

(Continued from previous page...)

Net Worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.
Net Debt	Net debt helps the management to determine whether a company is overleveraged or has too much debt given its liquid assets
Debt-equity ratio (times)	The debt to equity ratio compares an organization's liabilities to its shareholder's equity and is used to gauge how much debt or leverage the organization is using.
ROE (%)	ROE provides how efficiently our Company generates profits from shareholders' funds.
ROCE (%)	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.

Comparison with Listed Industry Peers

For period ended March 31, 2024:

(₹ in Lakhs)

Key Financial Performance	Divine Power Energy Limited	Shera Energy Limited	Bhagyanagar India Limited	Rajnandini Metal Limited	Ram Ratna Wires Limited	Precision Wires India Limited
Revenue from operations ⁽¹⁾	22,208.00	87,510.42	1,43,072.44	1,21,243.00	2,98,324.79	3,30,169.11
Total Income ⁽²⁾	22,272.00	87,631.88	1,47,480.35	1,22,093.00	2,99,825.34	3,32,100.06
EBITDA ⁽³⁾	1,500.50	5,255.19	7,591.52	2,997.00	13,430.58	15,333.23
EBITDA Margin ⁽⁴⁾	6.76%	6.01%	5.31%	2.47%	4.50%	4.64%
PAT	640.59	1,404.83	4,572.37	1,524.00	5,461.65	7,285.38
PAT Margin ⁽⁵⁾	2.88%	1.61%	3.20%	1.26%	1.83%	2.21%
Operating cash flow	(282.08)	3,817.54	9,611.10	-1,975.00	13,835.26	6,027.33
Net worth ⁽⁶⁾	2,556.53	12,766.41	19,336.69	5,671.00	43,209.77	50,644.12
Net Debt ⁽⁷⁾	5,738.86	11,561.85	9,769.55	10,034	24,736.64	25,876.64
Debt Equity Ratio ⁽⁸⁾	2.26	0.94	0.52	1.77	0.58	0.19
ROCE (%) ⁽⁹⁾	16.25%	19.01%	23.56%	18.30%	16.82%	22.47%
ROE (%) ⁽¹⁰⁾	25.06%	11.00%	23.65%	26.87%	12.64%	14.39%

For the Fiscal 2023:

(₹ in Lakhs)

Key Financial Performance	Divine Power Energy Limited	Shera Energy Limited	Bhagyanagar India Limited	Rajnandini Metal Limited	Ram Ratna Wires Limited	Precision Wires India Limited
Revenue from operations ⁽¹⁾	15,058.53	69,639.29	1,84,659.07	1,02,888.00	2,64,959.87	3,03,357.80
Total Income ⁽²⁾	15,084.20	69,774.61	1,84,752.32	1,03,905.00	2,65,651.40	3,05,546.95
EBITDA ⁽³⁾	1,034.87	3,998.35	3,562.75	2,959.00	11,591.85	9,545.15
EBITDA Margin ⁽⁴⁾	6.87%	5.74%	1.93%	2.88%	4.37%	3.15%
PAT	284.94	910.88	1,013.04	1,368.00	4,699.96	5,949.31
PAT Margin ⁽⁵⁾	1.89%	1.31%	0.55%	1.33%	1.77%	1.96%
Operating cash flow	190.82	1,266.42	(3,952.77)	(260.00)	1,861.64	7,666.06
Net worth ⁽⁶⁾	1,915.94	10,766.71	14,764.31	4,143.00	32,580.42	45,030.90
Net Debt ⁽⁷⁾	4,719.09	10,963.31	21,997.51	7,161	25,790.89	(6,207.87)
Debt Equity Ratio ⁽⁸⁾	2.49	1.05	1.49	1.74	0.82	0.04
ROCE (%) ⁽⁹⁾	13.70%	15.87%	8.08%	25.05%	16.45%	17.42%
ROE (%) ⁽¹⁰⁾	14.87%	8.46%	6.86%	33.02%	14.43%	13.21%

For the Fiscal 2022:

(₹ in Lakhs)

Key Financial Performance	Divine Power Energy Limited	Shera Energy Limited	Bhagyanagar India Limited	Rajnandini Metal Limited	Ram Ratna Wires Limited	Precision Wires India Limited
Revenue from operations ⁽¹⁾	12,249.09	52,382.19	1,57,363.46	1,02,825.00	2,28,857.38	2,68,314.20
Total Income ⁽²⁾	12,290.38	52,458.20	1,57,440.97	1,02,950.00	2,29,523.77	2,69,004.55
EBITDA ⁽³⁾	571.36	3,433.46	3,096.72	1,926.00	11,735.21	12,430.69
EBITDA Margin ⁽⁴⁾	4.66%	6.55%	1.97%	1.87%	5.13%	4.63%
PAT	80.51	661.89	1,108.19	1,002.00	5,417.65	6,301.08
PAT Margin ⁽⁵⁾	0.66%	1.26%	0.70%	0.97%	2.37%	2.35%
Operating cash flow	471.78	1,092.67	-431.87	(186.00)	15,078.42	4,257.45
Net worth ⁽⁶⁾	1,246.00	7,660.21	13,751.27	2,959.00	28,195.23	36,488.26
Net Debt ⁽⁷⁾	4,452.82	11,795.68	17,008.53	5,129	25,493.42	(2,253.59)
Debt Equity Ratio ⁽⁸⁾	3.58	1.55	1.30	1.74	0.96	0.06
ROCE (%) ⁽⁹⁾	8.80%	15.10%	7.97%	22.37%	18.07%	28.17%
ROE (%) ⁽¹⁰⁾	6.46%	8.64%	8.06%	33.86%	19.21%	17.27%

- 1) Revenue from operation means revenue from sales and other operating revenues.
- 2) Total Income represents the total turnover of our business i.e., Revenue from Operations and Other Income, if any.
- 3) EBITDA means Profit before depreciation, finance cost, tax and amortization.
- 4) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.
- 5) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.
- 6) 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 balance sheet, but does not include reserves created out of revaluation of assets, capital reserve arising on consolidation, capital redemption reserve, write-back of depreciation and amalgamation.
- 7) Net debt = non-current borrowing + current borrowing – Cash and Cash Equivalent.
- 8) Debt equity ratio means ratio of total debt (long term plus short-term including current maturity of long-term debt) and Equity Share capital plus other equity.
- 9) Return on Capital Employed is ratio of EBIT and Capital Employed. Capital Employed is Total Shareholder's Equity, Non-Current Borrowing and Short-Term Borrowing.
- 10) Return on Equity is ratio of Profit after Tax and Shareholder Equity

8. 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, our Company has not issued any Equity Shares or convertible securities during the 18 months preceding the date of this Red Herring Prospectus.

Date of Allotment	Reason/ Nature of Issue	Number of Equity Shares	Nature of Consideration	Face Value (₹)	Issue Price (₹)	% of Pre-Issue Capital
February 24, 2023	Bonus Issue ^a	1,21,36,300	Consideration other than cash	10	Nil	76.91%
March 24, 2023	Private Placement [*]	35,00,000	Cash	10	11	22.18%
Weighted average cost of acquisition (WACA) Primary issuances (in ₹ per Equity Share)						30.00

^a Vide board resolution dated February 24, 2023, the Company issued bonus shares to the existing shareholders in the ratio of 85:1. The Company issued 59,500, 2657525, 2125000, 5789775 and 1504500 equity shares to Pratibha Talwar, Dali Giri, Morpheus Enterprises Private Limited, Rajesh Giri and Vikas Talwar respectively.

^{*}Vide Board Resolution dated March 24, 2023, the Company allotted 16,81,818 and 18,18,182 equity shares to Vikas Talwar and Rajesh Giri respectively.

b) The price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities)

Except as stated below, there have been no secondary sale / acquisitions of Equity Shares or any convertible securities, during the 18 months preceding the date of the Red Herring Prospectus:

Date of Allotment	Reason/Nature of Issue	Number of Equity Shares	Nature of Consider-ation	Face Value (₹)	Issue Price (₹)	% of Pre-Issue Capital
March 25, 2023	Transfer of Equity Shares for cash consideration from	21,50,000	Cash	10	11	13.63%

Note: Morpheus Enterprises Private Limited had transferred its shareholding of 21,50,000 equity shares to Anuj Talwar (4,30,000 equity shares), Dev Sharan Giri (12,80,000 equity shares), Arijita Giri (4,30,000 equity shares) and Chaitanya Giri (10,000 equity shares) vide transfer deed dated March 25, 2023.

c) Price Per Share based on last five primary or secondary transactions:

Information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to the date of this RHP irrespective of the size of transactions, is as below.

Primary transactions: Except as stated below, there have been no primary transactions in the last three years preceding the date of this RHP

Date of Allotment	Reason/Na-ture of Issue	Number of Equity Shares	Nature of Consideration	Face Value (₹)	Issue Price (₹)	% of Pre-Issue Capital
February 24, 2023	Bonus Issue ^a	1,21,36,300	Consideration other than cash	10	Nil	76.91%
March 24, 2023	Private Placement [*]	35,00,000	Cash	10	11	22.18%

^aVide board resolution dated February 24, 2023, the Company issued bonus shares to the existing shareholders in the ratio of 85:1. The Company issued 59,500, 2657525, 2125000, 5789775 and 1504500 equity shares to Pratibha Talwar, Dali Giri, Morpheus Enterprises Private Limited, Rajesh Giri and Vikas Talwar respectively.

