates or debenture certificates, demat credit, etc.
- 8.9. The BRLM shall have the right:
 - (i) To call for complete details from the promoters of all companies/firms in which the Company and its promoters/directors are connected in any way.



- (ii) To call for any reports, documents, papers, information, etc., necessary from the Company to enable it to certify that the statements made in the Issue are true and correct.
- (iii) To withhold submission of the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus to Stock Exchange in case any of the particulars, information, etc., called for is not made available by the Company.
- (iv) The services rendered by the BRLM are on best efforts basis and in an advisory capacity. The BRLM shall not be held responsible for any acts or omissions by the Company.
- (v) Any action in connection with the Issue on behalf of or by the Company shall be subject to prior consultation of the BRLM.
- (vi) The Company shall, in mutual consultation, agree and abide by the advice of the BRLM to suitably defer/postpone the Issue in the event of any happenings which in the opinion of the BRLM would tend to paralyze or otherwise have an adverse impact on the political or social life or economic activity of the society or any section of it, and which is likely to affect the marketing of the Issue.
- (vii) The BRLM shall have the right to withdraw from the Issue if BRLM is of the opinion that the said Issue is against the interest of the investors i.e., if BRLM finds non-compliance of SEBI (ICDR) Regulations, 2018 and any other major violations of any Applicable Laws by the Company and the Company related entities.
- (viii) In the event of a breach of the conditions mentioned above, the BRLM shall have the absolute right to take such action as it may in the opinion determine including but not limited to withdrawing from the Issue management. In such an event, the Company will be required to reimburse all costs and expenses incurred as determined by the BRLM and also such fees for services rendered till such date of withdrawal, as may be determined by the BRLM.

8.10. The BRLM undertakes that all information provided by the Company would be kept confidential and would be used for the purpose of due diligence and with a view to decide on whether the same has to be disclosed in the Issue Documents to confirm to SEBI (ICDR) Regulations, 2018.

8.11. The Book Running Lead Manager shall rely on documents in originals or copies, certified or otherwise, of such documents, corporate records, certificates from public officials, and other instruments as would be provided by the Company. The BRLM shall not independently verify and shall assume the genuineness of all signatures, the authenticity of all documents and records submitted to them as originals, and the conformity with the originals of all documents and records submitted to them as copies thereof.

8.12. The Book Running Lead Manager may rely on the certifications or undertakings provided by the management of the Company, statutory auditors, legal advisor to the Issue, and other advisors/consultants if any, for various disclosures in the Issue Document.

8.13. Information provided under this Agreement shall be used exclusively for the purpose of the transaction only.

9. INDEMNITY

9.1. The Company shall indemnify and keep indemnified and hold harmless the BRLM for its own account and its Affiliates and all the respective directors, officers, employees, agents, and controlling persons (each, an "Indemnified Party") at all times from and against any and all losses, liabilities, costs, claims, charges, actions, suits, proceedings, damages, expenses or demands of whatever nature made, suffered or incurred including without limitation, any legal or other fees and expenses actually incurred in connection with investigating, disputing, preparing or defending any action or claim (individually, "Loss" and collectively, "Losses"), to which such Indemnified Party may become subject under any Applicable Laws including the



law of any applicable foreign jurisdiction or otherwise consequent upon or arising directly or indirectly out of or in connection with or in relation to this Agreement, Mandate Letter, Issue, or the BRLM role contemplated under this Agreement or the Mandate Letter, including without limitation

- (i) any breach or alleged breach by the Company of its obligations, representations, or warranties under this Agreement, the Mandate Letter;
- (ii) breach of any obligations of the Company and/or the under the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus or Bid cum Application Form and any amendment or supplement to any of the foregoing;
- (iii) arising out of or based on the Draft Red Herring Prospectus, Red Herring Prospectus or the Prospectus being, or being alleged to be, not true, fair, or adequate to enable the investors to make a well-informed decision as to the investment in the proposed Issue;
- (iv) including any misrepresentation or alleged misrepresentation of a material fact contained in the Draft Red Herring Prospectus/Red Herring Prospectus and Prospectus, the Bid cum Application Form, ASBA, including the preliminary and final international wrap the Bid cum Application Form and any amendment or supplement thereto, or any other issuing materials, including, without limitation, any road show materials or in information or documents, furnished or made available by the Company to an Indemnified Party and any amendment or supplement thereto, or omission or alleged omission therefrom of a material fact necessary in order to make the statements therein in light of the circumstances under which they were made not misleading, or
- (v) any acts or omissions which violates or allegedly violates Applicable Laws and regulations in relation to the Issue by the Company or which are determined by a court or arbitral tribunal of competent jurisdiction to have resulted from any bad faith, dishonesty, illegal or fraudulent acts or the willful default or gross negligence on the part of the Company. Such indemnity will extend to include all reasonable costs, charges, and expenses which such Indemnified Party may pay or incur in investigating, disputing, or defending any such loss, liability, cost, claim, charge, demand, or action, or other proceedings.

