



ANNEXURE III

Date: July 2, 2024

Securities and Exchange Board of India

Corporation Finance Department
Division of Issues and Listing
SEBI Bhavan, Plot No. C4 A, G Block
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051, India

Dear Madam/ Sir,

Re: Proposed initial public offering of equity shares of face value of ₹ 2 each (“Equity Shares”) of Acme Solar Holdings Limited (“Company” or “Issuer”) of such number of Equity Shares aggregating up to ₹ 30,000.00 million comprising a fresh issue aggregating up to ₹ 20,000 million by the Company (“Fresh Issue”) and an offer for sale of such number of Equity Shares aggregating up to ₹ 10,000 million (“Offered Shares”) by Acme Cleantech Solutions Private Limited, (the Promoter Selling Shareholder) (“Offer For Sale”, together with the Fresh Issue, the “Offer”)

Dear Madam/ Sir,

We, Nuvama Wealth Management Limited, ICICI Securities Limited, JM Financial Limited, Kotak Mahindra Capital Company Limited and Motilal Oswal Investment Advisors Limited as the book running lead managers to the Offer (“**BRLMs**”) state and confirm that:

- (1) We have examined various documents including those relating to litigation, including commercial disputes, etc. and other material while finalizing the draft red herring prospectus dated July 2, 2024 (“**DRHP**”) pertaining to the Offer. – **Complied with to the extent applicable**
- (2) On the basis of such examination and the discussions with the Company, its Directors and other officers, other agencies and independent verification of the statements concerning the objects of the Offer, price justification, contents of the documents and other papers furnished by the Company, we confirm that:
 - (a) the DRHP filed with the Securities and Exchange Board of India (“**SEBI**”) is in conformity with the documents, materials and papers which are material to the Offer;
 - (b) all material legal requirements relating to the Offer as specified by the SEBI, the Central Government and any other competent authority in this behalf have been duly complied with; and
 - (c) the material disclosures made in the DRHP are true and adequate to enable the investors to make a well informed decision as to the investment in the proposed Offer and such disclosures are in accordance with the requirements of the Companies Act, 2013, as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the “**SEBI ICDR Regulations**”) and other applicable legal requirements.
- (3) Besides ourselves, all intermediaries named in the DRHP are registered with the SEBI and that till date, such registration is valid. – **Complied with and noted for compliance**
- (4) We have satisfied ourselves about the capability of the underwriters to fulfil their underwriting commitments. – **Noted for compliance**
- (5) Written consent from the Promoters has been obtained for inclusion of its specified securities as part of promoter’s contribution subject to lock-in and the specified securities proposed to form part of promoters’ contribution subject to lock-in, shall not be disposed or sold or transferred by the Promoters during the period starting from the date of filing the DRHP with the SEBI until the date of commencement of lock-in period as stated in the DRHP. – **Complied with and noted for compliance**



- (6) All applicable provisions of the SEBI ICDR Regulations, which relate to specified securities ineligible for computation of promoters' contribution, have been and shall be duly complied with and appropriate disclosures as to compliance with the said regulation(s) have been made in the DRHP. – **Complied with and noted for compliance**
- (7) All applicable provisions of the SEBI ICDR Regulations which relate to receipt of promoters' contribution prior to opening of the Offer, shall be complied with. Arrangements have been made to ensure that the promoters' contribution shall be received at least one day before the opening of the Offer and that the auditors' certificate to this effect shall be duly submitted to SEBI. We further confirm that arrangements have been made to ensure that the promoters' contribution shall be kept in an escrow account with a scheduled commercial bank and shall be released to the Company along with the proceeds of the Offer. – **Not Applicable**
- (8) Necessary arrangements shall be made to ensure that the monies received pursuant to the Offer are credited or transferred to in a separate bank account as per the provisions of sub-section (3) of section 40 of the Companies Act, 2013 and that such monies shall be released by the said bank only after permission is obtained from all the Stock Exchanges, and that the agreement entered into between the bankers to the Offer, and the Company specifically contains this condition. – **Noted for compliance**
- (9) The existing business as well as any new business of the Company for which the funds are being raised fall within the 'main objects' in the object clause of the Memorandum of Association or other charter of the Company and that the activities which have been carried in the last ten years are valid in terms of the object clause of the Memorandum of Association. – **Complied with to the extent applicable**
- (10) Following disclosures have been made in the DRHP:
- (a) An undertaking from the Company that at any given time, there shall be only one denomination for the Equity Shares of the Company. - **Complied with to the extent applicable and noted for compliance. There are no SR equity shares issued by the Company**
- (b) An undertaking from the Company that it shall comply with all disclosure and accounting norms specified by the SEBI. - **Complied with and noted for compliance**
- (11) We shall comply with the regulations pertaining to advertisements in terms of the SEBI ICDR Regulations. – **Noted for compliance**
- (12) If applicable, the entity is eligible to list on the innovators growth platform in terms of the provisions of Chapter X of the SEBI ICDR Regulations. – **Not Applicable**