^{*}Vide Board Resolution dated March 24, 2023, the Company allotted 16,81,818 and 18,18,182 equity shares to Vikas Talwar and Rajesh Giri respectively.

Secondary Transactions: Except as stated below, there have been no secondary transactions in the last three years preceding the date of this RHP

Date of Allotment	Reason/Nature of Issue	Number of Equity Shares	Nature of Consider-ation	Face Value (₹)	Issue Price (₹)	% of Pre-Issue Capital
March 25, 2023	Transfer of Equity Shares for cash consideration from	21,50,000	Cash	10	11	13.63%

Note: Morpheus Enterprises Private Limited had transferred its shareholding of 21,50,000 equity shares to Anuj Talwar (4,30,000 equity shares), Dev Sharan Giri (12,80,000 equity shares), Arijita Giri (4,30,000 equity shares) and Chaitanya Giri (10,000 equity shares) vide transfer deed dated March 25, 2023.

d) Weighted average cost of acquisition, floor price and cap price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price* (I.e. Rs. 36)	Cap price* (I.e. Rs. 40)
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	2.46*	14.63	16.26
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	11	3.27	3.64
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above	3.49*	10.32	11.46

^{*}Effect of issue of Bonus shares has been taken

9. Justification for Basis of the Issue Price

Explanation for Issue Price / Cap Price being 16.26/3.64 and price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in d) above) along with our Company's key performance indicators and financial ratios for the Fiscals 2024, 2023 and 2022.

- i. In Fiscal 2024, the Company purchased one online annealer machine which cools the wires and strips simultaneously during the annealing process, which has allowed us to expand the production very efficiently. The online annealer machine cools the metal instantly as the metal comes out of the machine reducing the time to cool the metal almost to zero which earlier use to take hours.
- ii. The Company enjoys the patronage of reputed clients such as TATA Power Limited, Pashchimanchal Viduyt Vitran Nigam Limited, BSES, Madhyanchal Viduyt Vitaran Nigam Limited, Dakshinanchal Viduyt Vitaran Nigam Limited, Purvanchal Viduyt Vitaran Nigam Limited, Uttarakhand Power Corporation Limited etc., which ensure stable demand for our products.
- iii. The Company sources its raw material from reliable and reputed suppliers such as NALCO (through National Small Industries Corporation Limited), Birla Copper (through third party), Hindalco etc. With reliable suppliers, the Company has never faced supply disruption in the past and also expect the same in the future.
- iv. The Company leverages an in-house quality control lab with in-house testing equipments to test the quality of our products. Our finished goods undergo a strict quality check to ensure best quality standards set in the industry. We are proud to contribute towards the energy security of our country and committed to the national goal of achieving energy security sustainably.

The Issue Price will be [●] times of the face value of the Equity Shares. The Issue Price of ₹ [●] has been determined by our Company in consultation with the BRLM, on the basis of the demand from investors for the Equity Shares through the Book Building Process. Our Company in consultation with the BRLM, is justified of the Issue Price in view of the above qualitative and quantitative parameters. The trading price of the Equity Shares could decline due to the factors mentioned in the section titled "Risk Factors" on page 25 of Red Herring Prospectus or any other factors that may arise in the future and you may lose all or part of your investments.

Our Company in consultation with the BRLM may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid /Issue Opening Date in accordance with the SEBI (ICDR) Regulations, 2018. In case of any revisions in the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/ Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the website of the Book Running Lead Managers and the terminals of the other members of the Syndicate and by intimation to SCSBs, the Sponsor Bank, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(I) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, the issue is being made for atleast 25% of the post issue paid up equity share capital of our company. The issue is being made through the book building process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (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 the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance equity shares shall be added to the QIB Category. 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 Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion (excluding Anchor Investor Portion), the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective bank account (including UPI ID for RIBs using UPI Mechanism), in which the corresponding Bid Amounts will be blocked by the SCSBs or the Sponsor Bank, as applicable. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 239 of the Red Herring Prospectus.

Bidders / Applicants should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidders/Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of

the Bidders/Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for or unblocking of ASBA Account or for other correspondence(s) related to an Issue. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk. Bidders /Applicants should ensure that PAN, DP ID and the Client ID are correctly filled in the Bid cum Application Form. The PAN, DP ID and Client ID provided in the Bid cum Application Form should match with the PAN, DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/ Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AS REGARDS ITS OBJECTS: For information on the main objects and other objects of our Company, see "History and Corporate Structure" on page 154 of the Red Herring Prospectus and Clause III of the Memorandum of Association of our Company. The Memorandum of Association of our Company is a material document for inspection in relation to the Issue. For further details, see the section "Material Contracts and Documents for Inspection" on page 299 of the Red Herring Prospectus.

LIABILITY OF MEMBERS AS PER MOA: The Liability of the members of the Company is Limited.

AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE: The Authorised share capital of the Company is ₹ 25,00,00,000 divided into 2,50,00,000 Equity Shares of ₹ 10/ each. The issued, subscribed and paid-up share capital of the Company before the Issue is ₹ 15,77,90,800 divided into 1,57,79,080 Equity Shares of ₹10/ each. For details of the Capital Structure, see "Capital Structure" on the page 64 of the Red Herring Prospectus.

NAMES OF THE SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM:

ORIGINAL SIGNATORIES			CURRENT PROMOTERS		
Name of Promoters	Face Value (₹)	No. of Shares	Name of Promoters	Face Value (₹)	No. of Shares
Ms. Pratibha Talwar	10	10,000	Mr. Rajesh Giri	10.00	76,76,072
Ms. Dali Giri	10	10,000	Mr. Vikas Talwar	10.00	32,04,018
-	-	-	Ms. Dali Giri	10.00	26,88,790

Details of the main objects of the Company as contained in the Memorandum of Association, see "History and Corporate Structure" on page 154 of the Red Herring Prospectus. For details of the share capital and capital structure of the Company see "Capital Structure" on page 64 of the Red Herring Prospectus.

LISTING: The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the SME Platform of NSE ("NSE EMERGE"). Our Company has received an "in-principle" approval from the NSE for the listing of the Equity Shares pursuant to letter dated May 02, 2024. For the purposes of the Issue, the Designated Stock Exchange shall be NSE. A signed copy of the Red Herring Prospectus has been delivered for registration to the ROC on June 15, 2024 and Prospectus shall be delivered for filing 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 the Red Herring Prospectus up to the Bid/ Issue Closing Date, see "Material Contracts and Documents for Inspection" on page 299 of the Red Herring Prospectus.

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"): Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the Red Herring Prospectus has been filed with SEBI. In terms of the SEBI Regulations, the SEBI shall not issue any observation on the Offer Document. Hence there is no such specific disclaimer clause of SEBI. However, investors may refer to the entire Disclaimer Clause of SEBI beginning on page 218 of the Red Herring Prospectus.

DISCLAIMER CLAUSE OF NSE (THE DESIGNATED STOCK EXCHANGE): It is to be distinctly understood that the 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 certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to the Offer Document for the full text of the "Disclaimer Clause of NSE.

GENERAL RISK: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, 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 the Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 25 of the Red Herring Prospectus.

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
 KHAMBATTA SECURITIES LIMITED 806, 8th Floor, Tower-B, World Trade Tower, Noida Sector-16, Uttar Pradesh-201301, India. Tel: +91-9953989693, 0120-4415469 E-mail: ipo@khambattasecurities.com Investor grievance e-mail: mbcomplaints@khambattasecurities.com Website: www.khambattasecurities.com Contact Person: Mr. Chandan Mishra SEBI Registration No.: INM000011914	 BIGSHARE SERVICES PRIVATE LIMITED Office No. S6-2, 6th Floor, Pinnacle Business Park, next to Ahura Centre, Mahakali Caves Road, Andheri East, Mumbai – 400 093, Maharashtra, India Telephone: 022 - 6263 8200 Fax: + 91-22 6263 8299 E-mail: ipo@bigshareonline.com Investor Grievance E-mail: investor@bigshareonline.com Website: www.bigshareonline.com Contact Person: Mr. Vinayak Morbale SEBI Registration Number: INR000001385
COMPANY SECRETARY AND COMPLIANCE OFFICER	
 DIVINE POWER ENERGY LIMITED Ms. Swati Bansal, Company Secretary and Compliance Officer Unit No. Offices, 1st Floor, CSC-II, B-Block, Surajmal Vihar, East Delhi, New Delhi-110092, India. Tel.: 011-36001992/ 2842 Email-id.: info@dpel.in	
Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account, etc.	

Availability of Red Herring Prospectus: Investors are advised to refer to the Red Herring Prospectus and the Risk Factors contained therein, before applying in the issue. Full copy of the Red Herring Prospectus will be available at the website of SEBI at www.sebi.gov.in; the website of Stock Exchange at www.nseindia.com, the website of BRLM at www.khambattasecurities.com and website of Company at www.dpel.in

Availability of Bid-Cum-Application forms: Bid-Cum-Application forms can be obtained from the Company: Divine Power Energy Limited, Book Running Lead Manager: Khambatta Securities Limited. Application Forms can also be obtained from the Stock Exchange and list of SCSBs available on the website of SEBI at www.sebi.gov.in and website of Stock Exchange at www.nseindia.com.

Application Supported by Blocked Amount (ASBA): All investors in this issue have to compulsorily apply through ASBA. The investors are required to fill the ASBA form and submit the same to their banks. The SCSB will block the amount in the account as per the authority contained in ASBA form. On allotment, amount will be unblocked and account will be debited only to the extent required to be paid for allotment of shares. Hence, there will be no need of refund.