9.2. Each Party giving an indemnity hereinabove is liable to indemnify solely for the information provided respectively by such Party.

9.3. The BRLM agrees that after receiving a notice of an action, suit, proceeding, or claim against any Indemnified Party or receipt of a notice of the commencement of any investigation which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought from the Company, the BRLM will notify the Company in writing of the particulars thereof and will provide copies of all relevant documentation of the Company, unless the Company assumes the defense thereof, will keep the Company informed of the progress thereof, and will discuss all significant actions proposed. The omission to notify the Company shall not relieve the Company of any liability which the Company may have towards any Indemnified Party, except only to the extent that any such delay in or failure to give notice, as herein required, prejudices the defense of such action, suit or proceeding under this indemnity, had the BRLM or any other the Indemnified Party not so delayed in or failed to give the notice required hereunder.

9.4. The Company shall be entitled, at its own expense, to participate in and, to the extent it may wish to do so, assume the defense of such action, suit, proceeding, claim, or investigation, provided that such defense is conducted by experienced and competent counsel up to the satisfaction of the Indemnified Party. Upon the Company notifying the BRLM in writing of its election to assume the defense and retaining counsel satisfactory to the Indemnified Party, the Company shall not be liable to the BRLM or any other Indemnified Party for any legal expenses subsequently incurred by them in connection with such defense. If such defense is assumed by the Company, the Company, throughout the course thereof, will provide copies



of all relevant documentation to the BRLM, will keep the BRLM advised of the progress thereof, and will discuss with the BRLM all significant actions proposed.

- 9.5. No Indemnified Party shall admit any liability or settle any action, writ proceeding, claim, or investigation without the prior written consent of the Company, which shall not be unreasonably withheld. The Company will not be liable for any settlement of any action, suit, proceeding, claim, or investigation that any Indemnified Party makes without the written consent of the Company.
- 9.6. The right of the Company to assume the defense on behalf of the Indemnified Party set out above shall be subject to the following conditions:
- (i) No admission of liability or compromise whatsoever in connection with the claim or action may take place without the prior written consent of BRLM, which shall not be unreasonably withheld.
 - (ii) Notwithstanding the foregoing, the Indemnified Party shall have the right to employ its or their own counsel in any such case and also to undertake any action in connection with the investigation of, preparation of, or defense of any pending or threatened claim or any action or proceeding arising therefrom, whether or not such Indemnified Party is a party and whether or not such a claim, action or proceeding is initiated or brought by or on behalf of the Company, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party unless (a) the employment of such counsel shall have been authorized in writing by the Company in connection with the defense of such action, and (b) the Company have not employed counsel to take charge of the defense of such action within a reasonable time after notice of commencement of the action.
- 9.7. Notwithstanding anything contained hereinabove, in case the BRLM has acted in bad faith or has been grossly negligent or have committed any willful misconduct, illegal or fraudulent act, in performing the services under this Agreement, the Company shall give notice of 30 (Thirty) days ("**Cure Period**") to the BRLM, to remedy or cure such default.
- 9.8. In the event of a failure by the BRLM to remedy or cure such default or Issue suitable justification to the Company that they have not acted in bad faith or gross negligence or willful misconduct, illegal or fraudulent acts in performing the services under this Agreement within the Cure Period, as determined by a court or arbitral tribunal of competent jurisdiction, the BRLM shall be responsible to the Company for any loss, claim, damage or liability incurred by the Company, caused due to such acts of bad faith or gross negligence or willful misconduct, illegal or fraudulent acts on the part of the BRLM, as the case may be, in performing the services under this Agreement.
- 9.9. This Clause 9 would survive the termination or expiry of this Agreement, subject to Applicable Laws.
- 9.10. The remedies provided for in this Clause 9 are not exclusive and shall not limit any rights or remedies that may otherwise be available to any Indemnified Party at law or in equity.
- 9.11. The indemnity provisions contained in this Clause 9 shall remain operative and in full force and effect regardless of (i) any termination of this Agreement, (ii) any investigation made by or on behalf of the BRLM, or any party controlling the BRLM, or by or on behalf of the Company, its officers or directors or any party controlling the Company, and (iii) acceptance of and payment for any of the Equity Shares.