We enclose in **Annexure III A**, a note explaining the process of due diligence that has been exercised by us including in relation to the business of the Company, the risks in relation to the business, experience of the Promoters and that the related party transactions entered into for the period disclosed in the DRHP have been entered into by the Company in accordance with applicable laws.

We have also enclosed in **Annexure III B**, a checklist confirming regulation-wise compliance with the applicable provisions of the SEBI ICDR Regulations, containing details such as the regulation number, its text, the status of compliance, page number of the DRHP where the regulation has been complied with and our comments, if any. All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to such terms in the DRHP.

Thanking you,

Sincerely,

				
Nuvama Wealth Management Limited (Formerly known as Edelweiss Securities Limited) 801 - 804, Wing A, Building No 3, Inspire BKC, G Block Bandra Kurla Complex, Bandra East, Mumbai 400 051 Maharashtra, India CIN: L67110MH1993PLC344634 Tel: + 91 22 4009 4400 E-mail: acme.ipo@nuvama.com Website: www.nuvama.com SEBI Registration No.: INM000013004	ICICI Securities Limited ICICI Venture House Appasaheb Marathe Marg Prabhadevi, Mumbai 400 025 Maharashtra, India CIN: L67120MH1995PLC08624 Tel: +91 22 6807 7100 E-mail: acmeipo@icicisecurities.com Website: www.icicisecurities.com SEBI registration no.: INM000011179	JM Financial Limited 7th Floor, Cnergy, Appasaheb Marathe Marg Prabhadevi, Mumbai 400 025 Maharashtra, India CIN: L67120MH1986PLC038784 Tel: +91 22 6630 3030 E-mail: acmesolaripo@jmf.com Website: www.jmf.com SEBI Registration No.: INM000010361	Kotak Mahindra Capital Company Limited 27 BKC, 1st Floor, Plot No. C – 27 “G” Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 Maharashtra, India CIN: U67120MH1995PLC134050 Tel: +91 22 4336 0000 E-mail: acmesolar.ipo@kotak.com Website: https://investmentbank.kotak.com SEBI Registration No.: INM000008704	Motilal Oswal Investment Advisors Limited Motilal Oswal Tower, Rahimtullah, Sayani Road, Opposite Parel ST Depot, Prabhadevi Mumbai 400 025, Maharashtra, India CIN: U67190MH2006PLC160583 Tel: +91 22 7193 4380 E-mail: acmeipo@motilaloswal.com Website: www.motilaloswalgroup.com SEBI Registration No.: INM000011005

This signature page forms an integral part of the letter submitted to SEBI, in relation to the initial public offering of ACME Solar Holdings Limited.

For Nuvama Wealth Management Limited (Formerly known as Edelweiss Securities Limited)




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For ICICI Securities Limited




Authorized Signatory
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For JM Financial Limited




Authorized Signatory
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For Kotak Mahindra Capital Company Limited



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For Motilal Oswal Investment Advisors Limited



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ANNEXURE III A

Due Diligence Process Note

In connection with the draft red herring prospectus dated July 2, 2024, we, the BRLMs, have carried out a due diligence exercise on the Company for the purposes of complying with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**SEBI ICDR Regulations**”) and other applicable laws, and to the extent customary for initial public offerings in India, along with other professionals and experts engaged in connection with the Offer. All capitalized terms used herein and not specifically defined shall have the same meanings ascribed to such terms in the draft red herring prospectus dated July 2, 2024 (“**DRHP**”).