For more details on the issue process and how to apply, please refer to the details given in application forms and abridged prospectus and also please refer to the chapter "Issue Procedure" on page 239 of the Red Herring Prospectus.

BANKER TO THE ISSUE/SPONSOR BANK/REFUND BANKER/PUBLIC ISSUE BANK: Axis Bank Limited

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

For Divine Power Energy Limited

Sd/-

Mr. Rajesh Giri

Date: June 18, 2024

Designation: Managing Director

Place: New Delhi

DIN:02324760

Divine Power Energy Limited is proposing, subject to market conditions and other considerations, public issue of its Equity Shares and has filed the Red Herring Prospectus with the Registrar of Companies, NCT of Delhi & Haryana on June 15, 2024. The Red Herring Prospectus is available on the website of the Book Running Lead Manager atwww.khambattasecurities.com, the website of the NSE i.e., www.nseindia.com, and website of our Company at www.dpel.in.

(Continued from previous page...)

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Net Debt	Net debt helps the management to determine whether a company is overleveraged or has too much debt given its liquid assets
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(₹ in Lakhs)

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Total Income ⁽²⁾	22,272.00	87,631.88	1,47,480.35	1,22,093.00	2,99,825.34	3,32,100.06
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Net worth ⁽⁶⁾	2,556.53	12,766.41	19,336.69	5,671.00	43,209.77	50,644.12
Net Debt ⁽⁷⁾	5,738.86	11561.85	9769.55	10034	24736.64	2587.64
Debt Equity Ratio ⁽⁸⁾	2.26	0.94	0.52	1.77	0.58	0.19
ROCE (%) ⁽⁹⁾	16.25%	19.01%	23.56%	18.30%	16.82%	22.47%
ROE (%) ⁽¹⁰⁾	25.06%	11.00%	23.65%	26.87%	12.64%	14.39%

For the Fiscal 2023:

(₹ in Lakhs)

Key Financial Performance	Divine Power Energy Limited	Shera Energy Limited	Bhagyanagar India Limited	Rajnandini Metal Limited	Ram Ratna Wires Limited	Precision Wires India Limited
Revenue from operations ⁽¹⁾	15,058.53	69,639.29	1,84,659.07	1,02,888.00	2,64,959.87	3,03,357.80
Total Income ⁽²⁾	15,084.20	69,774.61	1,84,752.32	1,03,905.00	2,65,651.40	3,05,546.95
EBITDA ⁽³⁾	1,034.87	3,998.35	3,562.75	2,959.00	11,591.85	9,545.15
EBITDA Margin ⁽⁴⁾	6.87%	5.74%	1.93%	2.88%	4.37%	3.15%
PAT	284.94	910.88	1,013.04	1,368.00	4,699.96	5,949.31
PAT Margin ⁽⁵⁾	1.89%	1.31%	0.55%	1.33%	1.77%	1.96%
Operating cash flow	190.82	1,266.42	(3,952.77)	(260.00)	1,861.64	7,666.06
Net worth ⁽⁶⁾	1,915.94	10,766.71	14,764.31	4,143.00	32,580.42	45,030.90
Net Debt ⁽⁷⁾	4,719.09	10,963.31	21997.51	7,161	25,790.89	(6207.87)
Debt Equity Ratio ⁽⁸⁾	2.49	1.05	1.49	1.74	0.82	0.04
ROCE (%) ⁽⁹⁾	13.70%	15.87%	8.08%	25.05%	16.45%	17.42%
ROE (%) ⁽¹⁰⁾	14.87%	8.46%	6.86%	33.02%	14.43%	13.21%

For the Fiscal 2022:

(₹ in Lakhs)

Key Financial Performance	Divine Power Energy Limited	Shera Energy Limited	Bhagyanagar India Limited	Rajnandini Metal Limited	Ram Ratna Wires Limited	Precision Wires India Limited
Revenue from operations ⁽¹⁾	12,249.09	52,382.19	1,57,363.46	1,02,825.00	2,28,857.38	2,68,314.20
Total Income ⁽²⁾	12,290.38	52,458.20	1,57,440.97	1,02,950.00	2,29,523.77	2,69,004.55
EBITDA ⁽³⁾	571.36	3,433.46	3,096.72	1,926.00	11,735.21	12,430.69
EBITDA Margin ⁽⁴⁾	4.66%	6.55%	1.97%	1.87%	5.13%	4.63%
PAT	80.51	661.89	1,108.19	1,002.00	5,417.65	6,301.08
PAT Margin ⁽⁵⁾	0.66%	1.26%	0.70%	0.97%	2.37%	2.35%
Operating cash flow	471.78	1,092.67	-431.87	(186.00)	15,078.42	4,257.45
Net worth ⁽⁶⁾	1,246.00	7,660.21	13,751.27	2,959.00	28,195.23	36,488.26
Net Debt ⁽⁷⁾	4,452.82	11,795.68	17008.53	5,129	25,493.42	(2,253.59)
Debt Equity Ratio ⁽⁸⁾	3.58	1.55	1.30	1.74	0.96	0.06
ROCE (%) ⁽⁹⁾	8.80%	15.10%	7.97%	22.37%	18.07%	28.17%
ROE (%) ⁽¹⁰⁾	6.46%	8.64%	8.06%	33.86%	19.21%	17.27%

- 1) Revenue from operation means revenue from sales and other operating revenues.
- 2) Total Income represents the total turnover of our business i.e., Revenue from Operations and Other Income, if any.
- 3) EBITDA means Profit before depreciation, finance cost, tax and amortization.
- 4) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.
- 5) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.
- 6) 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 balance sheet, but does not include reserves created out of revaluation of assets, capital reserve arising on consolidation, capital redemption reserve, write-back of depreciation and amalgamation.
- 7) Net debt = non-current borrowing + current borrowing – Cash and Cash Equivalent.
- 8) Debt equity ratio means ratio of total debt (long term plus short-term including current maturity of long-term debt) and Equity Share capital plus other equity.
- 9) Return on Capital Employed is ratio of EBIT and Capital Employed. Capital Employed is Total Shareholder's Equity, Non-Current Borrowing and Short-Term Borrowing.
- 10) Return on Equity is ratio of Profit after Tax and Shareholder Equity

8. 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, our Company has not issued any Equity Shares or convertible securities during the 18 months preceding the date of this Red Herring Prospectus.

Date of Allotment	Reason/ Nature of Issue	Number of Equity Shares	Nature of Consideration	Face Value (₹)	Issue Price (₹)	% of Pre-Issue Capital
February 24, 2023	Bonus Issue ^a	1,21,36,300	Consideration other than cash	10	Nil	76.91%
March 24, 2023	Private Placement [#]	35,00,000	Cash	10	11	22.18%
Weighted average cost of acquisition (WACA) Primary issuances (in ₹ per Equity Share)						30.00

^a Vide board resolution dated February 24, 2023, the Company issued bonus shares to the existing shareholders in the ratio of 85:1. The Company issued 59,500, 2657525, 2125000, 5789775 and 1504500 equity shares to Pratibha Talwar, Dali Giri, Morpheus Enterprises Private Limited, Rajesh Giri and Vikas Talwar respectively.

[#]Vide Board Resolution dated March 24, 2023, the Company allotted 16,81,818 and 18,18,182 equity shares to Vikas Talwar and Rajesh Giri respectively.

- b) The price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities)

Except as stated below, there have been no secondary sale / acquisitions of Equity Shares or any convertible securities, during the 18 months preceding the date of the Red Herring Prospectus:

Date of Allotment	Reason/Nature of Issue	Number of Equity Shares	Nature of Consideration	Face Value (₹)	Issue Price (₹)	% of Pre-Issue Capital
March 25, 2023	Transfer of Equity Shares for cash consideration from	21,50,000	Cash	10	11	13.63%

Note: Morpheus Enterprises Private Limited had transferred its shareholding of 21,50,000 equity shares to Anuj Talwar (4,30,000 equity shares), Dev Sharan Giri (12,80,000 equity shares), Arijta Giri (4,30,000 equity shares) and Chaitanya Giri (10,000 equity shares) vide transfer deed dated March 25, 2023.

c) Price Per Share based on last five primary or secondary transactions:

Information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to the date of this RHP irrespective of the size of transactions, is as below.

Primary transactions: Except as stated below, there have been no primary transactions in the last three years preceding the date of this RHP

Date of Allotment	Reason/Nature of Issue	Number of Equity Shares	Nature of Consideration	Face Value (₹)	Issue Price (₹)	% of Pre-Issue Capital
February 24, 2023	Bonus Issue ^a	1,21,36,300	Consideration other than cash	10	Nil	76.91%
March 24, 2023	Private Placement [#]	35,00,000	Cash	10	11	22.18%

^aVide board resolution dated February 24, 2023, the Company issued bonus shares to the existing shareholders in the ratio of 85:1. The Company issued 59,500, 2657525, 2125000, 5789775 and 1504500 equity shares to Pratibha Talwar, Dali Giri, Morpheus Enterprises Private Limited, Rajesh Giri and Vikas Talwar respectively.

[#]Vide Board Resolution dated March 24, 2023, the Company allotted 16,81,818 and 18,18,182 equity shares to Vikas Talwar and Rajesh Giri respectively.

