



We too in Nation Building

V.L.INFRAPROJECTS LIMITED

Corporate Identity Numbers: U45200GJ2014PLC081602

Our Company was originally incorporated as registered in the name of “V.L.Infraprojects Private Limited” as a private limited company under the provisions of the Companies Act, 2013 and received a certificate of incorporation dated December 19, 2014 from the Registrar of Companies, Gujarat. Later our Company was converted into a Public Limited Company pursuant to special resolution passed by our shareholders in the resolution passed at Extra-ordinary General Meeting of our Company held on August 22, 2023 and the name of our Company was changed to “V.L.Infraprojects Limited”. A fresh Certificate of Incorporation consequent upon Conversion from Private Limited Company to Public Limited Company dated September 01, 2023 was issued by the Registrar of Companies, Ahmedabad. The Corporate Identification Number of our Company is U45200GJ2014PLC081602. For details of change in name and registered office of our Company, please refer to chapter titled “History and Corporate Matters” beginning on page no. 149 of this Red Herring Prospectus.

Registered Office: 716, Shivalik Satyamev, Near Vakil saheb Bridge Bopal, Ahmedabad- 380058, Gujarat, India

Website: www.vlil.in; | E-Mail: cs@vlil.in | Telephone No: +91 9998850177 | Company Secretary and Compliance Officer: Ms. Anjali Mukeshbhai Samani

PROMOTERS OF OUR COMPANY: MR. RAJAGOPAL REDDY ANNAM REDDY, MRS. MYDHILI RAJAGOPAL REDDY AND MR. NAGESWARA RAO REPURI

The Company is engaged in executing water supply and sewerage infrastructure projects mainly involving the procurement of pipes and their laying, joining, and commissioning with backward integration including all allied civil engineering works like construction of civil work, pumping stations and installation of electro-mechanical equipment's (pumping machinery) for distribution of water supply from the river to household.

THE ISSUE

INITIAL PUBLIC ISSUE OF 4410000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH OF V.L.INFRAPROJECTS LIMITED (“VLIL” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹ [●] LAKHS (“THE ISSUE”), OF WHICH 240000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION i.e. NET ISSUE OF 4170000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [●]/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●]/- PER EQUITY SHARE AGGREGATING TO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 28.07% AND 26.54%, RESPECTIVELY, OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH.

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 Emerge Platform of NSE

For further details, please refer chapter titled “Terms of The Issue” beginning on Page No. 224 of the Red Herring Prospectus.

- **QIB Portion: Not More than 50% of the Net Issue**
- **Retail Individual Bidders Portion: Not Less than 35% of the Net Issue**
- **Non-Institutional Bidders Portion: Not Less than 15% of the Net Issue**

Price Band: ₹ 39/- to ₹ 42/- per Equity Share of Face Value ₹ 10/- each.

The Floor Price is 3.90 times of the Face Value and the Cap Price is 4.20 times of the Face Value.

Bids can be made for a minimum of 3000 Equity Shares and in multiples of 3000 Equity Shares thereafter

In making an investment decision, potential investors must rely on the information included in the Red Herring Prospectus and the terms of the Issue, including the risks involved and not rely on any other external sources of information about the Issue available in any manner.

Risks to Investors:

- I. Majority of our revenues are generated from state of Gujarat. Any adverse development affecting our operations in this region could have an adverse impact on our business, financial condition and results of operations.
- II. Significant portion of our revenues is concentrated from a limited number of clients. The loss of any of our significant clients may have an adverse effect on our business, financial condition, results of operations, and prospect.
- III. Our business is working capital intensive involving relatively long implementation periods. We require substantial financing for our business operations. Our indebtedness and the conditions and restrictions imposed on by our financing arrangements could adversely affect our ability to conduct our business.
- IV. Our failure to perform in accordance with the standards prescribed in work order of our client could result in loss of business or compensation payment.
- V. We have certain outstanding litigation against us, an adverse outcome of which may adversely affect our business, reputation and results of operations.
- VI. Our positioning in terms of size/operation in the state of Gujarat may not be maintained.

VII. Our Restated Financial Statements are reviewed and Signed by the Peer Review Auditors who is not Statutory Auditors of our Company as required under the provisions of ICDR.

VIII. Projects undertaken through a joint venture may be delayed on account of the performance of the joint venture partner or, in some cases, significant losses from the joint venture may have an adverse effect on our business, results of operations and financial condition.

IX. There is no assurance of customer continuity in our business and we are required to submit bids for each project on a competitive basis.

X. Bidding for a tender involves various management activities such as detailed project study and cost estimations. Inability to accurately estimate the cost may lead to a reduction in the expected rate of return and profitability estimates.