The due diligence process commenced with interactions with the senior management of the Company to gain an understanding of, among other matters, the business of the Company and its Subsidiaries, key risks involved and financial overview, and the background of the management of the Company, its Promoters, and its Subsidiaries and financial overview. In this regard, we provided the Company with a due diligence questionnaire(s) and information request list(s) prepared in consultation with Legal Counsels (as defined hereinafter). In response to the questionnaire and the information requisition list, the Company provided supporting documents for review and provided necessary clarifications and explanations for our queries. In order to facilitate such review, the Company set up a virtual data room where copies of such relevant documents were made available for undertaking the due diligence.

In connection with the Offer, Shardul Amarchand Mangaldas & Co. has acted as the legal counsel to the Company and the Promoter Selling Shareholder as to Indian law, IndusLaw acted as legal counsel to the BRLMs as to Indian law, Hogan Lovells Lee and Lee LLP acted as international legal counsel to the BRLMs (collectively the “**Legal Counsels**”). The Legal Counsels have assisted us in carrying out legal due diligence, drafting of the DRHP in compliance with the SEBI ICDR Regulations and other applicable laws, and advising the Company and us on other legal matters, in connection with the Offer.

We were also assisted by the current joint statutory auditors of the Company, Walker Chandiook & Co. LLP and S Tekriwal & Co, Chartered Accountants (“**Joint Statutory Auditor**”), in financial due diligence.

The Joint Statutory Auditors have provided the Restated Consolidated Financial Information of the Company, its Subsidiaries (including their examination report on the Restated Consolidated Financial Information), as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 and verified certain matters relating to eligibility to undertake the Offer under Regulation 6(2) of the SEBI ICDR Regulations, and compliance with corporate governance requirements by the Company. Walker Chandiook & Co. LLP has provided a statement of possible special tax benefits available to the Company and its shareholders and S Tekriwal & Co, Chartered Accountants have provided statements of possible special tax benefits for the material subsidiaries i.e. Acme Solar Energy Private Limited and Acme Heergarh Powertech Private Limited (“**Material Subsidiaries**”). The Joint Statutory Auditors have also provided the proforma consolidated financial information of the Company comprising the pro forma consolidated statement of profit and loss for the year ended March 31, 2024 and related notes to show the impact of the sale of special purpose vehicles divested by the Company made during Fiscal 2024 on the statement of profit and loss for Fiscal 2024.

Further, we were also assisted by S Tekriwal & Co, Chartered Accountants (“**S Tekriwal & Co.**”), who has also verified and provided certifications with respect to certain information included in the DRHP, including, *inter-alia*, average cost of acquisition of Equity Shares and weighted average cost of acquisition by the Promoters, the Promoter Group, and the Promoter Selling Shareholder, compliance with corporate governance requirements by the Company, amounts outstanding against borrowings of the Company and the Subsidiaries, details of any amounts outstanding to micro, small and medium enterprises and other creditors of the Company, and certain key performance indicators of the Company. S Tekriwal & Co. has also confirmed to us that all related party transactions have, unless otherwise disclosed in the Restated Consolidated Financial Information, been entered into in accordance with applicable laws, on an arm’s length basis. As on the date of the DRHP, the Joint Statutory Auditors hold valid peer review certificates. In addition, we were also assisted by Katira and Associates acting in their capacity as practicing company secretary, (“**Practicing Company Secretary**” or “**PCS**”) from whom we have obtained a certification on compliance of the ACME Employee Stock Option Plan, 2024 with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and with the



Companies Act, 2013 with respect to issuance of securities since inception till the date of filing of DRHP. Further, we also obtained a certificate from Ravindra Kumar Khara (“**Chartered Engineer**”) in relation to certain technical information about the renewable power plants operated by the Company’s subsidiaries.

The Joint Statutory Auditors and Chartered Engineer have consented to be named as an expert, in terms of the Companies Act, 2013, in the DRHP and such consents have not been withdrawn as at the date of filing of the DRHP with the SEBI.