Secondary Transactions: Except as stated below, there have been no secondary transactions in the last three years preceding the date of this RHP

Date of Allotment	Reason/Nature of Issue	Number of Equity Shares	Nature of Consideration	Face Value (₹)	Issue Price (₹)	% of Pre-Issue Capital
March 25, 2023	Transfer of Equity Shares for cash consideration from	21,50,000	Cash	10	11	13.63%

Note: Morpheus Enterprises Private Limited had transferred its shareholding of 21,50,000 equity shares to Anuj Talwar (4,30,000 equity shares), Dev Sharan Giri (12,80,000 equity shares), Arijta Giri (4,30,000 equity shares) and Chaitanya Giri (10,000 equity shares) vide transfer deed dated March 25, 2023.

d) Weighted average cost of acquisition, floor price and cap price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price* (i.e. Rs. 36)	Cap price* (i.e. Rs. 40)
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	2.46*	14.63	16.26
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	11	3.27	3.64
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above	3.49*	10.32	11.46

^{*}Effect of issue of Bonus shares has been taken

9. Justification for Basis of the Issue Price

Explanation for Issue Price / Cap Price being 16.26/3.64 and price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in d) above) along with our Company's key performance indicators and financial ratios for the Fiscals 2024, 2023 and 2022.

- i. In Fiscal 2024, the Company purchased one online annealer machine which cools the wires and strips simultaneously during the annealing process, which has allowed us to expand the production very efficiently. The online annealer machine cools the metal instantly as the metal comes out of the machine reducing the time to cool the metal almost to zero which earlier use to take hours.
- ii. The Company enjoys the patronage of reputed clients such as TATA Power Limited, Paschimanchal Vidyut Vitran Nigam Limited, BSES, Madhyanchal Vidyut Vitaran Nigam Limited, Dakshinanchal Vidyut Vitran Nigam Limited, Purvanchal Vidyut Vitaran Nigam Limited, Uttarakhand Power Corporation Limited etc., which ensure stable demand for our products.
- iii. The Company sources its raw material from reliable and reputed suppliers such as NALCO (through National Small Industries Corporation Limited), Birla Copper (through third party), Hindalco etc. With reliable suppliers, the Company has never faced supply disruption in the past and also expect the same in the future.
- iv. The Company leverages an in-house quality control lab with in-house testing equipments to test the quality of our products. Our finished goods undergo a strict quality check to ensure best quality standards set in the industry. We are proud to contribute towards the energy security of our country and committed to the national goal of achieving energy security sustainably.

The Issue Price will be [●] times of the face value of the Equity Shares. The Issue Price of ₹ [●] has been determined by our Company in consultation with the BRLM, on the basis of the demand from investors for the Equity Shares through the Book Building Process. Our Company in consultation with the BRLM, is justified of the Issue Price in view of the above qualitative and quantitative parameters. The trading price of the Equity Shares could decline due to the factors mentioned in the section titled "Risk Factors" on page 25 of Red Herring Prospectus or any other factors that may arise in the future and you may lose all or part of your investments.

Our Company in consultation with the BRLM may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid /Issue Opening Date in accordance with the SEBI (ICDR) Regulations, 2018. In case of any revisions in the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/ Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the website of the Book Running Lead Managers and the terminals of the other members of the Syndicate and by intimation to SCSBs, the Sponsor Bank, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, the issue is being made for atleast 25% of the post issue paid up equity share capital of our company. The issue is being made through the book building process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (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 the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance equity shares shall be added to the QIB Category. 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 Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion (excluding Anchor Investor Portion), the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective bank account (including UPI ID for RIBs using UPI Mechanism), in which the corresponding Bid Amounts will be blocked by the SCSBs or the Sponsor Bank, as applicable. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 239 of the Red Herring Prospectus.

Bidders / Applicants should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidders/Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of

the Bidders/Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for or unblocking of ASBA Account or for other correspondence(s) related to an Issue. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk. Bidders / Applicants should ensure that PAN, DP ID and the Client ID are correctly filled in the Bid cum Application Form. The PAN, DP ID and Client ID provided in the Bid cum Application Form should match with the PAN, DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/ Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AS REGARDS ITS OBJECTS: For information on the main objects and other objects of our Company, see "History and Corporate Structure" on page 154 of the Red Herring Prospectus and Clause III of the Memorandum of Association of our Company. The Memorandum of Association of our Company is a material document for inspection in relation to the Issue. For further details, see the section "Material Contracts and Documents for Inspection" on page 299 of the Red Herring Prospectus.

LIABILITY OF MEMBERS AS PER MOA: The Liability of the members of the Company is Limited.

AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE: The Authorised share capital of the Company is ₹ 25,00,00,000 divided into 2,50,00,000 Equity Shares of ₹ 10/ each. The issued, subscribed and paid-up share capital of the Company before the Issue is ₹ 15,77,90,800 divided into 1,57,79,080 Equity Shares of ₹10/ each. For details of the Capital Structure, see "Capital Structure" on the page 64 of the Red Herring Prospectus.

NAMES OF THE SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM:

ORIGINAL SIGNATORIES			CURRENT PROMOTERS		
Name of Promoters	Face Value (₹)	No. of Shares	Name of Promoters	Face Value (₹)	No. of Shares
Ms. Pratibha Talwar	10	10,000	Mr. Rajesh Giri	10.00	76,76,072
Ms. Dali Giri	10	10,000	Mr. Vikas Talwar	10.00	32,04,018
-	-	-	Ms. Dali Giri	10.00	26,88,790

Details of the main objects of the Company as contained in the Memorandum of Association, see "History and Corporate Structure" on page 154 of the Red Herring Prospectus. For details of the share capital and capital structure of the Company see "Capital Structure" on page 64 of the Red Herring Prospectus.

LISTING: The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the SME Platform of NSE ("NSE EMERGE"). Our Company has received an "in-principle" approval from the NSE for the listing of the Equity Shares pursuant to letter dated May 02, 2024. For the purposes of the Issue, the Designated Stock Exchange shall be NSE. A signed copy of the Red Herring Prospectus has been delivered for registration to the ROC on June 15, 2024 and Prospectus shall be delivered for filing 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 the Red Herring Prospectus up to the Bid/ Issue Closing Date, see "Material Contracts and Documents for Inspection" on page 299 of the Red Herring Prospectus.

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"): Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the Red Herring Prospectus has been filed with SEBI. In terms of the SEBI Regulations, the SEBI shall not issue any observation on the Offer Document. Hence there is no such specific disclaimer clause of SEBI. However, investors may refer to the entire Disclaimer Clause of SEBI beginning on page 218 of the Red Herring Prospectus.

DISCLAIMER CLAUSE OF NSE (THE DESIGNATED STOCK EXCHANGE): It is to be distinctly understood that the 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 certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to the Offer Document for the full text of the 'Disclaimer Clause of NSE.

GENERAL RISK: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, 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 the Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 25 of the Red Herring Prospectus.

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
<div>SIXTH SENSE ANALYTICS ... beyond the obvious</div> <div>KHAMBATTA SECURITIES LIMITED 806, 8th Floor, Tower-B, World Trade Tower, Noida Sector-16, Uttar Pradesh-201301, India. Tel: +91-9953989693, 0120-4415469 E-mail: ipo@khambattasecurities.com Investor grievance e-mail: mbcomplaints@khambattasecurities.com Website: www.khambattasecurities.com Contact Person: Mr. Chandan Mishra SEBI Registration No.: INM000011914</div>	<div></div> <div>BIGSHARE SERVICES PRIVATE LIMITED Office No. S6-2, 6th Floor, Pinnacle Business Park, next to Ahura Centre, Mahakali Caves Road, Andheri East, Mumbai – 400 093, Maharashtra, India. Telephone: 022 - 6263 8200 Fax: +91-22 6263 8299 E-mail: ipo@bigshareonline.com Investor Grievance E-mail: investor@bigshareonline.com Website: www.bigshareonline.com Contact Person: Mr. Vinayak Morbale SEBI Registration Number: INR000001385</div>
COMPANY SECRETARY AND COMPLIANCE OFFICER	
<div>DIVINE POWER ENERGY LIMITED Ms. Swati Bansal, Company Secretary and Compliance Officer Unit No. Offices, 1st Floor, CSC-II, B-Block, Surajmal Vihar, East Delhi, New Delhi-110092, India. Tel.: 011-36001992/ 2842 Email-id.: info@dpel.in</div>	
Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-issue or post- Issue related problems, such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account, etc.	

Availability of Red Herring Prospectus: Investors are advised to refer to the Red Herring Prospectus and the Risk Factors contained therein, before applying in the issue. Full copy of the Red Herring Prospectus will be available at the website of SEBI at www.sebi.gov.in; the website of Stock Exchange at www.nseindia.com, the website of BRLM at www.khambattasecurities.com and website of Company at www.dpel.in

Availability of Bid-Cum-Application forms: Bid-Cum-Application forms can be obtained from the Company: Divine Power Energy Limited, Book Running Lead Manager: Khambatta Securities Limited. Application Forms can also be obtained from the Stock Exchange and list of SCSBs available on the website of SEBI at www.sebi.gov.in and website of Stock Exchange at www.nseindia.com.

Application Supported by Blocked Amount (ASBA): All investors in this issue have to compulsorily apply through ASBA. The investors are required to fill the ASBA form and submit the same to their banks. The SCSB will block the amount in the account as per the authority contained in ASBA form. On allotment, amount will be unblocked and account will be debited only to the extent required to be paid for allotment of shares. Hence, there will be no need of refund.

For more details on the issue process and how to apply, please refer to the details given in application forms and abridged prospectus and also please refer to the chapter "Issue Procedure" on page 239 of the Red Herring Prospectus.