10. TERMINATION



- 10.1. This Agreement shall be subject to termination by notice in writing given by the Book Running Lead Manager to the Company, if subsequent to the execution and delivery of this Agreement; and prior to the Issue Opening Date:
- (i) of its obligations under this Agreement or otherwise or in the assets, liabilities, earnings, business, prospects, management or operations of the Company that, in the sole judgment of the Book Running Lead Manager, is material and adverse and that makes it, in the sole judgment of the Book Running Lead Manager, impracticable or inadvisable to market the Equity Shares or to enforce contracts for the sale of the Equity Shares on the terms and in the manner contemplated in the Issue Documents;
 - (ii) all corporate and regulatory approvals required to be obtained by the Company for the Issue, have not been obtained by the Company;
 - (iii) the Book Running Lead Manager has not been able to complete its due diligence to its satisfaction or has found a materially adverse finding in its due diligence;
 - (iv) there shall have occurred a Material Adverse Change in the financial markets in India, which makes it, in the reasonable judgment of the Book Running Lead Manager impracticable to proceed with the Issue, such as any outbreak of hostilities or terrorism or escalation thereof or any calamity or crisis affecting the international financial markets, and in each case, the effect of which event may be taken into account by the Book Running Lead Manager singularly or together with any other such event. Further, a general banking moratorium shall not have been declared by India, the European Union, the United Kingdom, and the United States of America; or
 - (v) there shall have occurred a regulatory change, (including, but not limited to, a change in the regulatory environment in which the Company operates or a change in the regulations and guidelines governing the terms of this Issue) or an order or directive from SEBI, ROC, NSE, BSE or any other governmental, regulatory or judicial authority pertaining to the securities market(s) that, makes it, in the reasonable judgment of the Book Running Lead Manager, impossible or renders the Company ineligible to proceed with the Issue.
 - (vi) the Company shall be entitled to terminate this Agreement with prior written notice to the BRLM, if subsequent to the execution and delivery of this Agreement; and prior to the Issue Opening Date: in the reasonable discretion of the Company, there has occurred a Material Adverse Change in or which would affect the initial public offer process under this Agreement or otherwise in the sole judgment of the Company, is material and adverse and that makes it, in the sole judgment of the Company, impracticable or inadvisable to market the Equity Shares or to enforce contracts for the sale of the Equity Shares on the terms and in the manner contemplated in the Issue Documents;
- 10.2. The Company agrees that if, after filing of the Prospectus/ Red herring Prospectus and Draft Red Herring Prospectus, any additional disclosures are required to be made in regard to any matter relevant to the Issue as may be determined by the Book Running Lead Manager, the Company shall comply with such requirements.
- 10.3. Upon termination of this Agreement in accordance with this Clause 10, the Parties to this Agreement shall (except for any liability arising before or in relation to such termination and except as otherwise provided herein) be released and discharged from their respective obligations under or pursuant to this Agreement.

11. NOTICES

Any notices or other communication given pursuant to this Agreement must be in writing and (a) delivered personally, or (b) sent by tele facsimile or other similar facsimile transmission, (c) sent by registered mail, postage prepaid, to the address of the Party specified in the recitals to this Agreement, or to such fax number as may be designated in writing by such Party. All notices and other communications required or permitted under this Agreement that are addressed as provided in this



Clause 11 will (i) if delivered personally or by overnight courier, be deemed given upon delivery; (ii) if delivered by tele facsimile or other similar facsimile transmission, be deemed to be given when electronically confirmed; and (iii) if sent by registered mail, be deemed given when received.

In case of notice to the Company, to it at:

KRN Heat Exchanger and Refrigeration Limited

Plot No. F-46,47,48,49,
EPIP, RIICO Industrial Area,
Neemrana, Alwar – 301705, Rajasthan, India

Contact Person: Santosh Kumar Yadav

Designation: Chairman and Managing Director

Tel: +91 - 7023697974

In case of notice to the Book Running Lead Manager:

Holani Consultants Private Limited

401-405 & 416-418, 4th Floor,
Soni Paris Point, Jai Singh Highway,
Banipark, Jaipur-302016, Rajasthan, India

Tel: +91-141-2203995/96

Email: info@holaniconsultants.co.in

Website: www.holaniconsultants.co.in

Contact Person: Mrs. Payal Jain

Designation: Compliance Officer

SEBI Registration No: INM000012467

12. TIME IS OF ESSENCE

All obligations of the Company and the Book Running Lead Manager are subject to the conditions that time wherever stipulated, shall be of the essence of the Agreement. Consequently, any failure on the part of the Company or the Book Running Lead Manager to adhere to the time limits shall unless otherwise agreed between the Company and the Book Running Lead Manager, discharge the Book Running Lead Manager or Company of its obligations under this Agreement. This Agreement shall be in force from the date of execution and will expire on completion of allotment for this Issue.