The Company has also placed reliance on the report titled “*Strategic assessment of power and renewable energy sector in India*” dated June 2024 issued by CRISIL Market Intelligence & Analytics (“**CRISIL Report**”) for disclosures relating to the industry information in the DRHP. Further, the Company has received a written consent from CRISIL Limited (“**CRISIL**” or “**Industry Consultant**”) dated June 25, 2024, to include extracts of the CRISIL Report in the DRHP, Red Herring Prospectus and Prospectus. The CRISIL Report has been commissioned and paid for by the Company exclusively for the purposes of the Offer. Furthermore, the Company also commissioned TÜV SÜD South Asia Private Limited (“**TÜV**”) to undertake technical analysis of, and prepare technical reports, on the projects operated by the Company’s Subsidiaries. The Company has received a written consent from TÜV dated June 25, 2024, to include extracts of its technical reports in the DRHP, Red Herring Prospectus and Prospectus.

1. **Business and Commercial Diligence**

The due diligence process in relation to general business and commercial matters included:

- (a) Organizing and attending discussions with the management of the Company to develop an understanding of the business, history and other matters of the Company and its Subsidiaries and the industry overview and the regulatory environment, which were attended by members of the Company team, BRLMs, and Legal Counsels. A broad overview of the business of the Company and its Subsidiaries, the industry in which they operate, the regulatory framework with respect to their businesses, the corporate structures, capital structure, financials and shareholding pattern of the Company were presented, followed by interactive discussions.
- (b) Regularly interacting with the Company’s senior management including the Chief Financial Officer, Company Secretary and Compliance Officer, other Key Managerial Personnel, and Senior Management Personnel as well as other individuals from the Company’s business, secretarial, legal and finance departments, and the Joint Statutory Auditors for the purpose of gaining an understanding about, among other matters, the business, the risks involved and the financial overview of the Company and its Subsidiaries. These interactions included (i) due diligence calls, virtual and physical drafting sessions and conference calls to discuss the draft disclosures in the DRHP; (ii) due diligence calls with the Joint Statutory Auditors, the Industry Consultant, and certain key vendors and customers of the Company; (iii) bring down due diligence calls to receive updated information from the Company before filing the DRHP; (iv) seeking appropriate certifications and clarifications from the Company, its Subsidiaries, Directors, Key Managerial Personnel, Senior Management Personnel, Promoters, members of the Promoter Group, Group Companies, Promoter Selling Shareholder, Joint Statutory Auditors PCS and the Chartered Engineer. These interactions were conducted with the objective of assisting the Company to prepare the disclosures as required under the SEBI ICDR Regulations and other applicable laws with regard to the Offer. Accordingly, disclosures in respect of the business carried out by the Company as well as associated risks in relation thereto, have been made in the sections titled “*Our Business*” and “*Risk Factors*” respectively, in the DRHP. We shall continue to undertake these interactions and due diligence calls until the completion of the Offer.
- (c) Conducted due diligence calls with top three customers and top five suppliers of the Company along with top two suppliers of Acme Cleantech Solutions Private Limited.
- (d) The site visit to the Heergarh plant with 300 MW of capacity situated in Jodhpur, Rajasthan.



- (e) Interacting with the Industry Consultant in relation to the CRISIL Report. Additionally, due diligence calls were conducted with the Industry Consultant. Responses to detailed diligence questionnaire were received from the Industry Consultant.
- (f) Virtual / telephonic interactions with the Key Managerial Personnel and Senior Management Personnel of the Company to understand the Company's and its Subsidiaries' day-to-day operations, key business processes and to verify the disclosures being made in the DRHP.
- (g) Requesting the Company to provide documents based on the requirements under the SEBI ICDR Regulations. Assisting the Company officials to make available due diligence documents in a virtual data room or share through e-mails and reviewing those documents along with the Legal Counsels, to conduct diligence as stipulated under the SEBI ICDR Regulations, and the other applicable laws, as is customary in such transactions.
- (h) Obtaining certificates, confirmations, representations and undertakings from and on behalf of the Company, its Subsidiaries, its Promoters, members of the Promoter Group, Group Companies, Directors, Key Managerial Personnel, Senior Management Personnel, the Joint Statutory Auditors, the PCS and other documents, including the CRISIL Report, in support of certain disclosures made in the DRHP.
- (i) Further, we also interacted with the representatives of the Promoter Selling Shareholder to prepare disclosures in the DRHP in relation to them and the Equity Shares offered by them as part of Offer for Sale in the Offer and obtained certifications in this regard.
- (j) Reviewing, together with the Legal Counsels, certain business-related documents pertaining to the Company, including power purchase agreements with its off-takers for supply of electricity, agreements with its vendors, customers, real estate agreements, and other key business-related agreements for services such as information technology, human resources and other such services (as applicable), each on a sample basis.
- (k) We have also obtained energy yield assessment & cost review reports from TÜV for verifying certain operating information regarding the operational and under construction projects of the Company's Subsidiaries.
- (l) Obtaining and relying on certificates and circle-ups from the Joint Statutory Auditors on financial information as well as certifications and circle-ups from S Tekriwal & Co. for the operational data and certain financial related information included in the DRHP, as on and for the periods specified therein.
- (m) For certain information, relying on management certificates from the Company for compliance with the SEBI ICDR Regulations.
- (n) Reviewing such other documents as we have deemed necessary and as have been provided to us by the Company, from time to time.

2. **Industry Information**

The Company has relied on the CRISIL Report, which has been commissioned and paid for by the Company for the purposes of confirming its understanding of the industry in connection with the Offer. The industry related information contained in the DRHP, including sections titled "*Industry Overview*", "*Summary of Offer Document*", "*Our Business*", "*Risk Factors*" and "*Management's Discussion and Analysis of Financial Condition and Result of Operations*", has been included from the CRISIL Report. The CRISIL Report will be available on the website of the Company at <https://acmesolar.in/investor-corner/investor-resources/industry-reports> in accordance with applicable law and has been included as one of the documents that will be available as a material document for inspection.

3. **Outstanding Litigation Proceedings and Material Creditors**



The Company has disclosed outstanding litigation involving the Company, its Subsidiaries, its Directors, its Promoters, as applicable, in accordance with the requirements under SEBI ICDR Regulations. Disclosures on outstanding litigation and material creditors have been made as per the materiality policy adopted by the Company's board of directors ("**Board**") pursuant to a resolution dated June 26, 2024 in the section titled "*Outstanding Litigation and Material Developments*" of the DRHP.

The Company has provided a list of outstanding litigation involving the Company and its Subsidiaries as well as, where applicable, supporting documents for material proceedings involving the Company and its Subsidiaries, all outstanding criminal proceedings and actions by statutory / regulatory authorities involving the Company and Subsidiaries. We have also obtained certifications from the Subsidiaries of the Company in this respect. Further, we interacted with the relevant representatives of the Company to understand the status of various pending proceedings involving the Company and its Subsidiaries. Further, outstanding legal proceedings in relation to direct and indirect taxes involving the Company, the Promoters, the Subsidiaries and the Directors have also been disclosed in a consolidated manner giving details of number of cases and total amount involved. With respect to such proceedings, we have relied on a list provided by the Company. For litigation involving the Promoters and the Directors, the Company has provided certifications received from such persons, solely based on which appropriate disclosures in relation to litigation proceedings involving them have been included in the DRHP.

Pursuant to the SEBI ICDR Regulations and the materiality policy adopted by the Board on June 26, 2024, for the purposes of disclosure, all pending litigation involving the Company, its Subsidiaries, its Promoters, and its Directors, apart from (a) outstanding criminal proceedings, (b) actions taken by regulatory or statutory authorities including notices issued by such authorities, (iii) disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters in the last five financial years including outstanding disciplinary actions, (iv) claims related to direct and indirect taxes (disclosed in a consolidated manner giving the total number of cases and the total amount involved), have been considered 'material' if:

- (a) the claim/ dispute amount, to the extent quantifiable, exceeds 2% of profit after tax as on March 31, 2024, as per the Restated Consolidated Financial Information being ₹ 139.64 million; or
- (b) where monetary liability is not quantifiable or does not exceed the threshold mentioned in point (i) above, the outcome of any such pending proceedings may have a material bearing on the business, operations, performance, prospects, financial position or reputation of the Company.

Moreover, (a) first information reports (whether cognizance has been taken or not) initiated against the relevant parties shall also be disclosed in the Offer Documents; and pre-litigation notices (excluding statutory/regulatory/governmental/tax authorities or notices threatening criminal action) and matters in which summons have not been received, have not been considered material and/or have not been disclosed as pending matters until such time that the Company, Directors, Promoters or Subsidiaries, as the case may be, is impleaded as a defendant in litigation before any judicial or arbitral forum.

Pursuant to the SEBI ICDR Regulations and the materiality policy adopted by the Board on June 26, 2024, for the purposes of disclosures in the DRHP, a creditor of the Company has been considered to be material for the purpose of disclosure in DRHP if the amounts due to such creditor is equal to or exceeds 5% of total outstanding dues (trade payables) of the Company, on a consolidated basis, based on the Restated Consolidated Financial Information. Consolidated disclosure on the dues to (a) creditors that are micro, small and medium enterprises; and (b) other creditors, have been provided in a summary format (indicating the total number of, and aggregate outstanding amounts due to such creditors).

4. ***Promoters, Promoter Group, Subsidiaries, Group Companies, Directors, Key Managerial Personnel and Senior Management Personnel***

For the purposes of making certain disclosures with respect to the Promoters, members of the Promoter Group, Group Companies, Subsidiaries, Directors, Key Managerial Personnel and Senior Management Personnel, we have obtained consents and certifications from the relevant entities/ persons. We also interacted with the relevant parties to assist them to understand the requirements of law and disclosures.



For the purposes of disclosure of the educational qualifications and professional experience of Directors (including a Promoter who is a Director of the Company), Key Managerial Personnel and Senior Management Personnel of the Company, we have relied on relevant transcripts, degree certificates, experience certificates, Ministry of Corporate Affairs (“MCA”) information for directorships and other supporting documents, including publicly available information.

In addition, we have received confirmation from the Company, its Subsidiaries, the Promoters, Group Companies, members of the Promoter Group and the Directors stating that they have not been debarred or prohibited from accessing the capital markets or from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/ court. In addition, we have received confirmation from the Company, its Subsidiaries, the Promoters, members of the Promoter Group and Directors stating that they have not been categorized as “wilful defaulters” or “fraudulent borrower” as per the definition in SEBI ICDR Regulations. Further, we have also carried out searches on websites such as ‘Watchout Investors’ and CIBIL for the Company, the Directors, the Promoters, the members of the Promoter Group, Group Companies and its Subsidiaries. We have also received confirmation from the Company, the Promoters and the Directors that none of the Directors are ‘fugitive economic offenders’ or ‘fraudulent borrower’ as per the definition in SEBI ICDR Regulations. We have also received confirmations from the Company, the Promoters, the members of the Promoter Group and the Promoter Selling Shareholder in respect of their compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, as on date of the DRHP, to the extent applicable. Further, except as disclosed in the DRHP, confirmations have been taken from Directors that (a) they are not or were not directors on the board of any listed companies whose shares have been/ were suspended from being traded on any stock exchange during the period of five years before the date of the DRHP; (b) that they are not currently or were previously on the board of a listed company whose shares have been or were delisted from being traded on any stock exchange during the term of their directorship in such company.

Moreover, in accordance with the provisions of SEBI ICDR Regulations, the Company is required to include in the DRHP, the link of the websites of its top five Group Companies, where certain financial information of such Group Companies has to be disclosed. However, the Group Companies do not have websites of their own as on the date of the DRHP, as confirmed by these Group Companies in the certificates obtained from each of them. Hence, the financial information of the Group Companies has been disclosed on the website of the Company at <https://acmesolar.in/investor-corner/financials/top-five-group-companies>. This has been disclosed in the section titled “Group Companies” in the DRHP on page 527.

5. ***Financial information of the Company and Financial Indebtedness***

We conducted due diligence on financial matters, including meetings and a due diligence call with the Joint Statutory Auditors, and the finance team of the Company, review of the reports and other related documents from the Joint Statutory Auditors.

The Joint Statutory Auditors has provided the Restated Consolidated Financial Information of the Company, its Subsidiaries (including their examination report), as at and for the years ended March 31, 2024, March 31, 2023 and March 31, 2022 comprising the restated consolidated statement of assets and liabilities as at March 31, 2024, March 31, 2023 and March 31, 2022, the restated consolidated statement of profit and loss (including other comprehensive income), the restated consolidated statement of changes in equity, the restated consolidated cash flow statement for the years ended March 31, 2024, March 31, 2023 and March 31, 2022, the summary statement of material accounting policies and other explanatory information prepared in accordance with Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI the notes, comprising material accounting policies and other explanatory information for the purpose of inclusion in the DRHP. We reviewed the Restated Consolidated Financial Information of the Company and the examination report dated June 26, 2024 issued thereon by the Joint Statutory Auditors and obtained certifications with respect to certain information included in the DRHP from the Joint Statutory Auditors. We held discussions with the Joint Statutory Auditors on the form and



manner of the reports and certifications required for such financial information. The Unaudited Pro Forma Consolidated Financial Information have also been included in the DRHP to show the impact of the sale of the special purpose vehicles divested by the Company during Fiscal 2024 on the statement of profit and loss for Fiscal 2024.

Further, the Joint Statutory Auditors were also required to review the financial information relating to the Company in the DRHP for the relevant periods and have delivered customary comfort letter, along with circle-up confirmations, to the BRLMs confirming the accuracy of such financial information contained in the DRHP. Such comfort letters will be re-issued or brought down at certain future dates, as the Offer progresses, by the Joint Statutory Auditors, prior to the filing of the RHP, the Prospectus and the Allotment of Equity Shares in the Offer. We have relied on the statement of possible special tax benefits available to the Company, and its Shareholders issued by the Joint Statutory Auditors. Moreover, we have relied on the reports on statement of special tax benefits available to the Material Subsidiaries issued by S Tekriwal & Associates.

The Company has confirmed that Acme Solar Energy Private Limited and Acme Heergarh Powertech Private Limited have been identified as the material subsidiaries of the Company (“**Material Subsidiaries**”) identifiable in accordance with the criteria prescribed under the SEBI ICDR Regulations read with SEBI Listing Regulations. For the purpose of compliance with Paragraph 11(I)(A)(ii) of Schedule VI of the SEBI ICDR Regulations, the audited standalone financial statements of the Company as at and for the years ended March 31, 2024, March 31, 2023, and March 31, 2022 and its respective audit reports are available on the Company’s website at <https://acmesolar.in/investor-corner/financials/subsidiary-reports>. Further, the Company has also uploaded audited standalone financial statements of (i) ACME Solar Energy Private Limited; (ii) Acme Heergarh Powertech Private Limited; (iii) Nirosha Power Private Limited; (iv) ACME Solar Technologies (Gujarat) Private Limited; (v) ACME Odisha Solar Power Private Limited; (vi) ACME Jaisalmer Solar Power Private Limited; (vii) Vishwatma Solar Energy Private Limited; (viii) Dayanidhi Solar Power Private Limited; (ix) Niranjana Solar Energy Private Limited; (x) Aaroahi Solar Private Limited; (xi) ACME Jodhpur Solar Power Private Limited; (xii) ACME Rewa Solar Energy Private Limited; (xiii) ACME Raipur Solar Power Private Limited; (xiv) ACME Magadh Solar Power Private Limited; (xv) ACME Nalanda Solar Power Private Limited; (xvi) Grahati Solar Energy Private Limited; (xvii) Dayakara Solar Power Private Limited; (xviii) ACME Solar Rooftop Systems Private Limited; (xix) Nirosha Power Private Limited; (xx) ACME Solar Power Technology Private Limited; (xxi) ACME Mahbubnagar Solar Energy Private Limited; (xxii) ACME Dhaultpur Powertech Private Limited; (xxiii) ACME Raisar Solar Energy Private Limited; and (xxiv) ACME Aklera Power Technology Private Limited, for the years ended March 31, 2022, March 31, 2023 and March 31, 2024, and together with all the annexures, schedules and notes thereto.

Additionally, the audited financial statements of erstwhile subsidiaries, i.e. (i) Devishi Solar Power Private Limited; (ii) Eminent Solar Power Private Limited; (iii) Devishi Renewable Energy Private Limited; (iv) ACME Kaithal Solar Power Private Limited; (v) ACME Koppal Solar Energy Private Limited; (vi) ACME Babadham Solar Power Private Limited; (vii) ACME Vijayapura Solar Energy Private Limited; (viii) ACME Guledagudda Solar Energy Private Limited; (ix) Mihit Solar Power Private Limited; (x) ACME Fazilka Power Private Limited, for the years during which the parent-subsidiary relationship existed, together with all the annexures, schedules and notes thereto are available on Company’s website at <https://acmesolar.in/investor-corner/financials/subsidiary-reports>.

The DRHP includes the operational and financial key performance indicators (KPIs) in relation to the Company. The financial KPIs have been derived from the Restated Consolidated Financial Information for Fiscals 2024, 2023 and 2022 and Unaudited Proforma Financial Information for Fiscals 2024. The financial information adjusted for acquisition/divestment is not disclosed for Fiscal 2023 and 2022 as the proforma financial information for Fiscal 2023 and Fiscal 2022 are not available.

The Company and its Subsidiaries have also received consents from relevant lenders, granting consent to undertake the Offer and related corporate actions. Together with the Legal Counsels and S Tekriwal & Associates, we have also conducted a due diligence on all outstanding financial indebtedness of the Company and its Subsidiaries, and such information (including principal terms of borrowings, as applicable) were reviewed and disclosed as of April 30, 2024 in summarised form in the section titled “*Financial Indebtedness*” of the DRHP. We have also relied on a certification from S Tekriwal &



Associates in connection with the financial indebtedness of the Company and its Subsidiaries as of May 31, 2024, which is disclosed in the section titled “*Financial Indebtedness*” of the DRHP.

6. ***Statutory and/or Regulatory and Other Diligence***

In connection with due diligence of statutory and/ or regulatory matters, we have, along with the Legal Counsels, reviewed the relevant statutory and/ or regulatory records of the Company, including without limitation, relevant corporate records, filings made by the Company with various key statutory and/ or regulatory authorities, material licenses, approvals and registrations applied for and/ or received by the Company and its Material Subsidiaries in relation to their respective business and such other documents as we have deemed necessary and as have been provided to us by the Company from time to time, were reviewed. We have also relied on representations and certifications provided by the Company in connection with such statutory and/ or regulatory matters.

In relation to the build-up of the existing share capital of the Company, we have reviewed the statutory forms and resolutions filed with the RoC prepared and maintained by the Company.

We, along with the Legal Counsels, have also regularly interacted with the officials of the Company to understand the material approvals that are required to be obtained by the Company and its Material Subsidiaries to carry out their respective business, followed by a due diligence exercise of such approvals.

As part of the diligence exercise undertaken, the Legal Counsels and the BRLMs have, reviewed the status of (i) material approvals received, and (ii) title search reports, lease and sale arrangements of the Company and the Material Subsidiaries. We have also reviewed the relevant letters of arrangement, power purchase agreements, EPC and O&M contracts for operational projects; letters of arrangement, power purchase agreements, EPC and O&M contracts, to the extent available for each under-construction project and letters of arrangement and power purchase agreements, to the extent available for each pipeline project. Moreover, we have also reviewed the material approvals and licenses that are required to be obtained at various stages of the projects undertaken by the Company’s Subsidiaries.

The description of the material approvals required for the business operations has been disclosed in the DRHP. We have appropriately disclosed details of such approvals in the sections titled “*Government and Other Approvals*” of the DRHP. Further, we have also disclosed in the DRHP, the trademark licensing arrangement that the Company and one of its subsidiaries has with Acme Cleantech Solutions Private Limited with respect to intellectual property.

We have also reviewed the acquisitions and divestment agreements and other material agreements executed by the Company and its Subsidiaries and such other documents as we have deemed necessary and as have been provided to us by the Company, from time to time.

7. **Objects of the Offer**

The Company proposes to utilize the Net Proceeds towards funding of the following objects:

- (i) Repayment and prepayment, in full or in part, of certain outstanding borrowings availed by the Subsidiaries; and
- (ii) General corporate purposes.

In accordance with Clause 9(A)(2)(b) of Part A of Schedule VI of the SEBI ICDR Regulations which requires a certificate from the statutory auditor certifying the utilisation of loans for the purposes availed, the Company has obtained the requisite certificates each dated July 2, 2024, from Walker Chandiook & Co. LLP and S Tekriwal & Associates, as applicable.

Further, the Promoter Selling Shareholder will be entitled to their respective portion of the proceeds of the Offer for Sale after deducting their proportion of Offer expenses and relevant taxes thereon.



The Company will not receive any proceeds from the Offer for Sale. The details of the same have been disclosed in accordance with the requirements of the SEBI ICDR Regulations.



ANNEXURE III B

Checklist confirming regulation-wise compliance with the applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.

[Annexed separately]