BANKER TO THE ISSUE/SPONSOR BANK/REFUND BANKER/PUBLIC ISSUE BANK: Axis Bank Limited

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

For Divine Power Energy Limited

Sd/-

Mr. Rajesh Giri

Designation: Managing Director

DIN:02324760

Divine Power Energy Limited is proposing, subject to market conditions and other considerations, public issue of its Equity Shares and has filed the Red Herring Prospectus with the Registrar of Companies, NCT of Delhi & Haryana on June 15, 2024. The Red Herring Prospectus is available on the website of the Book Running Lead Manager atwww.khambattasecurities.com, the website of the NSE i.e., www.nseindia.com, and website of our Company at www.dpel.in.

Investor should note that investment in equity shares involves a high degree of risk. For details, investors should refer to and rely on the Red Herring Prospectus, including the section

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DIVINE POWER ENERGY LIMITED



Please scan this QR code to view the RHP

CIN: U31300DL2001PLC112176

Our Company was incorporated on August 24, 2001, as ‘PDRV Enterprises Private Limited’, a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the Registrar of Companies, NCT of Delhi & Haryana. Our Company’s name was changed from ‘PDRV Enterprises Private Limited’ to ‘Dee Power and Electricals Private Limited’ pursuant to the Resolution passed by the Shareholders in an Extra-Ordinary General Meeting held on January 05, 2023 and a fresh Certificate of Incorporation dated May 11, 2023 was issued to this effect by Registrar of Companies, NCT of Delhi & Haryana. Further, our Company’s name was changed from ‘Dee Power and Electricals Private Limited’ to ‘Divine Power Energy Private Limited’ pursuant to the Resolution passed by the Shareholders in an Extra-Ordinary General Meeting held on June 10, 2023 and a fresh Certificate of Incorporation dated July 11, 2023 was issued to this effect by Registrar of Companies, NCT of Delhi & Haryana. Subsequently, pursuant to a resolution passed by the Shareholders in an Extra-Ordinary General Meeting held on July 17, 2023, our Company was converted from a private limited company to a public limited company and a fresh certificate of incorporated dated August 03, 2023 was issued by the Registrar of Companies, Delhi. Consequent to the conversion of our Company, the name of our Company was changed to ‘Divine Power Energy Limited’ please see “Our History and Certain Other Corporate Matters” on page no. 154 of the Red Herring Prospectus.

Registered Office: Unit No. Offices, First Floor, CSC-II, B-Block, Surajmal Vihar, East Delhi, New Delhi-110092 India | Tel: 011-36001992/2842 | E-mail: info@dpel.in | Website: www.dpel.in
Contact Person: Ms. Swati Bansal, Company Secretary and Compliance Officer

OUR PROMOTERS: MR. RAJESH GIRI, MR. VIKAS TALWAR AND MS. DALI GIRI

“THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER IX OF THE SEBI ICDR REGULATIONS (IPO OF SMALL AND MEDIUM ENTERPRISES) AND THE EQUITY SHARES ARE PROPOSED TO BE LISTED ON SME PLATFORM OF NSE (NSE EMERGE).”

THE ISSUE

PUBLIC ISSUE* OF UP TO [●] EQUITY SHARES OF FACE VALUE ₹ 10 EACH (“EQUITY SHARES”) OF DIVINE POWER ENERGY LIMITED (“OUR COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹ [●] PER EQUITY SHARE) (“ISSUE PRICE”), AGGREGATING UP TO ₹ 2,276.00 LAKHS (THE “ISSUE”), OF WHICH [●] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●] EACH AGGREGATING ₹ 115.20 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER (“MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING TO ₹ 2,160.80 LAKHS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [●] % AND [●] % RESPECTIVELY OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. FOR FURTHER DETAILS, PLEASE REFER TO CHAPTER TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE 226 OF THE RED HERRING PROSPECTUS.

**SUBJECT TO FINALISATION OF BASIS OF ALLOTMENT*

ALLOCATION OF THE ISSUE

- **QIB PORTION:** NOT MORE THAN 50.00% OF THE NET ISSUE
- **RETAIL PORTION:** NOT LESS THAN 35.00% OF THE NET ISSUE
- **NON-INSTITUTIONAL PORTION:** NOT LESS THAN 15.00% OF THE NET ISSUE
- **MARKET MAKER PORTION:** UPTO [●] EQUITY SHARES OR NOT LESS THAN 5.00% OF THE ISSUE

PRICE BAND: ₹ 36/- to ₹ 40/- PER EQUITY SHARE

THE FLOOR PRICE IS 3.6 TIMES THE FACE VALUE AND CAP PRICE IS 4.0 TIMES OF THE FACE VALUE OF THE EQUITY SHARES. BIDS CAN BE MADE FOR A MINIMUM OF 3000 EQUITY SHARES AND IN MULTIPLES OF 3000 EQUITY SHARES THEREAFTER. THIS ISSUE IS MADE THROUGH BOOK BUILDING PROCESS, IN TERMS OF CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE “SEBI (ICDR) REGULATIONS”), AS AMENDED READ WITH RULE 19(2)(B) OF SECURITIES CONTRACT (REGULATION) RULES, 1957, AS AMENDED.

ISSUE PROGRAMME

ANCHOR BID OPENS ON MONDAY, JUNE 24, 2024

OPENS ON: TUESDAY, JUNE 25, 2024 | CLOSES ON: THURSDAY, JUNE 27, 2024

ASBA*	Simple, Safe, Smart way of Application- Make use of it!!!	*Application Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For further details check the section on ASBA below.	Mandatory in Public Issues from January 01, 2016. No cheque will be accepted.		UPI – Now mandatory in ASBA for Retail Investors applying through Registered Brokers, DPs & RTAs. Retail Investors also have the options to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account.** Investors are required to ensure that the Bank Account used for applying is linked to their PAN.
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**ASBA has to be availed by all the investors except Anchor Investors (if any). UPI may be availed by RILs. For details on the ASBA and UPI process, please refer to the details given in ASBA Form and abridged prospectus and also please refer to the section “Issue Procedure” beginning on page 239 of the Red Herring Prospectus. The process is also available on the website of SEBI and Stock Exchanges in the General information Document. ASBA Forms can be downloaded from the website of Emerge platform of NSE (“NSE Emerge” or “Stock Exchange”) and can be obtained from the list of banks that is displaying on website of SEBI at www.sebi.gov.in.*

*** List of banks supporting UPI is also available on the website of SEBI at www.sebi.gov.in. For the list of UPI Apps and Banks live on IPO, please refer to the link: www.sebi.gov.in. Axis Bank Limited has been appointed as Sponsor Bank for the Issue in accordance with the requirements of the SEBI Circular dated November 1, 2018, as amended.*

RISKS TO INVESTORS

- Our Equity Shares have never been publicly traded and may experience price and volume fluctuations following the completion of the Issue. Further, our Equity Shares may not result in an active or liquid market and the price of our Equity Shares may be volatile and you may be unable to resell your Equity Shares at or above the Issue Price or at all.
- In Case of our inability to obtain renew or maintain the statutory and regulatory licenses, permits and approvals required to operate our business it may have a material adverse effect on our Business.
- We have in the past entered into related party transactions and may continue to do so in the future.
- The Book Running Lead Manager (BRLM) associated with the Issue has handled 06 public SME issues and Two Main Board Issues in the past three years out of which none of the Issues closed below the Issue Price on Listing date.
- The average cost of acquisition of Equity Shares by our Promoters is as follows:

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in ₹)
1.	Mr. Rajesh Giri	76,76,072	5.62
2.	Mr. Vikas Talwar	32,04,018	8.99
3.	Ms. Dali Giri	26,88,790	2.70

6. Weighted average cost of acquisition:

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)
Weighted average cost of acquisition of primary / new issue of shares in last one (1) year preceding the date of RHP	There was no primary/ new issue of shares in the last One year preceding the date of RHP
Weighted average cost of acquisition of primary / new issue of shares in last eighteen (18) months preceding the date of RHP	2.46*
Weighted average cost of acquisition of primary / new issue of shares in last three (3) years preceding the date of RHP	3.49*

*Effect of issue of Bonus shares has been taken.

BASIS FOR ISSUE PRICE

The Price Band, Floor Price and Issue Price will be determined by our Company, in consultation with the Book Running Lead Manager, 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. Investors should also refer to “Our Business”, “Risk Factors”, “Restated Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 122, 25, 187 and 195 of Red Herring Prospectus, 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 the Issue Price are:
- Experienced management and efficient workforce.
 - Comprehensive solution provider offering diversified suite of precision products across geographies and end-user industries.
 - Scalable business.
 - A strong regional presence.
 - Consistent track record of growth and financial performance
 - Strong long-standing relationships with clients & suppliers within the industry
 - Strong, experienced and dedicated senior management team and qualified workforce

(₹ In Lakhs)

Particulars	Fiscal 2024	Fiscal 2023	Fiscal 2022
Revenue from Operations	22,208.00	15,058.53	12,249.09
EBITDA ⁽¹⁾	1,500.50	1,034.87	571.36
EBITDA margin as of revenue from operations (%) ⁽²⁾	6.76%	6.87%	4.66%
PAT	640.59	284.94	80.51
PAT margin (%) ⁽³⁾	2.88%	1.89%	0.66%

(1) EBITDA has been calculated as Restated profit before tax + finance cost + depreciation and amortization.

(2) EBITDA Margin = EBITDA/ Revenue from operations.

(3) PAT Margin=PAT/Revenue from operations.

For more details on qualitative factors, refer to chapter “Our Business-Our Strengths” on page no. 129 of Red Herring Prospectus

QUANTITATIVE FACTORS

Some of the information presented below relating to our Company is derived from the Restated Financial Statements. For more details on financial information; investors please refer the chapter titled “Financial Information” on page no. 187 of Red Herring Prospectus.

Investors should evaluate our Company taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

1. Basic and Diluted Earnings / (Loss) Per Share (“EPS”), as adjusted for changes in capital

Particulars	Basic & Diluted EPS (in ₹)	Weights
2024	4.06	3
2023	2.31	2
2022	0.66	1
Weighted Average	2.91	

Notes:

- The face value of each Equity Share is ₹10 each.
- Basic Earnings per share = Restated total comprehensive income / Weighted average number of Equity shares outstanding during the period/year.
- Diluted Earnings per share = Restated total comprehensive income / Weighted average number of potential Equity shares outstanding during the period/year.
- Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate5 of weights i.e. (EPS x Weight) for each year /Total of weights.
- The above statement should be read in conjunction with Significant Accounting Policies and Notes to Restated Financial Statement of the “Financial Information” beginning on page no. 187 of Red Herring Prospectus

2. Price Earnings (“P/E”) Ratio in relation to Price Band of ₹ 36/- to ₹ 40/- per Equity Share

Particulars	P/E at the lower end of the Price Band (no. of times)	P/E at the higher end of the Price Band (no. of times)
Based on basic and diluted EPS for Fiscal 2024	8.86	9.85
Based on Weighted Average EPS	12.37	13.74

3. Industry Peer Group P/E ratio

Particulars	P/E Ratio
Highest	34.17
Lowest	7.63
Average	25.54

Note: The highest and lowest industry P/E shown above is based on the peer set provided below under “Comparison with listed industry peers”, which have been identified by our Company

4. Return on Net worth (RoNW)

As per Restated Financial Statements

For the Fiscals	RoNW (%)	Weight
2024	25.06	3
2023	14.87	2
2022	6.46	1
Weighted Average	18.56	

Note:

- Weighted average = Aggregate of year-wise weighted Net Worth divided by the aggregate of weights i.e. [(Net Worth x Weight) for each year] / [Total of weights].
- Return on Net Worth (%) = Net Profit for the year / period as restated /Net worth as restated as at period/year end.
- “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, miscellaneous expenditure not written off, as per the restated balance sheet, but does not include reserves created out of revaluation of assets, capital reserve, foreign currency translation reserve, write-back of depreciation as March 31, 2024, March 31, 2023 and March 31, 2022.

5. Net Asset Value (NAV) (Face value of ₹10/-)

Financial Year	NAV (₹)
Net Asset Value per Equity Share as of March 31, 2024	16.20
Net Asset Value per Equity Share as of March 31, 2023	15.51
Net Asset Value per Equity Share as of March 31, 2022	10.15
Issue Price	[●]

Notes:

- Issue Price per Equity Share will be determined on conclusion of the Book Building Process.
- Net asset value per share = Net worth as restated / Number of Equity Shares as at period/ year end

6. Comparison with Industry Peers

Particulars	Total income (₹ in Lakhs)	Face Value (₹)	EPS Basic (₹)	EPS Diluted (₹)	PE Ratio ⁽²⁾	RoNW (%) ⁽⁴⁾	NAV Per share (₹)
The Issuer Company							
Divine Power Energy Limited	22,272.00	10	4.06	4.06	[●]	25.06%	16.20
Listed peers							
Shera Energy Limited	87,631.88	10	5.21	5.21	34.17	11.00%	56.02
Bhagyanagar India Limited	1,47,480.35	2.00	14.29	14.29	7.63	23.65%	60.44
Rajnandini Metal Limited	1,22,093.00	1.0	0.55	0.55	19.49	26.87%	2.05
Ram Ratna Wires Limited	2,98,324.79	5.00	11.88	11.88	32.83	12.64%	98.20
Precision Wires India Limited	3,32,100.06	1.00	4.08	4.08	33.60	14.39	28.35
Source: Restated Financial Statement of our Company as disclosed on page no. 187 of Red Herring Prospectus.							

Our competitors are manufacturers and suppliers of winding wires, tubes, billets, rods, sheets, nuggets and bus bars made from copper, aluminium, and brass. However, our Company manufactures and suppliers only winding wires made from copper and aluminium. The above mentioned Companies are the nearest listed peer.

For further information, kindly refer “Our Business” on page no. 122 of Red Herring Prospectus.

Note:

- The peer group figures based on audited consolidated financials as on and for the year ended March 31, 2024.
- P/E figures for the peer is computed based on closing market price as on June 13, 2024, of relevant peer companies as available at NSE, (available at www.nseindia.com) divided by Basic EPS for FY 2024 reported in the filings made with stock exchanges.
- Based on the Issue Price to be determined on conclusion of book building process and the basic EPS of our Company
- Return on net worth (%) = Net profit after tax * 100 / Net worth at the end of the year
- Net Asset value per share = Net worth at the end of the year / No. of shares outstanding at the end of year.

The Issue Price of ₹ [●] has been determined by our Company, in consultation with the BRLM, on the basis of the demand from investors for the Equity Shares through the Book-Building Process. Our Company in consultation with the BRLM, is justified of the Issue Price in view of the above qualitative and quantitative parameters. Investors should read the abovementioned information along with “Risk Factors”, “Our Business” and “Financial Information” beginning on pages 25, 122 and 187 respectively of Red Herring Prospectus, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in “Risk Factors” or any other factors that may arise in the future and you may lose all or part of your investments.

7. Key Operational and Financial Performance Indicators:

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of various verticals in comparison to our peers.

Financial KPIs of our Company: Divine Power Energy Limited

(₹ in Lakhs)

Key Financial Performance	For the year ended March 31st		
	2023-2024	2022-2023	2021-2022
Revenue from Operations ⁽¹⁾	22,208.00	15,058.53	12,249.09
Total Income ⁽²⁾	22,272.00	15,084.20	12,290.38
EBITDA ⁽³⁾	1,500.50	1,034.87	571.36
EBITDA Margin ⁽⁴⁾	6.76%	6.87%	4.66%
PAT	640.59	284.94	80.51
PAT Margin ⁽⁵⁾	2.88%	1.89%	0.66%
Operating cash flow	(282.08)	190.82	471.78
Net worth ⁽⁶⁾	2,556.53	1,915.94	1,246.00
Net Debt ⁽⁷⁾	5,738.86	4,719.09	4,452.82
Debt Equity Ratio ⁽⁸⁾	2.26	2.49	3.58
ROCE (%) ⁽⁹⁾	16.25%	13.70%	8.80%
ROE (%) ⁽¹⁰⁾	25.06%	14.87%	6.46%

Notes:

- Revenue from operation means revenue from sales and other operating revenues.
- Total Income represents the total turnover of our business i.e., Revenue from Operations and Other Income, if any.
- EBITDA means Profit before depreciation, finance cost, tax and amortization.
- ‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations.
- ‘PAT Margin’ is calculated as PAT for the period/year divided by revenue from operations.
- 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 balance sheet, but does not include reserves created out of revaluation of assets, capital reserve arising on consolidation, capital redemption reserve, write-back of depreciation and amalgamation.
- Net debt = non-current borrowing + current borrowing – Cash and Cash Equivalent.
- Debt equity ratio means ratio of total debt (long term plus short-term including current maturity of long-term debt) and Equity Share capital plus other equity.
- Return on Capital Employed is ratio of EBIT and Capital Employed. Capital Employed is Total Shareholder’s Equity, Non-Current Borrowing and Short-Term Borrowing.
- Return on Equity is ratio of Profit after Tax and Average Shareholder Equity.

Explanation for KPI metrics:

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Total income	Total income is used by the management to track revenue from operations and other income.
EBITDA	EBITDA provides information regarding the operational efficiency of the business.
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business.
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
Operating Cash Flows	Operating cash flows activities provides how efficiently our company generates cash through its core business activities.

(Continued next page...)

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Net Worth	Net worth is used by the management to ascertain the total value created by the entity and provides a snapshot of current financial position of the entity.
Net Debt	Net debt helps the management to determine whether a company is overleveraged or has too much debt given its liquid assets
Debt-equity ratio (times)	The debt to equity ratio compares an organization's liabilities to its shareholder's equity and is used to gauge how much debt or leverage the organization is using.
ROE (%)	ROE provides how efficiently our Company generates profits from shareholders' funds.
ROCE (%)	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.