XI. The Merchant Banker associated with the Issue has handled 42 public Issue out of which 2 Issue closed below Issue price on listing date. below are the details;

Particulars	Numbers of Issues/Issue Handled	Issues closed below Issue price on listing date
Main Board	Nil	Nil
SME	42	2

ASBA*

Simple, Safe, Smart way of Application- Make use of it!!!

*Applications 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 details, check section on ASBA below. Mandatory in Public Issues from January 01, 2016. No cheque will be accepted



UPI-Now available in ASBA for Retail Individual Investors (RII)**

Investors are required to ensure that the bank account used for bidding is linked to their PAN. UPI – Now available in ASBA for RIIs applying through Registered Brokers, DPs & RTAs. RIIs also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account.

Investors have to apply through the ASBA process. “ASBA has to be availed by all the investors except anchor investor. UPI may be availed by Retail Individual Investors. For details on the ASBA and the 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 235 of the RHP. The process is also available on the website of Association of Investment Bankers of India (“AIBI”), the Stock Exchanges and in the General Information Document.

*ASBA forms can be downloaded from the website National Stock Exchange of India (“NSE”) and can be obtained from the list of banks that is displayed on the website of SEBI at www.sebi.gov.in.

**List of banks supporting UPI is also available on the website of SEBI at www.sebi.gov.in. 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. For UPI related queries, investors can contact NPCI at the toll-free number-18001201740 and Mail Id- ipo.upi@npci.org.in. For the list of UPI Apps and Banks live on IPO, please refer to the link www.sebi.gov.in. For Issue related grievance investors may contact: Beeline Capital Advisors Private Limited - Mr. Nikhil Shah (079 – 49185784/ +91 99988 81702) (mb@beelinemb.com).

BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of quantitative and Equity Qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Issue Price is 3.9 times the face value at the lower end and 4.2 times the face value at the higher end of the Price Band. Investors should also refer to “Business Overview”, “Risk Factors”, “Restated Financial Information” and “Management’s Discussion and Analysis of Financial Position and Results of Operations” beginning on pages 115, 25, 182 and 184, respectively of the Red Herring Prospectus, to have an informed view before making an investment decision.

Qualitative Factors

- Experienced Promoters and Management Team
- Focused player in Water Supply Projects (WSPs)
- End-to-end execution capabilities
- Optimal Utilization of Resources
- Long-standing relationships with our customers

For details of qualitative factors, please refer to the paragraph “Our Competitive Strengths” in the chapter titled “Business Overview” beginning on page no. 115 of this Red Herring Prospectus.

Quantitative Factors

Basic & Diluted Earnings Per Share (EPS):

Basic earnings per share (₹) = $\frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding}}$

Diluted earnings per share (₹) = $\frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding after adjusting adjusted for the effects of all dilutive potential equity shares}}$

Financial Year	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weights
Financial Year ended March 31, 2024	5.43	5.43	3
Financial Year ended March 31, 2023	2.10	2.10	2
Financial Year ended March 31, 2022	1.04	1.04	1
Weighted Average	3.59	3.59	–

Notes:

1. Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. sum of (EPS x Weight) for each year / Total of weights.
2. Basic and diluted EPS are based on the Restated financial Information.
3. The face value of each Equity Share is ₹ 10.
4. The number of shares is adjusted by Increase in share Capital through issue of Bonus shares on October 30, 2023 in the ratio of 1:2 i.e., 1 (One) Equity Shares for every 2 (Two) Equity Share held.

Simple Average EPS

Financial Year	Basic and Diluted EPS (in ₹)
Financial Year ended March 31, 2024	5.43
Financial Year ended March 31, 2023	2.10
Financial Year ended March 31, 2022	1.04
Simple Average	2.86

Notes:

1. Simple average = Aggregate of year-wise EPS divided by the aggregate of EPS for each year/ No. of years.
2. Basic and diluted EPS are based on the Restated financial Information.
3. The face value of each Equity Share is ₹ 10.
4. The number of shares is adjusted by Increase in share Capital through issue of Bonus shares on October 30, 2023 in the ratio of 1:2 i.e., 1 (One) Equity Shares for every 2 (Two) Equity Share held.

Price to Earnings (P/E) ratio in relation to Price Band of ₹ 39 and ₹ 42 per Equity Shares:

Price to Earnings Ratio(P/E) = $\frac{\text{Floor/Cap/Issue Price}}{\text{Restated Earnings Per Share}}$

Particulars	Basic and Diluted EPS (in ₹)	P/E at the Floor Price (No. of times) **	P/E at the Cap Price (No. of times) **
a. Based on EPS of Financial Year ended March 31, 2024	5.43	7.18	7.73
b. Based on Weighted Average EPS	3.59	10.86	11.70
c. Based on Simple Average EPS	2.86	13.64	14.69

** The details shall be provided post the fixing of price band by our Company at the stage of Red Herring Prospectus or the filing of price band advertisement.