13. SEVERAL OBLIGATIONS

The Company and the Book Running Lead Manager acknowledge and agree that they are all liable on several basis to each other in respect of the representations, warranties, indemnities, undertakings, and other obligations given, entered into, or made by each of them in this Agreement.

14. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by and construed in accordance with the laws of the Republic of India. This Agreement shall be subject to the exclusive jurisdiction of Courts at **Jaipur**, Rajasthan India.

15. ARBITRATION

If any dispute, difference, or claim arises between the Parties of this Agreement as to the interpretation of this Agreement or any covenants or conditions thereof or as to the rights, duties or liabilities of any Parties hereunder or as to any act, matter or thing arising out of or under this Agreement (even though the agreement may have been terminated) and the same shall be referred to a mutually agreed arbitrator who shall proceed as per Arbitration and Conciliation Act, 1996. The



seat of arbitration shall be **Jaipur**, Rajasthan India and the language to be used in the arbitral proceedings shall be English.

16. AMENDMENT

No amendment, supplement, modification, or clarification to this Agreement shall be valid or binding unless set forth in writing and duly executed by all the Parties to this Agreement.

17. SEVERABILITY

If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability shall attach only to such provisions or the applicable part of such provision and the remaining part of such provision and all other provisions of this Agreement shall continue to remain in full force and effect.

18. CUMULATIVE REMEDIES

The rights and remedies of each of the Parties and each indemnified person under this Agreement are cumulative and are in addition to any other rights and remedies provided by general law or otherwise.

19. ILLEGALITY

If any provision in this Agreement shall be held to be illegal, invalid, or unenforceable, in whole or in part, under any enactment or rule of law, such provision or part shall to that extent be deemed not to form part of this Agreement but the legality, validity, and enforceability of the remainder of this Agreement shall not be affected. In case any provision of this Agreement conflicts with any provision of law including SEBI (ICDR) Regulations, 2018, and/or any other norms to be issued by SEBI, in force on the date of this Agreement or any time in future, the latter shall prevail.

20. ASSIGNMENT

No Party may assign any of its rights under this Agreement without the consent of the Party against whom the right operates. No provision of this Agreement may be varied without the consent of the Book Running Lead Manager and the Company.

21. CONSENT TO ACT AS A BOOK RUNNING LEAD MANAGER TO THE ISSUE

The undersigned hereby certifies and consents to act as Book Running Lead Manager to the aforesaid Issue and to its name being inserted as Book Running Lead Manager in the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, and information memorandum which the Company intends to issue in respect of the proposed Issue and hereby authorize the Company to deliver this Agreement to SEBI, ROC, NSE and BSE.



This signature page forms an integral part of the Issue Agreement entered into by and between KRN Heat Exchanger and Refrigeration Limited, the Company and Holani Consultants Private Limited, the Book Running Lead Manager

IN WITNESS WHEREOF, the Parties or their duly authorized signatories have set their hands on the day and year hereinabove written:

FOR AND BEHALF OF KRN HEAT EXCHANGER AND REFRIGERATION LIMITED



Authorised Signatory

Name: Santosh Kumar Yadav

Designation: Chairman and Managing Director

DIN: 07789940

Witness:

(KAMAL SINGH)

VILL. NAYAGOVE TEELHI

TEH. TIJARA (RAJ)

This signature page forms an integral part of the Issue Agreement entered into by and between KRN Heat Exchanger and Refrigeration Limited, the Company and Holani Consultants Private Limited, the Book Running Lead Manager

IN WITNESS WHEREOF, the Parties or their duly authorized signatories have set their hands on the day and year hereinabove written:

FOR AND BEHALF OF HOLANI CONSULTANTS PRIVATE LIMITED



Authorised Signatory



Name: Ramavtar Holani

Designation: Managing Director

DIN: 00804781

Witness:

