

ARCHEUS LAW

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Without prejudice
Strictly confidential
(marked only to persons addressed herein)

Date: September 1, 2022

To,

- (1) **SEBI Bhavan, Western Regional Office,**
Panchvati 1st Lane, Gulbai Tekra Road,
Ahmedabad - 380006, Gujarat
Tel. Board: 079-26583633-35
E-mail : sebiwro@sebi.gov.in
- (2) **Executive Director – Corporate Finance Department**
Securities and Exchange Board of India
Plot No. C4-A, 'G' Block
Bandra-Kurla Complex, Bandra (East)
Mumbai – 400051, Maharashtra
Tel : +91-22-26449000 / 40459000
E-mail : sebi@sebi.gov.in

ALSO TO:

- (3) ✓ **Edelweiss Financial Services Limited**
6th Floor, Edelweiss House,
Off CST Road, Kalina,
Mumbai – 400098
Maharashtra, India
- (4) **Equirus Capital Private Limited**
12th Floor, C Wing, MarathonFuturex,
N.M. Joshi Marg, Lower Parel,
Mumbai – 400013
Maharashtra, India
- (5) **DAM Capital Advisors Limited**
(Formerly IDFC Securities Limited)
One BKC, Tower C, 15th Floor,
Unit No. 1511, Bandra Kurla Complex,

Bandra (East), Mumbai – 400051
Maharashtra, India

- (6) **Systematix Corporate Services Limited**
The Capital, A Wing No. 603-606, 6th Floor
Plot No. C-70, G-Block, Bandra-Kurla Complex
Bandra (East), Mumbai – 400051
- (7) **IDBI Capital Markets & Securities Limited**
6th Floor, IDBI Tower,
WTC Complex, Cuff Parade,
Mumbai – 400005, Maharashtra, India
- (8) **Mr. Devansh Jain**
Wholetime Director
Inox Wind Limited

Plot No.1, Khasra No. 264-267
Industrial Area, Vil. Basal
Himachal Pradesh – 174 103

ALSO AT:

INOX Towers, Plot No.17,
Sector 16-A, Noida-201 301,
U.P. INDIA

Subject: Follow-up to our earlier notices dated May 09, 2022 and June 2, 2022, regarding the conduct of M/s INOX Wind Limited in concealing the fact of its admitted debt during the IPO process.

OUR CLIENT: M/s Shanxi Tianbao Group Co Ltd
Beiguan Industrial Zone, Dingxiang Country,
Xinzhou City, Shanxi Province
China

Dear Sir/Ma'am,

Under instructions of our Client, M/s Shanxi Tianbao Group Co. Ltd. ("Shanxi"), as above, we are instructed to state as under:

- (1) That this notice may be read in addition to our previous notices dated May 09, 2022 and June 2, 2022. The notice dated May 09, 2022 was issued to intimate SEBI of the willful non-disclosure by M/s INOX Wind Limited of the admitted debt due to be paid to Shanxi, to the tune of almost 40 crore, which was agreed between the parties vide a Settlement Agreement dated December 01, 2017. The notice dated June 2, 2022 was sent to intimate SEBI as to the initiation of the insolvency petition, No. CP(IB) No. 130/2022, titled as *Shanxi Tianbao Group Co Ltd vs INOX Wind Ltd.*, presently pending before the Hon'ble National Company Law Tribunal, Chandigarh.
- (2) As had been intimated to the SEBI in the aforesaid previous notices, M/s INOX Wind Limited is actively concealing the material fact from its merchant bankers and SEBI that it owes an acknowledged and admitted debt to Shanxi and the same has also been concealed in its financial statements. INOX has also concealed that it deliberately refused to pay the admitted debt, after having signed an unconditional Settlement Agreement dated 01.12.2017 and further a handwritten Promissory Note issued by one of its Director, Mr. Rajeev Gupta, acknowledging the existence of debt and agreeing to pay the same within a time bound manner. To the best of our knowledge, Shanxi apprehends that while seeking approval from SEBI for its proposed IPO, M/s INOX Wind Limited has actively concealed information about admitted debt due to be paid to Shanxi. The previous notices were sent with the stated intention that a company which is actively concealing its admitted debts, should not be allowed to raise public moneys.
- (3) We are given to understand that INOX had earlier filed a Draft Red Herring Prospectus before SEBI and had concealed the fact in its DRHP that an admitted debt is owed to Shanxi. However, INOX withdrew its earlier DRHP and submitted a renewed DRHP before SEBI on 17.06.2022, wherein, INOX briefly mentions at pg 390 that Shanxi has filed an application before National Company Law Tribunal, Chandigarh for initiation of

Corporate Insolvency Resolution Process. At pg 391, INOX also briefly mentions that INOX has also filed a Civil Suit against Shanxi before District Court, Gautam Budh Nagar, after Shanxi issued a Demand Notice to INOX for payment of its admitted debt. SEBI must take cognizance of the fact that INOX is still concealing the fact of owing an admitted debt to Shanxi. In its DRHP, INOX has wrongly mentioned that there is dispute between the Shanxi and INOX regarding the supply of parts of the wind electric generators by Shanxi. INOX is actively concealing the fact that all the disputes which existed between Shanxi and INOX towards the supply of parts of the wind electric generators, stood settled by way of the Settlement Agreement signed between the parties, and all the earlier contracts and understanding between the parties were closed. In fact, INOX has wrongly stated at pg 391 that the Settlement Agreement between INOX and Shanxi had any precondition for Shanxi to be fulfilled. A bare perusal of the Settlement Agreement would establish that the only condition Settlement Agreement had, was for the INOX to pay an amount of INR 25,69,88,870 to Shanxi in 9 instalments, without any pre-condition. SEBI must also take cognizance of the fact that INOX is making incorrect statements in its renewed DRHP to mislead SEBI in approving its DRHP. A copy of the Settlement Agreement between INOX and Shanxi is enclosed here for your ready reference.

- (4) Regrettably, it appears to the best of our knowledge and information, that no sanctions appear to have been ordered by the SEBI and no inquiry and/or corrective action appears to have been taken by the company in question, or its intermediaries. Thus, vide this follow-up notice, it is requested that SEBI and/or the intermediaries may take stern measures to ensure compliance with various extant listing regulations and/or to take appropriate action against the company, as per law. To the best of our knowledge, the said company also has a number of other such matters pending before various other forums throughout the country and it is unclear as to whether even those instances have been detailed within M/s INOX Wind's IPO filings – which must, also, be investigated in detail.

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- (5) This notice, as well as the earlier notices, have been sent to ensure that any potential/possible breach of the extant securities laws of the country, which are in the knowledge of our Client, are speedily brought to the attention of the esteemed regulatory bodies, as well as the intermediaries involved in the process. It is trusted that appropriate action under law will be taken based on the same.

This is for your information, record and necessary action.

Regards,

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Copy to: Our Client, as above.