Industry PE:

Industry Average	Industry Peer P/E Ratio	Name of the company	Face value of equity shares (₹)
Highest	13.92	EMS Limited	10.00
Lowest	13.92	EMS Limited	10.00
Average	13.92	EMS Limited	10.00

Note: The highest and lowest industry P/E shown above is based on the peer set below under “Comparison of Accounting Ratios with Listed Peer Group Companies”, listed peer includes EMS Limited only, which have been identified by our Company.

Return on Net Worth:

Return on Net Worth (%) = $\frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Closing Net Worth}} \times 100$

Financial Year	Return on Net Worth (%)	Weights
Financial Year ended March 31, 2024	37.53	3
Financial Year ended March 31, 2023	21.79	2
Financial Year ended March 31, 2022	15.13	1
Weighted Average	28.55	

Notes:

1. Weighted Average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. sum of (RoNW x Weight) for each year / Total of weights;
2. The figures disclosed above are based on the Restated financial Statements of our Company.
3. Net-worth, as restated at the end of the relevant financial year (Equity attributable to the owners of the company).

Net Asset Value per Equity Share:

Restated Net Asset Value per equity share (₹) = $\frac{\text{Restated Net Worth as at the end of the year}}{\text{Number of Equity Shares outstanding}}$

Particular	Amount (in ₹)
Financial Year ended March 31, 2024	14.47
Financial Year ended March 31, 2023	9.04
Financial Year ended March 31, 2022	6.88
After the Issue	
-At Floor Price	21.36
-At Cap Price	22.20
-At Issue Price*	[●]

*To be determined after the book-building process

Notes:

1. The number of shares are adjusted by Increase in share Capital through issue of Bonus shares on October 30, 2023 in the ratio of 1:2 i.e., 1 (One) Equity Shares for every 2 (Two) Equity Share held.
2. Issue Price per equity share has been determined by our Company, in consultation with the Book Running Book Running Lead Managers.

Comparison of Accounting Ratios with Peer Group Companies:

Name of the company	Standalone / Consolidated	Face Value (₹)	Current Market Price (₹)@	EPS (₹) Basic	P/E Ratio	RoNW (%)	NAV per Equity Share (₹)	Revenue from operations (₹ in Lakhs)
V.L.Infraprojects Limited	Standalone	10.00	[●]	5.43	[●]	37.53	14.47	11,393.16
Peer Group								
EMS Limited	Standalone	10.00	402.40	28.91	13.92	19.11	151.29	71,936.17

Source: All the financial information for listed industry peer mentioned above is on a standalone basis sourced from the Annual Reports/Information of the peer company uploaded on the BSE & NSE website for the year ended March 31, 2024.

Notes:

1. P/E Ratio has been computed based on the closing market price of equity shares on the NSE on March 28, 2024 divided by the Basic & Diluted EPS for the financial year ended March 31, 2024.
2. RoNW is computed as net profit after tax divided by the closing net worth. Net worth has been computed as sum of share capital and reserves and surplus.
3. NAV is computed as the closing net worth divided by the closing outstanding number of equity shares adjusted for bonus shares.
4. The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Issue price is [●] times the face value of equity share.
5. The Issue Price of ₹ [●] is determined by our Company in consultation with the Book Running Lead Manager is justified based on the above accounting ratios. For further details, please refer to the section titled “Risk Factors” and chapters titled “Business Overview” and “Restated Financial Information” beginning on page nos. 25, 115 and 182 respectively of this Red Herring Prospectus.

KPIs OF OUR COMPANY

Particulars	For the Period / Year ended on			
	31-Mar-21	31-Mar-22	31-Mar-23	31-Dec-23
Revenue from Operations (₹ in Lakhs)	11,393.16	4,555.70	3,555.34	3,072.08
Growth in Revenue from Operations (%)	150.09	28.14	15.73	-
Gross Profit (₹ in Lakhs)	3,923.68	1,908.80	2,069.51	1,843.88
Gross Profit Margin (%)	34.44	41.90	58.21	60.02
EBITDA (₹ in Lakhs)	1,090.40	471.77	313.82	245.55
EBITDA Margin (%)	9.57	10.36	8.83	7.99
Profit After Tax (₹ in Lakhs)	614.01	222.66	110.58	83.37
PAT Margin (%)	5.39	4.89	3.11	2.71
RoE (%)	46.20	25.41	16.37	14.41
RoCE (%)	39.09	22.97	18.41	20.24
Net Fixed Asset Turnover (In Times)	43.46	23.80	18.83	20.63
Operating Cash Flows (₹ in Lakhs)	(175.36)	113.88	(243.73)	49.10

Source: The Figure has been certified by our Peer Review Auditors, M/s. S V J K and Associates Chartered Accountants vide their certificate dated July 13, 2024 having UDIN: 24151324BKESID9890.

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