Comparison with Listed Industry Peers
For period ended March 31, 2024:

(₹ in Lakhs)

Key Financial Performance	Divine Power Energy Limited	Shera Energy Limited	Bhagyanagar India Limited	Rajnandini Metal Limited	Ram Ratna Wires Limited	Precision Wires India Limited
Revenue from operations ⁽¹⁾	22,208.00	87,510.42	1,43,072.44	1,21,243.00	2,98,324.79	3,30,169.11
Total Income ⁽²⁾	22,272.00	87,631.88	1,47,480.35	1,22,093.00	2,99,825.34	3,32,100.06
EBITDA ⁽³⁾	1,500.50	5,255.19	7,591.52	2,997.00	13,430.58	15,333.23
EBITDA Margin ⁽⁴⁾	6.76%	6.01%	5.31%	2.47%	4.50%	4.64%
PAT	640.59	1,404.83	4,572.37	1,524.00	5,461.65	7,285.38
PAT Margin ⁽⁵⁾	2.88%	1.61%	3.20%	1.26%	1.83%	2.21%
Operating cash flow	(282.08)	3,817.54	9,611.10	-1,975.00	13,835.26	6,027.33
Net worth ⁽⁶⁾	2,556.53	12,766.41	19,336.69	5,671.00	43,209.77	50,644.12
Net Debt ⁽⁷⁾	5,738.86	11561.85	9769.55	10034	24736.64	2587.64
Debt Equity Ratio ⁽⁸⁾	2.26	0.94	0.52	1.77	0.58	0.19
ROCE (%) ⁽⁹⁾	16.25%	19.01%	23.56%	18.30%	16.82%	22.47%
ROE (%) ⁽¹⁰⁾	25.06%	11.00%	23.65%	26.87%	12.64%	14.39%

For the Fiscal 2023:

(₹ in Lakhs)

Key Financial Performance	Divine Power Energy Limited	Shera Energy Limited	Bhagyanagar India Limited	Rajnandini Metal Limited	Ram Ratna Wires Limited	Precision Wires India Limited
Revenue from operations ⁽¹⁾	15,058.53	69,639.29	1,84,659.07	1,02,888.00	2,64,959.87	3,03,357.80
Total Income ⁽²⁾	15,084.20	69,774.61	1,84,752.32	1,03,905.00	2,65,651.40	3,05,546.95
EBITDA ⁽³⁾	1,034.87	3,998.35	3,562.75	2,959.00	11,591.85	9,545.15
EBITDA Margin ⁽⁴⁾	6.87%	5.74%	1.93%	2.88%	4.37%	3.15%
PAT	284.94	910.88	1,013.04	1,368.00	4,699.96	5,949.31
PAT Margin ⁽⁵⁾	1.89%	1.31%	0.55%	1.33%	1.77%	1.96%
Operating cash flow	190.82	1,266.42	(3,952.77)	(260.00)	1,861.64	7,666.06
Net worth ⁽⁶⁾	1,915.94	10,766.71	14,764.31	4,143.00	32,580.42	45,030.90
Net Debt ⁽⁷⁾	4,719.09	10,963.31	21997.51	7,161	25,790.89	(6207.87)
Debt Equity Ratio ⁽⁸⁾	2.49	1.05	1.49	1.74	0.82	0.04
ROCE (%) ⁽⁹⁾	13.70%	15.87%	8.08%	25.05%	16.45%	17.42%
ROE (%) ⁽¹⁰⁾	14.87%	8.46%	6.86%	33.02%	14.43%	13.21%

For the Fiscal 2022:

(₹ in Lakhs)

Key Financial Performance	Divine Power Energy Limited	Shera Energy Limited	Bhagyanagar India Limited	Rajnandini Metal Limited	Ram Ratna Wires Limited	Precision Wires India Limited
Revenue from operations ⁽¹⁾	12,249.09	52,382.19	1,57,363.46	1,02,825.00	2,28,857.38	2,68,314.20
Total Income ⁽²⁾	12,290.38	52,458.20	1,57,440.97	1,02,950.00	2,29,523.77	2,69,004.55
EBITDA ⁽³⁾	571.36	3,433.46	3,096.72	1,926.00	11,735.21	12,430.69
EBITDA Margin ⁽⁴⁾	4.66%	6.55%	1.97%	1.87%	5.13%	4.63%
PAT	80.51	661.89	1,108.19	1,002.00	5,417.65	6,301.08
PAT Margin ⁽⁵⁾	0.66%	1.26%	0.70%	0.97%	2.37%	2.35%
Operating cash flow	471.78	1,092.67	-431.87	(186.00)	15,078.42	4,257.45
Net worth ⁽⁶⁾	1,246.00	7,660.21	13,751.27	2,959.00	28,195.23	36,488.26
Net Debt ⁽⁷⁾	4,452.82	11,795.68	17008.53	5,129	25,493.42	(2,253.59)
Debt Equity Ratio ⁽⁸⁾	3.58	1.55	1.30	1.74	0.96	0.06
ROCE (%) ⁽⁹⁾	8.80%	15.10%	7.97%	22.37%	18.07%	28.17%
ROE (%) ⁽¹⁰⁾	6.46%	8.64%	8.06%	33.86%	19.21%	17.27%

- Revenue from operation means revenue from sales and other operating revenues.
- Total Income represents the total turnover of our business i.e., Revenue from Operations and Other Income, if any.
- EBITDA means Profit before depreciation, finance cost, tax and amortization.
- 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations.
- 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.
- 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 balance sheet, but does not include reserves created out of revaluation of assets, capital reserve arising on consolidation, capital redemption reserve, write-back of depreciation and amalgamation.
- Net debt = non-current borrowing + current borrowing – Cash and Cash Equivalent.
- Debt equity ratio means ratio of total debt (long term plus short-term including current maturity of long-term debt) and Equity Share capital plus other equity.
- Return on Capital Employed is ratio of EBIT and Capital Employed. Capital Employed is Total Shareholder's Equity, Non-Current Borrowing and Short-Term Borrowing.
- Return on Equity is ratio of Profit after Tax and Shareholder Equity

8. 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, our Company has not issued any Equity Shares or convertible securities during the 18 months preceding the date of this Red Herring Prospectus.

Date of Allotment	Reason/ Nature of Issue	Number of Equity Shares	Nature of Consideration	Face Value (₹)	Issue Price (₹)	% of Pre-Issue Capital
February 24, 2023	Bonus Issue ^a	1,21,36,300	Consideration other than cash	10	Nil	76.91%
March 24, 2023	Private Placement [#]	35,00,000	Cash	10	11	22.18%
Weighted average cost of acquisition (WACA) Primary issuances (in ₹ per Equity Share)						30.00

^a Vide Board resolution dated February 24, 2023, the Company issued bonus shares to the existing shareholders in the ratio of 85:1. The Company issued 59,500, 2657525, 2125000, 5789775 and 1504500 equity shares to Pratibha Talwar, Dali Giri, Morpheus Enterprises Private Limited, Rajesh Giri and Vikas Talwar respectively.

[#]Vide Board Resolution dated March 24, 2023, the Company allotted 16,81,818 and 18,18,182 equity shares to Vikas Talwar and Rajesh Giri respectively.

b) The price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities)

Except as stated below, there have been no secondary sale / acquisitions of Equity Shares or any convertible securities, during the 18 months preceding the date of the Red Herring Prospectus:

Date of Allotment	Reason/Nature of Issue	Number of Equity Shares	Nature of Consideration	Face Value (₹)	Issue Price (₹)	% of Pre-Issue Capital
March 25, 2023	Transfer of Equity Shares for cash consideration from	21,50,000	Cash	10	11	13.63%

Note: Morpheus Enterprises Private Limited had transferred its shareholding of 21,50,000 equity shares to Anuj Talwar (4,30,000 equity shares), Dev Sharan Giri (12,80,000 equity shares), Arijta Giri (4,30,000 equity shares) and Chaitanya Giri (10,000 equity shares) vide transfer deed dated March 25, 2023.

c) Price Per Share based on last five primary or secondary transactions:

Information based on last 5 primary or secondary transactions (secondary transactions where Promoter / Promoter Group entities or shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), not older than 3 years prior to the date of this RHP irrespective of the size of transactions, is as below.

Primary transactions: Except as stated below, there have been no primary transactions in the last three years preceding the date of this RHP

Date of Allotment	Reason/Nature of Issue	Number of Equity Shares	Nature of Consideration	Face Value (₹)	Issue Price (₹)	% of Pre-Issue Capital
February 24, 2023	Bonus Issue ^a	1,21,36,300	Consideration other than cash	10	Nil	76.91%
March 24, 2023	Private Placement [#]	35,00,000	Cash	10	11	22.18%

^aVide board resolution dated February 24, 2023, the Company issued bonus shares to the existing shareholders in the ratio of 85:1. The Company issued 59,500, 2657525, 2125000, 5789775 and 1504500 equity shares to Pratibha Talwar, Dali Giri, Morpheus Enterprises Private Limited, Rajesh Giri and Vikas Talwar respectively.

[#]Vide Board Resolution dated March 24, 2023, the Company allotted 16,81,818 and 18,18,182 equity shares to Vikas Talwar and Rajesh Giri respectively.

Secondary Transactions: Except as stated below, there have been no secondary transactions in the last three years preceding the date of this RHP

Date of Allotment	Reason/Nature of Issue	Number of Equity Shares	Nature of Consideration	Face Value (₹)	Issue Price (₹)	% of Pre-Issue Capital
March 25, 2023	Transfer of Equity Shares for cash consideration from	21,50,000	Cash	10	11	13.63%

Note: Morpheus Enterprises Private Limited had transferred its shareholding of 21,50,000 equity shares to Anuj Talwar (4,30,000 equity shares), Dev Sharan Giri (12,80,000 equity shares), Arijta Giri (4,30,000 equity shares) and Chaitanya Giri (10,000 equity shares) vide transfer deed dated March 25, 2023.

d) Weighted average cost of acquisition, floor price and cap price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price* (i.e. Rs. 36)	Cap price* (i.e. Rs. 40)
Weighted average cost of acquisition of primary / new issue as per paragraph 8(a) above.	2.46*	14.63	16.26
Weighted average cost of acquisition for secondary sale / acquisition as per paragraph 8(b) above.	11	3.27	3.64
Weighted average cost of acquisition of primary issuances / secondary transactions as per paragraph 8(c) above	3.49*	10.32	11.46

*Effect of issue of Bonus shares has been taken

9. Justification for Basis of the Issue Price

Explanation for Issue Price / Cap Price being 16.26/3.64 and price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in d) above) along with our Company's key performance indicators and financial ratios for the Fiscals 2024, 2023 and 2022.

- In Fiscal 2024, the Company purchased one online annealer machine which cools the wires and strips simultaneously during the annealing process, which has allowed us to expand the production very efficiently. The online annealer machine cools the metal instantly as the metal comes out of the machine reducing the time to cool the metal almost to zero which earlier use to take hours.
- The Company enjoys the patronage of reputed clients such as TATA Power Limited, Paschimanchal Vidhyut Vitran Nigam Limited, BSES, Madhyanchal Vidhyut Vitaran Nigam Limited, Dakshinanchal Vidhyut Vitran Nigam Limited, Purvanchal Vidhyut Vitaran Nigam Limited, Uttarakhand Power Corporation Limited etc., which ensure stable demand for our products.
- The Company sources its raw material from reliable and reputed suppliers such as NALCO (through National Small Industries Corporation Limited), Birla Copper (through third party), Hindalco etc. With reliable suppliers, the Company has never faced supply disruption in the past and also expect the same in the future.
- The Company leverages an in-house quality control lab with in-house testing equipments to test the quality of our products. Our finished goods undergo a strict quality check to ensure best quality standards set in the industry. We are proud to contribute towards the energy security of our country and committed to the national goal of achieving energy security sustainably.

The Issue Price will be [●] times of the face value of the Equity Shares. The Issue Price of ₹ [●] has been determined by our Company in consultation with the BRLM, on the basis of the demand from investors for the Equity Shares through the Book Building Process. Our Company in consultation with the BRLM, is justified of the Issue Price in view of the above qualitative and quantitative parameters. The trading price of the Equity Shares could decline due to the factors mentioned in the section titled "Risk Factors" on page 25 of Red Herring Prospectus or any other factors that may arise in the future and you may lose all or part of your investments.

Our Company in consultation with the BRLM may consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid /Issue Opening Date in accordance with the SEBI (ICDR) Regulations, 2018. In case of any revisions in the Price Band, the Bid/ Issue Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/ Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid/ Issue Period for a minimum of three Working Days, subject to the Bid/ Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release, and also by indicating the change on the website of the Book Running Lead Managers and the terminals of the other members of the Syndicate and by intimation to SCSBs, the Sponsor Bank, Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, the issue is being made for atleast 25% of the post issue paid up equity share capital of our company. The issue is being made through the book building process wherein not more than 50% of the Net Issue shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (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 the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance equity shares shall be added to the QIB Category. 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 Issue Price. However, if the aggregate demand from Mutual Funds is less than 5% of the QIB Portion (excluding Anchor Investor Portion), the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Issue Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective bank account (including UPI ID for RiBs using UPI Mechanism), in which the corresponding Bid Amounts will be blocked by the SCSBs or the Sponsor Bank, as applicable. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 239 of the Red Herring Prospectus.

Bidders / Applicants should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidders/Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of

the Bidders/Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for or unblocking of ASBA Account or for other correspondence(s) related to an Issue. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk. Bidders /Applicants should ensure that PAN, DP ID and the Client ID are correctly filled in the Bid cum Application Form. The PAN, DP ID and Client ID provided in the Bid cum Application Form should match with the PAN, DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/ Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AS REGARDS ITS OBJECTS: For information on the main objects and other objects of our Company, see "History and Corporate Structure" on page 154 of the Red Herring Prospectus and Clause III of the Memorandum of Association of our Company. The Memorandum of Association of our Company is a material document for inspection in relation to the Issue. For further details, see the section "Material Contracts and Documents for Inspection" on page 299 of the Red Herring Prospectus.

LIABILITY OF MEMBERS AS PER MOA: The Liability of the members of the Company is Limited.

AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE: The Authorised share capital of the Company is ₹ 25,00,00,000 divided into 2,50,00,000 Equity Shares of ₹ 10/ each. The issued, subscribed and paid-up share capital of the Company before the Issue is ₹ 15,77,90,800 divided into 1,57,79,080 Equity Shares of ₹10/ each. For details of the Capital Structure, see "Capital Structure" on the page 64 of the Red Herring Prospectus.

NAMES OF THE SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM:

ORIGINAL SIGNATORIES			CURRENT PROMOTERS		
Name of Promoters	Face Value (₹)	No. of Shares	Name of Promoters	Face Value (₹)	No. of Shares
Ms. Pratibha Talwar	10	10,000	Mr. Rajesh Giri	10.00	76,76,072
Ms. Dali Giri	10	10,000	Mr. Vikas Talwar	10.00	32,04,018
-	-	-	Ms. Dali Giri	10.00	26,88,790




Details of the main objects of the Company as contained in the Memorandum of Association, see "History and Corporate Structure" on page 154 of the Red Herring Prospectus. For details of the share capital and capital structure of the Company see "Capital Structure" on page 64 of the Red Herring Prospectus.

LISTING: The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the SME Platform of NSE ("NSE EMERGE"). Our Company has received an "in-principle" approval from the NSE for the listing of the Equity Shares pursuant to letter dated May 02, 2024. For the purposes of the Issue, the Designated Stock Exchange shall be NSE. A signed copy of the Red Herring Prospectus has been delivered for registration to the ROC on June 15, 2024 and Prospectus shall be delivered for filing 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 the Red Herring Prospectus up to the Bid/ Issue Closing Date, see "Material Contracts and Documents for Inspection" on page 299 of the Red Herring Prospectus.

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"): Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, the Red Herring Prospectus has been filed with SEBI. In terms of the SEBI Regulations, the SEBI shall not issue any observation on the Offer Document. Hence there is no such specific disclaimer clause of SEBI. However, investors may refer to the entire Disclaimer Clause of SEBI beginning on page 218 of the Red Herring Prospectus.

DISCLAIMER CLAUSE OF NSE (THE DESIGNATED STOCK EXCHANGE): It is to be distinctly understood that the 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 certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to the Offer Document for the full text of the 'Disclaimer Clause of NSE.

GENERAL RISK: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and this Issue, 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 the Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 25 of the Red Herring Prospectus.

BOOK RUNNING LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
 KHAMBATTA SECURITIES LIMITED 806, 8th Floor, Tower-B, World Trade Tower, Noida Sector-16, Uttar Pradesh-201301, India. Tel: +91-9953989693, 0120-4415469 E-mail: ipo@khambattasecurities.com Investor grievance e-mail: mbcomplaints@khambattasecurities.com Website: www.khambattasecurities.com Contact Person: Mr. Chandan Mishra SEBI Registration No.: IMM000011914	 BIGSHARE SERVICES PRIVATE LIMITED Office No. S6-2, 6th Floor, Pinnacle Business Park, next to Ahura Centre, Mahakali Caves Road, Andheri East, Mumbai – 400 093, Maharashtra, India Telephone: 022 - 6263 8200 Fax: +91-22 6263 8299 E-mail: ipo@bigshareonline.com Investor Grievance E-mail: investor@bigshareonline.com Website: www.bigshareonline.com Contact Person: Mr. Vinayak Morbale SEBI Registration Number: INR000001385
COMPANY SECRETARY AND COMPLIANCE OFFICER	
 DIVINE POWER ENERGY LIMITED Ms. Swati Bansal, Company Secretary and Compliance Officer Unit No. Offices, 1st Floor, CSC-II, B-Block, Surajmal Vihar, East Delhi, New Delhi-110092, India. Tel.: 011-36001992/ 2842 Email-id.: info@dpel.in	
Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account, etc.	

Availability of Red Herring Prospectus: Investors are advised to refer to the Red Herring Prospectus and the Risk Factors contained therein, before applying in the issue. Full copy of the Red Herring Prospectus will be available at the website of SEBI at www.sebi.gov.in; the website of Stock Exchange at www.nseindia.com, the website of BRLM at www.khambattasecurities.com and website of Company at www.dpel.in

Availability of Bid-Cum-Application forms: Bid-Cum-Application forms can be obtained from the Company: Divine Power Energy Limited, Book Running Lead Manager: Khambatta Securities Limited. Application Forms can also be obtained from the Stock Exchange and list of SCSBs available on the website of SEBI at www.sebi.gov.in and website of Stock Exchange at www.nseindia.com.

Application Supported by Blocked Amount (ASBA): All investors in this issue have to compulsorily apply through ASBA. The investors are required to fill the ASBA form and submit the same to their banks. The SCSB will block the amount in the account as per the authority contained in ASBA form. On allotment, amount will be unblocked and account will be debited only to the extent required to be paid for allotment of shares. Hence, there will be no need of refund.

For more details on the issue process and how to apply, please refer to the details given in application forms and abridged prospectus and also please refer to the chapter "Issue Procedure" on page 239 of the Red Herring Prospectus.

BANKER TO THE ISSUE/SPONSOR BANK/REFUND BANKER/PUBLIC ISSUE BANK: Axis Bank Limited

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

For Divine Power Energy Limited
Sd/-
Mr. Rajesh Giri
Designation: Managing Director
Place: New Delhi
DIN:02324760

Divine Power Energy Limited is proposing, subject to market conditions and other considerations, public issue of its Equity Shares and has filed the Red Herring Prospectus with the Registrar of Companies, NCT of Delhi & Haryana on June 15, 2024. The Red Herring Prospectus is available on the website of the Book Running Lead Manager atwww.khambattasecurities.com, the website of the NSE i.e., www.nseindia.com, and website of our Company at www.dpel.in.

Investor should note that investment in equity shares involves a high degree of risk. For details, investors should refer to and rely on the Red Herring Prospectus, including the section titled "Risk Factors" of the Red Herring Prospectus