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**PROSPECTUS**

Dated: February 22, 2022

Please read Section 26 & 32 of the Companies Act, 2013

**100% Fixed Price Issue**

## SHIGAN QUANTUM TECHNOLOGIES LIMITED

CIN: U72200DL2008PLC184341

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
Shyam Kunj, 183-A, Sainik Farms, Western Avenue, New Delhi – 110062, India	Hall No. 2, 3, 6, 7 & 8, Ground floor and First floor, Shyam Udyog Parisar, Khasra No. 25/1, 15/3/2 Alier Bhangrola Road, IMT Manesar, Gurgaon - 122505, Haryana	Ms. Gunjan Gupta, Company Secretary & Compliance Officer	cs@shigan.net +91 98181 62569	www.shigan-quantum.com

### NAMES OF PROMOTERS OF THE COMPANY

**Mr. Shishir Agrawal, Mr. Gagan Agrawal, Shigan Autotronics Private Limited, SA Shigan Trust and GA Shigan Trust**

### DETAILS OF OFFER TO PUBLIC, PROMOTERS/SELLING SHAREHOLDERS

Type	Fresh Issue Size	OFS Size	Total Issue Size	Eligibility – 229(1) / 229(2) & Share Reservation amount QIB, NII & RII
Fresh Issue	₹2,269.50 Lakhs	Nil	<b>₹2,269.50 Lakhs</b>	The Issue is being made pursuant to Regulation 229(2) of SEBI ICDR Regulations, As the Company's post issue Paid-up capital would be more than 10.00 (Ten) Cr.

OFS: Offer for Sale

#### Details of OFS by Promoter(s)/Promoter Group/Other Selling Shareholders

**- NIL -**

**RISKS IN RELATION TO THE FIRST ISSUE** – This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10/- each and the Issue Price is 5.0 times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Lead Manager as stated in **“Basis for Issue Price”** on page 62 of this prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

### 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 entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue 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 Prospectus. Specific attention of the investors is invited to the section **“Risk Factors”** beginning on page 20 of this Prospectus.

### ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

### LISTING

The Equity Shares Issued through this Prospectus are proposed to be listed on the **SME Platform of National Stock Exchange of India Limited (“NSE EMERGE”)**. In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received “in-principle” approval letter dated February 18, 2022 from **National Stock Exchange of India Limited (“NSE”)** for using its name in the Offer Document for listing of our shares on the SME Platform of NSE. For the purpose of this Issue, the **Designated Stock Exchange** will be the **National Stock Exchange of India Limited (“NSE”)**.

#### LEAD MANAGER TO THE ISSUE

#### REGISTRAR TO THE ISSUE

 **FINSHORE**  
Creating Enterprise Managing Values  
**FINSHORE MANAGEMENT SERVICES LIMITED**  
Anandlok Building, Block-A, 2<sup>nd</sup> Floor, Room No. 207,  
227 A.J.C Bose Road, Kolkata-700020, West Bengal, India  
**Telephone:** 033 – 22895101  
**Email:** ramakrishna@finshoregroup.com  
**Contact Person:** Mr. S. Ramakrishna Iyengar  
**Website:** www.finshoregroup.com  
**Investor Grievance Email:** info@finshoregroup.com  
**SEBI Registration No:** INM000012185  
**CIN No:** U74900WB2011PLC169377



**KFIN TECHNOLOGIES PRIVATE LIMITED**  
(Formerly known as Karvy Fintech Private Limited)  
Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District,  
Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana  
**Telephone:** +91- 40 6716 2222, **Fax No.:** +91- 40 2343 1551  
**Email:** shigan.ipo@kfintech.com  
**Contact Person:** Mr. M Murali Krishna  
**Website:** www.kfintech.com  
**Investor Grievance Email:** einward.ris@kfintech.com  
**SEBI Registration No.:** INR000000221

### ISSUE PROGRAMME

**ISSUE OPENS ON: FEBRUARY 28, 2022**

**ISSUE CLOSES ON: MARCH 03, 2022**

**SHIGAN QUANTUM TECHNOLOGIES LIMITED**

CIN: U72200DL2008PLC184341

Our Company was originally incorporated as “Shigan Quantum Technologies Private Limited” on October 20, 2008 at New Delhi as a private limited company under the Companies Act, 1956 with the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, our Company was converted into Public Limited Company pursuant to special resolution passed by the shareholders of our Company in their meeting held on September 29, 2021 and the name of our Company was changed to “Shigan Quantum Technologies Limited” and a Fresh Certificate of Incorporation consequent upon conversion of Company to Public Limited dated October 12, 2021 was issued by Registrar of Companies, Delhi, being Corporate Identification Number U72200DL2008PLC184341. For further details please refer to chapter titled “History and Certain Other Corporate Matters” beginning on page 87 of this Prospectus.

**Registered Office:** Shyam Kunj, 183-A, Sainik Farms, Western Avenue, New Delhi-110062, India

**Corporate Office:** Hall No. 2, 3, 6, 7 & 8, Ground floor and First floor, Shyam Udyog Parisar, Khasra No. 25/1, 15/3/2 Alier Bhangrola Road, IMT Manesar, Gurgaon - 122505, Haryana

**Contact Person:** Ms. Gunjan Gupta, Company Secretary & Compliance Officer

**Tel No:** +91-9818162569; **E-mail:** [cs@shigan.net](mailto:cs@shigan.net); **Website:** [www.shigan-quantum.com](http://www.shigan-quantum.com)

**Our Promoters:** Mr. Shishir Agrawal, Mr. Gagan Agrawal, Shigan Autotronics Private Limited, SA Shigan Trust and GA Shigan Trust

**THE ISSUE**

**INITIAL PUBLIC OFFER OF 45,39,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (“EQUITY SHARES”) OF SHIGAN QUANTUM TECHNOLOGIES LIMITED (“SQT” OR THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ 50/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 40/- PER EQUITY SHARE (THE “ISSUE PRICE”) AGGREGATING TO ₹ 2269.50 LAKHS (“THE ISSUE”) OF WHICH 2,28,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ 50/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 40/- PER EQUITY SHARE AGGREGATING TO ₹ 114.00 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 LE NET ISSUE OF 43,11,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ 50/- PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ 40/- PER EQUITY SHARE AGGREGATING TO ₹ 2155.50 LAKHS (THE “NET ISSUE”). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.37% AND 25.04% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE FACE VALUE OF THE EQUITY SHARE IS ₹ 10/- EACH AND THE ISSUE PRICE IS ₹ 50/- EACH i.e., 5.0 TIMES OF THE FACE VALUE OF THE EQUITY SHARES. THE MINIMUM LOT SIZE IS 3,000 EQUITY SHARES**

**THIS OFFER IS BEING MADE 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. IN TERMS OF RULE 19(2)(b)(i) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED, THIS IS AN ISSUE FOR AT LEAST 25.00% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET ISSUE TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 253(2) OF THE SEBI (ICDR) REGULATIONS, AS AMENDED. FOR FURTHER DETAILS, PLEASE REFER “ISSUE PROCEDURE” ON PAGE 176 OF THIS PROSPECTUS.**

All potential investors shall participate in the Issue through an Application Supported by Blocked Amount (“ASBA”) process including through UPI mode (as applicable) by providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. Retail Individual Investors applying in public issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI ID in the Application Form which is linked from Bank Account of the investor. For details in this regard, specific attention is invited to “Issue Procedure” on page 176 of this Prospectus. A copy of Prospectus will be filled with the Registrar of Companies for filing in accordance with Section 26 of the Companies Act, 2013.

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10/- each and the Issue Price is 5.0 times of the face value of the Equity Shares. The Issue Price (determined and justified by our Company in consultation with the Lead Manager as stated in “Basis for Issue Price” on page 62 of this prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

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 entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares issued in the Issue 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 Prospectus. Specific attention of the investors is invited to the section “Risk Factors” beginning on page 20 of this Prospectus.

**ISSUER’S ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading in any material respect.

**LISTING**

The Equity Shares Issued through this Prospectus are proposed to be listed on the **SME Platform of National Stock Exchange of India Limited (“NSE EMERGE”)**. In terms of the Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, our Company has received “in-principle” approval letter dated February 18, 2022 from **National Stock Exchange of India Limited (“NSE”)** for using its name in the Offer Document for listing of our shares on the SME Platform of NSE. For the purpose of this Issue, the **Designated Stock Exchange** will be the **National Stock Exchange of India Limited (“NSE”)**.

**LEAD MANAGER TO THE ISSUE**

 **FINSHORE**  
Creating Enterprise Managing Values  
**FINSHORE MANAGEMENT SERVICES LIMITED**  
Anandlok Building, Block-A, 2<sup>nd</sup> Floor, Room No. 207,  
227 A.J.C Bose Road, Kolkata-700020, West Bengal  
**Telephone:** 033 – 22895101  
**Email:** [ramakrishna@finshoregroup.com](mailto:ramakrishna@finshoregroup.com)  
**Contact Person:** Mr. S. Ramakrishna Iyengar  
**Website:** [www.finshoregroup.com](http://www.finshoregroup.com)  
**Investor Grievance Email:** [info@finshoregroup.com](mailto:info@finshoregroup.com)  
**SEBI Registration No:** INM000012185  
**CIN No:** U74900WB2011PLC169377

**REGISTRAR TO THE ISSUE**

 **KFINTECH**  
**KFIN TECHNOLOGIES PRIVATE LIMITED**  
(Formerly known as Karvy Fintech Private Limited)  
Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda,  
Serilingampally, Hyderabad – 500 032, Telangana  
**Telephone:** +91- 40 6716 2222, **Fax No.:** +91- 40 2343 1551  
**Email:** [shigan.ipo@kfintech.com](mailto:shigan.ipo@kfintech.com)  
**Contact Person:** Mr. M Murali Krishna  
**Website:** [www.kfintech.com](http://www.kfintech.com)  
**Investor Grievance Email:** [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
**SEBI Registration No.:** INR000000221

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## SECTION I: GENERAL

## DEFINITIONS AND ABBREVIATIONS

*This Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies, as amended, supplemented or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*The words and expressions used in this Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the SEBI (ICDR) Regulations, the SCRA, the Listing Regulations, the Depositories Act or the Rules and Regulations made thereunder.*

*Notwithstanding the foregoing, terms used in of the sections “Statement of Possible Tax Benefits”, “Restated Financial Statements”, “Main Provisions of Articles of Association”, “Basis for Issue Price”, “History and Certain Other Corporate Matters”, “Other Regulatory and Statutory Disclosures” and “Outstanding Litigations and Material Developments” on pages 64, 118, 196, 62, 87, 158 and 152 respectively, shall have the meaning ascribed to such terms in the relevant section.*

## GENERAL TERMS

Term	Description
“Shigan Quantum Technologies Limited”, “SQT”, “SQTL”, “We” or “us” or “Our Company” or “the Issuer”	Unless the context otherwise indicates or implies, refers to Shigan Quantum Technologies Limited, a company incorporated under the Companies Act, 1956 and having Registered Office at Shyam Kunj, 183A, Sainik Farms, Western Avenue, New Delhi – 110062, India.
Promoter(s)/ Core Promoter	The Promoters of our Company being <b>Mr. Shishir Agrawal, Mr. Gagan Agrawal, Shigan Autotronics Private Limited, SA Shigan Trust and GA Shigan Trust.</b> (For further details, please refer to chapter titled “ <b>Our Promoters and Promoter Group</b> ” beginning on page 107 of this Prospectus).
Promoter Group	Such persons, entities and companies constituting our promoter group pursuant to Regulation 2(1)(pp) of the SEBI (ICDR) Regulations as disclosed in the Chapter titled “ <b>Our Promoters and Promoter Group</b> ” on page 107 of this Prospectus.

## COMPANY RELATED TERMS

Term	Description
AOA/Articles / Articles of Association	Unless the context otherwise requires, refers to the Articles of Association of Shigan Quantum Technologies Limited, as amended from time to time.
Audit Committee	Audit Committee of our Company constituted in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013 and as described in the chapter titled “ <b>Our Management</b> ” beginning on page 94 of this Prospectus.
Auditor of our Company / Statutory Auditor	The Statutory Auditors of our Company, being Saria Gupta & Co, Chartered Accountants holding a valid peer review certificate as mentioned in the section titled “ <b>General Information</b> ” beginning on page 39 of this Prospectus.
Banker to our Company	ICICI Bank Limited, as disclosed in the section titled “ <b>General Information</b> ” beginning on page 39 of this Prospectus.
Board/ Board of Directors / Our Board	The Board of Directors of our Company, including all duly constituted Committees thereof. (For further details of our Directors, please refer to chapter titled “ <b>Our Management</b> ” beginning on page 94 of this Prospectus).
Chief Financial Officer / CFO	The Chief Financial Officer of our Company as mentioned in the chapter titled “ <b>General Information</b> ” beginning on page 39 of this Prospectus.
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company as mentioned in the chapter titled “ <b>General Information</b> ” beginning on page 39 of this Prospectus.
Corporate Office	The corporate office of our Company is situated at Hall No. 2, 3, 6, 7 & 8, Ground floor and First floor, Shyam Udyog Parisar, Khasra No. 25/1, 15/3/2 Alier Bhangrola Road, IMT Manesar, Gurgaon - 122505, Haryana
Director(s) / our Directors	Director(s) of our Company unless otherwise specified.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
Equity Shares / Shares	The equity shares of our Company of face value of ₹10/- each unless otherwise specified in the context thereof.

Equity Shareholders / Shareholders	Persons/ Entities holding Equity Shares of our Company.
Group Companies/Entities	Such companies/entities as covered under the applicable accounting standards and such other companies as considered material by the Board. For details of our Group Companies/ entities, please refer “ <b>Our Group Companies</b> ” on page 113 of this Prospectus.
Indian GAAP	Generally Accepted Accounting Principles in India.
Independent Directors	Independent directors on the Board, and eligible to be appointed as an independent director under the provisions of Companies Act and SEBI Listing Regulations. For details of the Independent Directors, please refer chapter titled “ <b>Our Management</b> ” beginning on page 94 of this Prospectus.
ISIN	International Securities Identification Number, being INE03KJ01013.
Key Management Personnel / KMP	Key Managerial Personnel of our Company in terms of the Companies Act, 2013 and Regulation 2(1)(bb) of the SEBI (ICDR) Regulations 2018 and Section 2(51) of the Companies Act, 2013. For details, see section entitled “ <b>Our Management</b> ” beginning on page 94 of this Prospectus.
Managing Director/ MD	The Managing Directors of our Company.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on October 16, 2021 in accordance with the requirements of the SEBI (ICDR) Regulations.
Memorandum of Association / MoA	The Memorandum of Association of our Company, as amended from time to time.
Nomination & Remuneration Committee	The nomination and remuneration committee of our Company constituted in accordance with Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013, as disclosed in the chapter titled “ <b>Our Management</b> ” beginning on page 94 of this Prospectus.
Registered Office	The Registered Office of our Company situated at Shyam Kunj, 183A, Sainik Farms, Western Avenue, New Delhi 110062, India.
Registrar of Companies / RoC	Registrar of Companies, Delhi, 4th floor, IFCI Tower 61, Nehru Place, New Delhi-110019, India.
Restated Financial Statements	The Financial Statements as Restated of our Company which comprises of the restated balance sheet, the profit and loss account and the restated cash flow statement for the period ended August 31, 2021 and Financial Years ended March 31, 2021; March 31, 2020; and March 31, 2019, together with the annexures and the notes thereto, which have been prepared in accordance with the Companies Act, the applicable Accounting Standards and restated in accordance with the SEBI (ICDR) Regulations.
Stakeholders’ Relationship Committee	The Stakeholder’s relationship committee of our Company constituted in accordance with Regulation 20 of the SEBI Listing Regulations and Section 178 of Companies Act, 2013 and as described under the chapter titled “ <b>Our Management</b> ” beginning on page 94 of this Prospectus.
Stock Exchange	Unless the context requires otherwise, refers to, the SME Platform of National Stock Exchange of India Limited (NSE Emerge).
You or Your or Yours	Prospective Investors in this Issue.

**ISSUE RELATED TERMS**

Term	Description
Abridged Prospectus	Abridged Prospectus to be issued under Regulation 255 of SEBI ICDR Regulations and appended to the Application Form.
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form.
Allocation/ Allocation of Equity Shares	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Issue.
Allot / Allotment /Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Allotment Advice	A note or advice or intimation of Allotment sent to the Applicants who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee(s)	The successful Applicant(s) to whom the Equity Shares are being/ have been allotted.
Application	An indication to make an application during the Issue Period by an Applicant, pursuant to submission of Application Form, to subscribe for or purchase our Equity Shares at the Issue



	Price including all revisions and modifications thereto, to the extent permissible under the SEBI (ICDR) Regulations.
Application Form	The form in terms of which the applicant shall apply for the Equity Shares of our Company.
Applicant/Investor	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form.
Application Amount	The amount at which the prospective investors shall apply for Equity Shares of our Company in terms of this Prospectus.
Application Supported by Blocked Amount/ ASBA	An application whether physical or electronic, used by ASBA Applicant to make an application authorizing an SCSB to block the Application Amount in the specified Bank Account maintained with such SCSB and will include applications made by RIIs using the UPI Mechanism, where the application amount shall be blocked upon acceptance of UPI Mandate Request by RIIs using UPI Mechanism.
ASBA Account	A bank account maintained with an SCSB and specified in the Application Form submitted by the Applicants or the account of the RII blocked upon acceptance of UPI Mandate Request by RIIs using the UPI mechanism, to the extent of the Application Amount specified by the Applicant.
ASBA Applicant(s)	Any prospective investors in the Issue who intend to submit the Application through the ASBA process.
ASBA Application/ Application	An application form, whether physical or electronic, used by ASBA Applicants which will be considered as the application for Allotment in terms of the Prospectus.
ASBA Form/ Application Form	An application form (with and without the use of UPI, as may be applicable), whether physical or electronic, used by the ASBA Applicants and which will be considered as an application for Allotment in terms of the Prospectus.
Banker(s) to the Company	Such banks which are disclosed as Bankers to our Company in the chapter titled “ <b>General Information</b> ” on page no.39 of this Prospectus.
Banker(s) to the Issue / Refund Banker	The banks which are Clearing Members and registered with SEBI as Banker to an Issue with whom the Public Issue Agreement is entered and in this case being ICICI Bank Limited.
Banker(s) to the Issue Agreement	Agreement dated February 11, 2022 entered into between our Company, Lead Manager, the Registrar to the Issue, Banker to the Issue and Sponsor Bank for collection of the Application Amount on the terms and conditions thereof.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, and which is described in the chapter titled “ <b>Issue Procedure</b> ” on page 176 of this Prospectus.
Broker Centers	Broker centers notified by the Stock Exchanges, where Applicants can submit the Application Forms (in case of RIIs only ASBA Forms under UPI) to a Registered Broker. The details of such broker centers, along with the name and contact details of the Registered Brokers, are available on the website of the National Stock Exchange of India Limited on the following link <a href="http://www.nseindia.com">www.nseindia.com</a> .
Business Day	Monday to Friday (except public holidays).
CAN/Confirmation of Allocation Note	Confirmation of Allocation Note/the note or advice or intimation of Allotment, sent to each successful Applicant who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange.
Client ID	Client identification number maintained with one of the Depositories in relation to Demat account.
Collecting Depository Participant(s) or CDP(s)	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Application Forms at the Designated CDP Locations in terms of circular no. GR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Controlling Branches/ Controlling Branches of the SCSBs.	Such branches of the SCSBs which co-ordinate with the Lead Manager, the Registrar to the Issue and Stock Exchange and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation, Bank Account details and UPI ID (if applicable).
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996 i.e., CDSL and NSDL.
Depository Participant / DP	A depository participant as defined under the Depositories Act.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms and in case of RIIs only ASBA Forms with UPI. The details of such Designated CDO Locations, along with names and contact details of the Collecting Depository Participants eligible to accept application Forms are available on the website of the Stock Exchange <a href="http://www.nseindia.com">www.nseindia.com</a> .
Designated Date	The date on which relevant amounts are transferred from the ASBA Accounts to the Public

	Issue Account or the Refund Account, as the case may be, and the instructions are issued to the SCSBs (in case of RIIs using UPI Mechanism, instruction issued through the Sponsor Bank) for the transfer of amounts blocked by the SCSBs in the ASBA Accounts to the Public Issue Account or the Refund Account, as the case may be, in terms of the Prospectus following which Equity Shares will be Allotted in the Issue.
Designated Intermediaries/ Collecting Agent	In relation to ASBA Forms submitted by RIIs authorizing an SCSB to block the Application Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism, Designated Intermediaries shall mean syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs. In relation to ASBA Forms submitted by QIBs and NIBs, Designated Intermediaries shall mean SCSBs, syndicate members, sub-syndicate members, Registered Brokers, CDPs and RTAs.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated SCSB Branches	Such branches of the SCSBs which shall collect the Application Forms (other than ASBA Forms submitted by RIIs where the Application Amount will be blocked upon acceptance of UPI Mandate Request by such RII using the UPI Mechanism), a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/">http://www.sebi.gov.in/</a> or at such other website as may be prescribed by SEBI from time to time.
Designated Stock Exchange/ Stock Exchange	National Stock Exchange of India Limited (NSE)
Draft Prospectus	The Draft Prospectus dated February 08, 2022 filed with the National Stock Exchange of India Limited in accordance with the SEBI ICDR Regulations.
DP	Depository Participant
DP ID	Depository Participant Identity Number
Eligible NRI(s)	NRI eligible to invest under the FEMA Regulations, from jurisdictions outside India where it is not unlawful to make an application or invitation to participate in the Issue and in relation to whom the Application Form and the Prospectus will constitute an invitation to subscribe for Equity Shares and who have opened dematerialized accounts with SEBI registered qualified depository participants
Escrow Account(s)/Public Issue Account	Account(s) opened with the Banker(s) to the Issue pursuant to Escrow and Sponsor Bank Agreement/Public Issue Agreement.
Escrow and Sponsor Bank Agreement/ Public Issue Agreement	Agreement dated February 11, 2022 entered into amongst our Company, Lead Manager, the Registrar, the Banker to the Issue and Sponsor bank to receive monies from the Applicants through the SCSBs Bank Account on the Designated Date in the Public Issue Account.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/ Sole Applicant	Applicant whose name shall be mentioned in the Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names.
Fresh Issue Proceeds	The proceeds of the Fresh Issue as stipulated by our Company. <i>(For further information about use of the Fresh Issue Proceeds please see the chapter titled “Objects of the Issue” beginning on page 57 of this Prospectus).</i>
FPIs / Foreign Portfolio Investor	Foreign Portfolio Investor as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
General Corporate Purposes	Include such identified purposes for which no specific amount is allocated or any amount so specified towards general corporate purpose or any such purpose by whatever name called, in the issue document. Provided that any issue related expenses shall not be considered as a part of general corporate purpose merely because no specific amount has been allocated for such expenses in the issue document.
General Information Document / GID	The General Information Document for investing in public issues prepared and issued in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars, as amended from time to time.



Issue/ Public Issue/ Issue Size / Initial Public Offer / Initial Public Offering/ IPO/ Present Issue/ Fresh Issue	Public Issue of 45,39,000 Equity Shares of face value of ₹10/- each of our Company for cash at a price of ₹50/- per Equity Shares (including share premium of ₹40/- per Equity Shares) aggregating to ₹2,269.50 Lakhs.
Issue Agreement	The agreement dated February 03, 2022 entered into between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Closing Date	The date on which the Issue closes for subscription being March 03, 2022
Issue Opening Date	The date on which the Issue opens for subscription being February 28, 2022
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which prospective applicants can submit their applications, including any revisions thereof.
Issue Price	The price at which Equity Shares are being issued by our Company being ₹50/- per Equity Share (including share premium of ₹40/- per Equity Share).
Issue Proceeds	The proceeds of the Issue as stipulated by our Company. <i>(For further information about use of the Issue Proceeds please see the chapter titled “Objects of the Issue” beginning on page 57 of this Prospectus).</i>
Lead Manager / LM	The Lead Manager to the Issue, in this case being “ <b>Finshore Management Services Limited</b> ”.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and National Stock Exchange of India Limited.
Lot Size	The Market lot and Trading lot for the Equity Share is 3,000 and in multiples of 3,000 thereafter; subject to a minimum allotment of 3,000 Equity Shares to the successful applicants.
Market Maker	Nikunj Stock Brokers Limited
Market Making Agreement	Market Making Agreement dated February 03, 2022 between our Company, the Lead Manager and the Market Maker.
Market Maker Reservation Portion	The Reserved portion 2,28,000 Equity Shares of ₹10/- each at ₹50/- per Equity Share (including share premium of ₹40/- per Equity Share) aggregating to ₹114.00 Lakhs reserved for subscription by the Market Maker.
Mobile App(s)	The mobile applications listed on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=4">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=4</a> or such other website as may be updated from time to time, which may be used by RIIs to submit Applications using the UPI Mechanism.
Mutual Fund	A Mutual Fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended.
NSE	National Stock Exchange of India Limited
NSE EMERGE	SME Platform of National Stock Exchange of India Limited
Net Issue	The Issue excluding the Market Maker Reservation Portion of 43,11,000 Equity Shares of face value of ₹10 each fully paid up for cash at a price of ₹50/- per Equity Share (including share premium of ₹40/- per Equity Share) aggregating ₹2,155.50 Lakhs by our Company.
Net Proceeds	Proceeds of the Issue that will be available to our Company, which shall be the gross proceeds of the Issue less the Issue expenses.
Non-Institutional Investors / NIIs	All Applicants, including Category III FPIs that are not QIBs or Retail Individual Investors and who have Applied for Equity Shares for a cumulative amount more than ₹2.00 Lakhs (but not including NRIs other than Eligible NRIs).
Non-Resident	A person resident outside India, as defined under FEMA Regulations.
Non-Resident Indian/ NRI	A person resident outside India, who is a citizen of India or a Person of Indian Origin as defined under FEMA Regulations, as amended.
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue.
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Prospectus	The Prospectus to be filed with the RoC in accordance with the provisions of Section 26 of the Companies Act, 2013.
Public Issue Account	The account to be opened with the Banker to the Issue under Section 40 of the Companies Act, 2013 to receive monies from the ASBA Accounts on the Designated Date.

Public Issue Bank	A bank which is a clearing member and registered with SEBI as a Banker to an Issue and with whom the Public Issue Account will be opened, in this case being ICICI Bank Limited.
Qualified Institutional Buyers / QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, 2018.
Refund Account	Account to which Application monies to be refunded to the Applicants.
Refund Bank(s)	The Banker(s) to the Issue with whom the Refund Account(s) will be opened, in this case being ICICI Bank Limited.
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminal.
Registrar Agreement	The Agreement between the Registrar to the Issue and the Issuer Company dated November 10, 2021 in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar and Share Transfer Agents / RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI.
Registrar to the Issue	Registrar to the Issue being Kfin Technologies Private Limited.
Retail Individual Investors/ RIIs	Individual investors or minors applying through their natural guardians (including HUFs, in the name of Karta and Eligible NRIs) whose Application Amount for Equity Shares in the Issue is not more than ₹2.00 Lakhs.
Revision Form	Form used by the Applicants to modify the quantity of the Equity Shares or the applicant Amount in any of their ASBA Form(s) or any previous Revision Form(s).  QIB Applicants and Non-Institutional Applicants are not allowed to withdraw or lower their applications (in terms of quantity of Equity Shares or the Application Amount) at any stage. Retail Individual Applicants can revise their Application during the Issue Period and withdraw their Applications until Issue Closing Date.
Sponsor Bank	The Banker to the Issue registered with SEBI which is appointed by the issuer to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the RIIs into the UPI, the Sponsor Bank in this case being ICICI Bank Limited.
Underwriters	Finshore Management Services Limited
Underwriting Agreement	The agreement dated February 03, 2022 entered into between the Underwriter and our Company.
UPI/ Unified Payments Interface	Unified Payments Interface (UPI) is an instant payment system developed by the NPCI. It enables merging several banking features, seamless fund routing & merchant payments into one hood. UPI allows instant transfer of money between any two persons bank accounts using a payment address which uniquely identifies a person's bank A/C.
UPI Circulars	SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular number SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020, SEBI circular number SEBI/HO/CFD/DIL2/OW/P/2021/2481/1/M dated March 16, 2021, SEBI circular number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI).
UPI Mandate Request	A request (intimating the RII by way of a notification on the UPI application and by way of a SMS directing the RII to such UPI application) to the RII initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to application Amount and subsequent debit of funds in case of Allotment.
UPI Mechanism	The Application mechanism that may be used by an RII to make an application in the Issue in accordance the UPI Circulars to make an ASBA Applicant in the Issue.
UPI PIN	Password to authenticate UPI transaction.
U.S. Securities Act	U.S. Securities Act of 1933, as amended.
Working Days	Any day, other than the second and fourth Saturdays of each calendar month, Sundays and public holidays, on which commercial banks in Mumbai are open for business; provided however, with reference to (i) announcement of Price Band; and (ii) Issue Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays and public holidays, on which

	commercial banks in Mumbai are open for business; and with reference to (iii) the time period between the Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the circulars issued by SEBI.
Wilful Defaulter (s) or a fraudulent borrower (s)	A person or an issuer who or which is categorized as a wilful defaulter or a fraudulent borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines issued by the Reserve Bank of India, as defined under Regulation 2(1)(III) of SEBI ICDR Regulations 2018.

**CONVENTIONAL AND GENERAL TERMS AND ABBREVIATIONS**

Term	Description
A/c	Account
ACS	Associate Company Secretary
AGM	Annual General Meeting
AIF(s)	Alternative Investment Funds as defined in and registered with SEBI under the SEBI (Alternative Investments Funds) Regulations, 2012.
Air Act	The Air (Prevention and Control of Pollution) Act, 1981
AMP	Automotive Missions Plan 2016-2026
AOP	Association of Persons
AS/ Accounting Standards	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Applications Supported by Blocked Amount
Authorized Dealers	Authorized Dealers registered with RBI under the Foreign Exchange Management (Foreign Currency Accounts) Regulations, 2000.
AY	Assessment Year
Bn	Billion
CA	Chartered Accountant
CAGR	Compound Annual Growth Rate
Category I Foreign Portfolio Investor(s)/ Category I FPIs	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations.
Category II Alternate Investment Fund / Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations.
Category II Foreign Portfolio Investor(s) / Category II FPIs	An FPI who are registered as “Category II Foreign Portfolio Investor” under the SEBI FPI Regulations.
Category III Alternate Investment Fund / Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations.
Category III Foreign Portfolio Investor(s)/ Category III FPIs	An FPI who are registered as “Category III Foreign Portfolio Investor” under the SEBI FPI Regulations.
CCI	The Competition Commission of India
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CGST	Central GST
CIBIL	Credit Information Bureau (India) Limited
CIN	Company Identification Number
CIT	Commissioner of Income Tax
Client ID	Client identification number of the Applicant’s beneficiary account
CLPR Act	Child Labour (Prohibition and Regulation) Act, 1986
Companies Act	Unless specified otherwise, this would imply to the provisions of the Companies Act, 2013 (to the extent notified) and /or Provisions of Companies Act, 1956 w.r.t. the sections which have not yet been replaced by the Companies Act, 2013 through any official notification.
Companies Act 1956	The Companies Act, 1956, as amended from time to time
Companies Act 2013	The Companies Act, 2013 published on August 29, 2013 and applicable to the extent notified by MCA till date.
Consolidated FDI Policy	The current consolidated FDI Policy, effective from August 28, 2017, issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
Contract Act	The Indian Contract Act, 1872

COPRA	The Consumer Protection Act, 1986
CSR	Corporate Social Responsibility
CY	Calendar Year
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, i.e., NSDL and CDSL.
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GOI
DP	Depository Participant, as defined under the Depositories Act 1996
DP ID	Depository Participant's identification
DTC	Direct Tax Code, 2013
E – Waste Rules	E – Waste (Management) Rules, 2016
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
ECS	Electronic Clearing System
EGM/ EOGM	Extraordinary General Meeting
EMDEs	Emerging Markets and Developing Economies
EPA	The Environment Protection Act, 1986
EPF Act	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings per share
ER Act	The Equal Remuneration Act, 1976
ESI Act	The Employees' State Insurance Act, 1948
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance with the FEMA
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations there under.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017
FII(s)	Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India.
Financial Year / Fiscal Year / FY	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.
FIPB	Foreign Investment Promotion Board
Foreign Portfolio Investor /FPIs	A Foreign Portfolio Investor, as defined under the SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors as defined and registered under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations.
GAAP	Generally Accepted Accounting Principles
GIR Number	General Index Registry Number
GoI/Government	Government of India
Gratuity Act	The Payment of Gratuity Act, 1972
GST Act	Goods and Services Tax Act, 2017
Hazardous Wastes Rules	Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008
HNIs	High Networth Individuals
HUF	Hindu Undivided Family
IAS Rules	Indian Accounting Standards, Rules 2015
ICAI	The Institute of Chartered Accountants of India
ICSI	The Institute of Company Secretaries of India
ID Act	The Industrial Disputes Act, 1947
IDRA	The Industrial (Development and Regulation) Act, 1951
IEM	Industrial Entrepreneurs Memorandum
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
IGST	Integrated Goods and Services Tax Act, 2017
IMF	International Monetary Fund
IT Act	Income Tax Act, 1961, as amended from time to time
Indian GAAP	Generally Accepted Accounting Principles in India
IND AS	Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as

	notified under the Companies (Indian Accounting Standard) Rules, 2015
INR or Rupee or ₹ or Rs.	Indian Rupee, the official currency of the Republic of India
Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended.
IPO	Initial Public Offering
IRDAI Investment Regulations	Insurance Regulatory and Development Authority (Investment) Regulations, 2016
ISIN	International Securities Identification Number
ISO	International Organization for Standardization
IST	Indian Standard Time
KM / Km / km	Kilo Meter
KMP	Key Managerial Personnel
Ltd.	Limited
Maternity Benefit Act	Maternity Benefit Act, 1961
MCA	The Ministry of Corporate Affairs.
MCI	Ministry of Commerce and Industry.
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.
MICR	Magnetic Ink Character Recognition
Mn	Million
MoEF	Ministry of Environment and Forests
MoF	Ministry of Finance, Government of India
MOU	Memorandum of Understanding
MSME	Micro, Small and Medium Enterprise
MSMED Act	The Micro, Small and Medium Enterprises Development Act, 2006
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
MWA	Minimum Wages Act, 1948
NA	Not Applicable
NAV	Net Asset Value
NBFC	Non-Banking Financial Company
NI Act	The Negotiable Instruments Act, 1881
No.	Number
NOC	No Objection Certificate
Noise Regulation Rules	The Noise Pollution (Regulation & Control) Rules 2000
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the MCA and are currently in effect.
NPCI	National Payments Corporation of India
NPV	Net Present Value
NR / Non-resident	A person resident outside India, as defined under the FEMA and includes a Non-resident Indian
NRE Account	Non-Resident External Account established and operated in accordance with the FEMA
NRIs	Non-Resident Indians
NRO Account	Non-Resident Ordinary Account established and operated in accordance with the FEMA
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
OEM	Original equipment manufacturer
p.a.	per annum
Pcs	Pieces
P/E Ratio	Price / Earnings Ratio
PAN	Permanent account number
PAT	Profit after Tax
PIL	Public Interest Litigation
PLR	Prime Lending Rate
POB Act	Payment of Bonus Act, 1965
Public Liability Act	The Public Liability Insurance Act, 1991
Pvt./ (P)	Private
QFI(s)	Qualified Foreign Investor(s) as defined under the SEBI FPI Regulations
QIC	Quarterly Income Certificate
RBI	The Reserve Bank of India



R&D	Research & Development
Registration Act	The Indian Registration Act, 1908
Regulation S	Regulation S under the U.S. Securities Act
RoC or Registrar of Companies	Registrar of Companies
ROE	Return on Equity
RONW	Return on Net Worth
Rupees / Rs. / ₹	Rupees, the official currency of the Republic of India
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act, 1933
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012, as amended
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended.
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI LODR Regulations, 2015 / SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as repealed by the SEBI AIF Regulations, as amended.
Sec.	Section
Securities Act	U.S. Securities Act of 1933, as amended
SGST	State Goods and Services Tax Act, 2017
POSH Act	The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME	Small and Medium Enterprise
STT	Securities Transaction Tax
TIN	Taxpayers Identification Number
TDS	Tax Deducted at Source
TM Act	The Trademarks Act, 1999
UGST	Union Territory Goods and Services Tax Act, 2017
UPI	Unified Payments Interface, a payment mechanism that allows instant transfer of money between any two persons bank account using a payment address which uniquely identifies a person's bank account.
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act, 1933
US\$ or USD or US Dollars	United States Dollar, the official currency of the United States of America
USA or U.S. or US	United States of America
VAT	Value Added Tax
Wages Act	Payment of Wages Act, 1936
Water Act	The Water (Prevention and Control of Pollution) Act, 1974
WCA	The Workmen's Compensation Act, 1923

**TECHNICAL/ INDUSTRY RELATED TERMS**

<b>Term</b>	<b>Description</b>
APQP	Advance Product Quality Planning
BS-IV	Bharat Stage- IV
BS-VI	Bharat Stage- VI
CAGR	Compound Annual Growth Rate
CBDT	Central Board of Direct Taxes
CNG	Compressed Natural Gas
CPI	Consumer Price Index
ECU	Electronic Control Unit
EM	Emerging Market
EoIs	Expressions of Interest
EOL	End of Line Machines
ESG	Environmental, Social and Governance
ESOP	Employee Stock Ownership Plan
FDI	Foreign Direct Investment
FMFD	Fueling Monitoring Filtration Delivery Module
FPI	Foreign Portfolio Investment
FY	Fiscal Year
GDP	Gross Domestic Product
GST	Goods and Services Tax
GW	Giga Watt
ICAT	International Centre for Automotive Technology
ICDR	Issue of Capital and Disclosure Requirements
IIP	Index of Industrial Production
IPO	Initial Public Offering
JOB CARD	A process by which material is shipped from Store to Manufacturing/ assembly line
LIC	Life Insurance Corporation of India
LNG	Liquified Natural Gas
M&A	Mergers and Acquisitions
MOQ	Minimum Order Quantity
MSME	Micro, Small & Medium Enterprises
MSP	Minimum Support Price
NCLT	National Company Law Tribunal
OBD-II	On-Board Diagnostics
OEM	Original Equipment Manufacturer
PCB	Printed Circuit Board
PMI	Purchasing Managers' Index
PLI	Production Linked Incentives
PPC	Product Planning and Control Department
RBI	Reserve Bank of India
SEBI	Securities and Exchange Board of India
SIP	Systematic Investment Plan
SME	Small and Medium Enterprise
SRV	Store Receipt Voucher
TAA	Technical Assistance Agreement
UPI	Unified Payments Interface
US	United State
VECV	VE Commercial Vehicles Limited
WEO	World Economic Outlook
WTO	World Trade Organisation

## CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION, INDUSTRY & MARKET DATA AND CURRENCY OF FINANCIAL PRESENTATION

### CERTAIN CONVENTION

In this Prospectus, the terms “we”, “us”, “our”, the “Company”, “our Company” “SQT” and “SCTL”, unless the context otherwise indicates or implies, refers to “*Shigan Quantum Technologies Limited*”.

All references in this Prospectus to “India” are to the Republic of India.

Our Company has presented numerical information in “lakhs” units. One lakh represents 1,00,000.

Unless indicated otherwise, all references to page numbers in this Prospectus are to page numbers of this Prospectus.

### FINANCIAL DATA

Unless stated otherwise, the financial data in this Prospectus is derived from our audited restated financial statements for the period ended August 31, 2021 and Financial Years ended March 31, 2021, 2020 and 2019 prepared in accordance with Indian GAAP, the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, Guidance Note on “Reports in Company Prospectus (Revised 2019)” issued by ICAI and the Indian GAAP which are included in this Prospectus, and set out in “*Restated Financial Statements*” on page 118 of this Prospectus.

In this Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal place and all percentage figures have been rounded off to two decimal places and accordingly there may be consequential changes in this Prospectus.

Our Company’s financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year are to the 12 month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

There are significant differences between Indian GAAP, Ind AS, IFRS and U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and the investors should consult their own advisors regarding such differences and their impact on the financial data. Accordingly, the degree to which the restated financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Prospectus should accordingly be limited.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 20, 71 and 146 respectively of this Prospectus, and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of our Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Statutory Auditor, set out in the section titled “*Restated Financial Statements*” beginning on page 118 of this Prospectus.

### CURRENCY AND UNITS OF PRESENTATION

In this Prospectus, unless the context otherwise requires, all references to (a) ‘Rupees’ or ‘₹’ or ‘Rs.’ or ‘INR’ are to Indian rupees, the official currency of the Republic of India; (b) ‘US Dollars’ or ‘US\$’ or ‘USD’ or ‘\$’ are to United States Dollars, the official currency of the United States of America. All references to the word ‘Lakh’ or ‘Lakhs’, ‘Lac’ or ‘Lacs’, means ‘One hundred thousand’ and the word ‘Million’ means ‘Ten lakh’ and the word ‘Crore’ means ‘Ten Million’ and the word ‘Billion’ means ‘One Thousand Million’.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 20, 71 and 146 respectively of this Prospectus, and elsewhere in this Prospectus, unless otherwise indicated, have been calculated based on our financial statements as restated prepared in accordance with Indian GAAP.

## **INDUSTRY AND MARKET DATA**

Unless stated otherwise, industry and market data used throughout this Prospectus has been obtained or derived from Internal Company reports and industry and Government publications, India Brand Equity Foundation, publicly available information and sources. Industry and Government publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although, our Company believes that industry data used in this Prospectus is reliable, it has not been independently verified either by our Company or the Lead Manager or any of their respective affiliates or advisors.

Further, the extent to which the industry and market data presented in this Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

## **EXCHANGE RATE**

This Prospectus may contain conversion of certain other currency amounts into Indian Rupees that has been presented solely to comply with the SEBI (ICDR) Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

## FORWARD LOOKING STATEMENTS

All statements contained in this Prospectus that are not statements of historical fact constitute forward-looking statements. All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements with respect to our business strategy, our revenue and profitability, our projects and other matters discussed in this Prospectus regarding matters that are not historical facts. Investors can generally identify forward-looking statements by the use of terminology such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “may”, “will”, “will continue”, “will pursue”, “contemplate”, “future”, “goal”, “propose”, “will likely result”, “will seek to” or other words or phrases of similar import. All forward looking statements (whether made by us or any third party) are predictions and are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect.

Further the actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the Financial Services sector in India where we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and overseas which have an impact on our business activities or investments, the monetary and fiscal policies of India and other jurisdictions in which we operate, inflation, deflation, unanticipated volatility in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and/ or acts of violence. Other important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

1. Impact of the COVID-19 pandemic on our business and operations;
2. Our ability to compete effectively;
3. Our Company’s inability to meet its working capital requirements or maintain its existing credit facilities;
4. General economic and business conditions in India and other countries;
5. Our reliance on internet network and our ability to utilize systems in an uninterrupted manner;
6. Effect of lack of infrastructure facilities on our business;
7. Our ability to attract, retain and manage qualified personnel;
8. Dependence on our information technology system;
9. Our ability to successfully implement our growth strategy and expansion plans, technological changes;
10. Changes in fiscal, economic or political conditions in India;
11. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
12. The performance of the Automobile Industry in India;
13. Any adverse outcome in the legal proceedings in which we are involved;
14. The occurrence of natural disasters or calamities;
15. Failure to adapt to the changing technology in our industry of operation may adversely affect our business and financial condition;
16. Failure to obtain any approvals, licenses, registrations and permits in a timely manner;
17. Conflict of Interest with group companies, the promoter group and other related parties;
18. Changes in the value of the Rupee and other currencies;
19. Other factors beyond our control; and
20. Our ability to manage risks that arise from these factors.

*(For further discussions of factors that could cause our actual results to differ, please see the section titled “Risk Factors”, chapters titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 20, 71 and 146 respectively of this Prospectus).*

Neither our Company, our Directors, our Promoters, the Lead Manager nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company will ensure that investors in India are informed of material developments from the date of this Prospectus until the time of the grant of listing and trading permission by the Stock Exchange.



## SECTION II: SUMMARY OF PROSPECTUS

### A. Our Company

Our Company is engaged in the business of designing, developing and manufacturing of varieties of Alternate Fuel Systems including CNG, LNG, Hydrogen Fuel Kit systems to OEM's and others. We manufacture Alternate Fuel Systems for heavy duty vehicles, light duty vehicles and off- highway applications.

Our Company was incorporated in the year 2008 with an object to manufacture alternate fuel systems in India. Subsequently, we have gained expertise in various products in the alternate fuel systems, especially in CNG and LNG fuel kits within automotive industry through our in-house expertise and technical assistance. Since April 2020, our Company has also ventured into manufacturing of Fire Detection & Alarm System and Fire Detection & Suppression System (FDAS & FDSS). The turnover from this newly ventured business activity as on August 31, 2021 is Rs. 85.21 lakhs and March 31, 2021 is Rs. 139.61 lakhs. The installed capacity of manufacturing of FDAS & FDSS is 36,000 nos. per annum, however our Company has manufactured 671 nos. of FDAS & FDSS as on March 31, 2021. *(For further details of our business please refer chapter "Our Business" on page 71 of this Prospectus).*

### B. Industry Overview

The automobile industry in India is the world's fifth largest. India was the world's fifth largest manufacturer of cars and seventh largest manufacturer of commercial vehicles in 2019. Indian automotive industry (including component manufacturing) is expected to reach Rs. 16.16-18.18 trillion (US\$ 251.4-282.8 billion) by 2026.

Increased concern on the environmental pollution caused by conventional auto fuels such as diesel/petrol, Compressed Natural Gas (CNG), an environmentally friendly and clean fuel is opted as an alternate fuel. The use of CNG and LPG would be increased in pollution effected cities. CNG is dispensed using specialized dispensing equipment to the vehicle. In the Automobile sector, there is a continuous growth of CNG stations. *For Further details on Industry, please refer "Industry Overview" chapter on page 66 of this Prospectus.*

### C. Our Promoters

Our Company is promoted by Mr. Shishir Agrawal, Mr. Gagan Agrawal, Shigan Autotronics Private Limited, SA Shigan Trust and GA Shigan Trust. *(For further details, please refer chapter "Our Promoters and Promoters Group" beginning from page no. 107 of this prospectus.)*

### D. Size of the Issue

<b>Equity Shares Offered</b> Present Issue of Equity Shares by our Company	Issue of 45,39,000 Equity Shares of ₹10/- each for cash at a price of ₹50/- per Equity Share (including share premium of ₹40/- per Equity Share) aggregating to ₹2,269.50 Lakhs
<b>Consisting of:</b>	
<b>Fresh Issue</b>	Issue of 45,39,000 Equity Shares of ₹10/- each for cash at a price of ₹50/- per Equity Share (including share premium of ₹40/- per Equity Share) aggregating to ₹2,269.50 Lakhs
<b>Which Comprises:</b>	
<b>Market Maker Reservation Portion</b>	2,28,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹50/- per Equity Share (including share premium of ₹40/- per Equity Share) aggregating to ₹114.00 Lakhs
<b>Net Issue to the Public</b>	43,11,000 Equity Shares of ₹10/- each for cash at a price of ₹50/- per Equity Share (including share premium of ₹40/- per Equity Share) aggregating to ₹2,155.50 Lakhs

### E. Object of the Issue

The IPO Proceeds of the Issue are proposed to be used in accordance with the details provided in the below table:

*(Rs. In Lakhs)*

Sr. No.	Particulars	Estimated Amount	% of total issue size	Amount to be financed from Issue Proceeds
A	To meet Working Capital Requirements	1,681.00	74.07%	1,681.00
B	To finance the purchase of Machinery	395.00	17.40%	395.00
C	General corporate purposes	100.00	4.41%	100.00
D	Issue related expenses	93.50	4.12%	93.50
	<b>Total IPO Proceeds</b>	<b>2,269.50</b>	<b>100.00%</b>	<b>2,269.50</b>

Our fund requirements and deployment thereof are based on internal management estimates of our current business plans and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs or in other financial conditions and business strategy. (For further details, please refer chapter **“Objects of the Issue”** beginning from page no. 57 of this prospectus).

**F. Pre - Issue Shareholding of our Promoters, Promoter Group as a percentage of the paid-up share capital of the Company**

Category of Promoter	Pre – Issue	
	No. of Shares	As a % of paid-up Equity Capital
Promoters	38,49,950	30.37
Promoter Group	88,25,950	69.63
<b>Total</b>	<b>1,26,75,900</b>	<b>100.00</b>

**G. Summary of Restated Financial Information (Rs. In Lakhs)**

Particulars	For the period ended August 31, 2021	For the year ended March 31,		
		2021	2020	2019
Share Capital	253.52	253.52	253.52	200.00
Reserves and surplus	1,721.41	1,432.12	1,080.78	620.13
Net Worth	1,974.93	1,685.64	1,334.30	820.13
Revenue from Operation	6,439.03	9,565.96	7,277.59	6,907.06
Profit after Tax	289.29	351.34	292.07	266.07
Total Borrowings (short term and long-term)	176.66	877.26	686.37	688.80
<b>Other Financial Information.</b>				
Basic & Diluted EPS (₹)	11.41	13.86	11.85	13.30
Return on Net worth (%)	14.65%	20.84%	21.89%	32.44%
Net Asset Value Per Share (₹)	77.90	66.49	52.63	41.01

EPS and NAV not annualised for 31/08/2021.

**H. Qualification of the Auditors**

The Restated Financial Statements do not contain any qualification requiring adjustments by the Auditors. (For further details, please refer chapter **“Financial statement as Restated”** beginning from page no. 118 of this prospectus.)

**I. Summary of Outstanding Litigation are as follows:**

Nature of Case	Number of Cases	Amount Involved* (in Rs.)
<b>Company</b>		
Direct Tax		
E-Proceedings	3	-
Outstanding Demand	1	49,630
TDS	5	433,320
Indirect Tax	NIL	NIL
<b>Directors other than Promoters</b>		
Direct Tax		
E-Proceedings	2	-
Outstanding Demand	NIL	NIL
TDS	N. A.	N. A.
Indirect Tax	NIL	NIL
<b>Promoters</b>		
Direct Tax		
E-Proceedings	5	-
Outstanding Demand	3	12,31,709
TDS	1	200
Indirect Tax	NIL	NIL

\*To the extent quantifiable excluding interest and penalty thereon

(For the details of litigation proceedings, please refer the chapter titled **“Outstanding Litigations and Material Developments”** on page 152 of this Prospectus).

**J. Cross reference to the section titled Risk Factors:**

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 offering. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have neither been recommended nor approved by Securities and Exchange Board of India nor does Securities and Exchange Board of India guarantee the accuracy or adequacy of this prospectus. *(For the details pertaining to the internal and external risk factors relating to the Company, kindly refer to the chapter titled “Risk Factors” beginning on page no. 20 of this prospectus.)*

**K. Summary of Contingent Liabilities**

The following is a summary table of our contingent liabilities as:

Particulars	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
I. Contingent Liabilities	-	-	-	-
(a) claims against the company not acknowledged as debt;	-	-	-	-
(b) guarantees excluding financial guarantees; and	-	-	-	-
(c) other money for which the company is contingently liable.	-	-	-	-
II. Commitments-	-	-	-	-
(a) estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-	-
(b) uncalled liability on shares and other investments partly paid	-	-	-	-
(c) other commitments	-	-	-	-

*(For detailed information on the Contingent Liabilities on our Company, please refer "Annexure XXXI" appearing on page 118 of this Prospectus under Chapter titled “Restated Financial Statements”).*

**L. Summary of Related Party Transactions**

Our Company has entered into certain transactions with our related parties including our Promoters, Promoter Group, Directors, KMP and their relatives as mentioned below:

Name of the related party	Nature of relationship
Shishir Agrawal	Promoter & Director
Gagan Agrawal	Promoter & Director
Gunjan Gupta	Company Secretary
Shigan Evoltz Ltd	Group Company
Arieon Technology Private Limited	Group Company
Shigan Autotronics Private Limited (Formerly known as Saptasagar Shipping Pvt. Ltd.)	Promoter Company
Giridhari Sales Private Limited	Associate Company/Group Company
Rudramala Impex Pvt Ltd	Associate Company/Group Company
CLH Gaseous Fuel Applications Pvt Ltd	Group Company
Shigan Nexgen Technologies LLP	Group entity
Shigan Telematics Pvt Ltd	Group Company
Orient Transport Agency	Group entity

Details of Related Party Transactions is set forth in the table below:

(Rs. In Lakhs)

Name of Related Party	Nature of Relationship	Nature of Transaction	Amount of transaction during the year ended August 31, 2021	Amount outstanding as on August 31, 2021 (Payable)/ Receivable	Amount of transaction during the year ended March 31, 2021	Amount outstanding as on March 31, 2021 (Payable)/ Receivable	Amount of transaction during the year ended March 31, 2020	Amount outstanding as on March 31, 2020 (Payable)/ Receivable	Amount of transaction during the year ended March 31, 2019	Amount outstanding as on March 31, 2019 (Payable)/ Receivable
Shishir Agrawal	Promoter & Director	Consultancy Charges	40.00	-	98.00	-	44.50	-	42.00	-
Gagan Agrawal	Promoter & Director	Consultancy Charges	40.00	-	98.00	-	48.00	-	42.00	-
Gunjan Gupta	KMP	Salary	3.00	-						
Shigan Evoltz Ltd	Group Company	Development Charges	60.00	2.99	235.00	21.23	175.00	-	253.80	(75.37)
		Sales								
Arieon Technology Private Limited	Group Company	Consultancy Charges	-	-	-	-	-	-	1.00	(0.08)
Shigan Autotronics Private Limited (Formally Known as Saptasagar Shipping Pvt Ltd)	Promotor Company	Development Charges	-	-	-	-	10.12	-	10.37	-
		Professional Charges	-	-	-	-	-	(2.30)	9.72	(1.50)
Giridhari Sales Private Limited	Associate/Group Company	Interest Paid	-	-	2.91	-	5.65	-	0.32	-
		Loan Taken	-	-	-	61.00	35.00	(33.21)	105.00	(103.29)
		Loan Repaid	-	-	35.83	-	106.76	-	2.00	-
		Security Deposit Given	-	-	61.00	-	-	-	-	-
Rudramala Impex Pvt Ltd	Associate/Group Company	Interest Paid	-	-	-	-	6.67	-	0.37	-
		Loan Taken	-	-	-	-	114.10	(2.93)	25.00	(25.33)
		Loan Repaid	-	-	2.93	-	142.51	-	-	-
CLH Gaseous Fuel Applications Pvt Ltd	Group Company	Sales	146.57	-	63.57	(822.64)	394.83	(205.64)	303.99	(319.69)
		Purchase	922.70	922.70	1,354.18	-	1,918.45	-	2,408.06	-
		Rent Paid	25.00	-	60.00	-	60.00	-	60.00	-
Shigan Nexgen Technologies LLP	Group Entity	Sales	-	-	-	-	1.60	2.45	-	-
		Service Income	-	-	133.40	-	10.00	-	-	-
Shigan Telematics Pvt Ltd	Group Company	Sales	0.88	-	0.72	-	0.79	(6.60)	-	-
		Loan Taken	-	1.12	-	-	67.00	-	-	-
		Loan Repaid	-	-	7.25	-	61.12	-	-	-
Orient Transport Agency	Group Entity	Freight Paid	-	-	35.11	(32.16)	26.10	(11.51)	-	-

(For detailed information of the Related Party Transactions executed by our Company please refer "Note XXXIII" on page 139 of this Prospectus under the chapter titled "Restated Financial Statements").

**M. Financing Arrangements**

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Prospectus.

**N. Weighted Average Price of the Equity Shares acquired by our Promoters in the last one year preceding the date of this Prospectus**

The weighted average price of Equity Shares acquired by our Promoters in the last one year preceding the date of this Prospectus is as below:

Name of the Promoters	Weighted Average Price (₹)
Mr. Shishir Agrawal	Nil
Mr. Gagan Agrawal	Nil
Shigan Autotronics Pvt Ltd. (Formerly Known Saptasagar Shipping Pvt. Ltd.)	Nil
SA Shigan Trust	Nil
GA Shigan Trust	Nil

Note: Since the acquired shares in last one year did not involve any consideration, the weighted average price of such Equity Shares is "Nil".

**O. Average Cost of Acquisition**

The average cost of acquisition per Equity Share to our Promoters as at the date of this Prospectus is:

Name of the Promoters	No of Shares held	Average cost of acquisition per share (₹) *
Mr. Shishir Agrawal	1,74,975	6.00
Mr. Gagan Agrawal	74,975	16.67
Shigan Autotronics Private Limited (Formerly known as Saptasagar Shipping Private Limited)	24,50,000	2.00
SA Shigan Trust	5,25,000	-
GA Shigan Trust	6,25,000	-

\*The average cost of acquisition of Equity shares by our Promoters has been calculated by taking into account the amount paid by them to acquire, by way of fresh issuance or transfer, the Equity Shares less amount received by them for the sale of Equity Shares through transfer, if any and the net cost of acquisition has been divided by total number of shares held as on date.

**P. Pre-IPO Placement details**

Our Company has not proposed any Pre-IPO Placement in this Issue.

**Q. Issue of Equity Shares for consideration other than cash in the last one year**

Other than as disclosed in "**Capital Structure**" on page 47 of this Prospectus, no Equity Shares have been issued by our Company for consideration other than cash as on the date of this Prospectus.

**R. Split / Consolidation of Equity Shares in the last one year**

Our Company has not undertaken a split or consolidation of the Equity Shares in the one year preceding the date of this Prospectus.



### **SECTION III: RISK FACTORS**

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this Issue including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment.*

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “*Our Business*” beginning on page 71, “*Industry Overview*” beginning on page 66 and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 146, of this prospectus as well as other financial information contained herein.

The following factors have been considered for determining the materiality of Risk Factors:

- Some events may not be material individually but may be found material collectively;
- Some events may have material impact qualitatively instead of quantitatively;
- Some events may not be material at present but may have material impact in future.

The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

The risk factors are classified as under for the sake of better clarity and increased understanding:

#### **INTERNAL RISKS**

##### **A. BUSINESS RELATED RISKS**

***1. Our business is substantially dependent on certain major customers and loss of any one or more of them would have a material adverse effect on our business.***

Our top ten customers contributed 99.89%, 99.86 %, 99.74 % and 99.92 % of our total revenue from operations for the five months period ended August 31, 2021 and for the year ended March 31, 2021, March 31, 2020, March 31, 2019 respectively. However, the composition and revenue generated from these clients might change as we continue to add new customers in normal course of business. Any decline in our quality standards, growing competition and any change in the demand for our products by these customers may adversely affect our ability to retain them. We are dependent on our relationship and orders from major customers for our revenue as well as cash flows. Any impact on the financial health of any of these customers will have a direct bearing on our revenue and cash. If the working capital cycle increases due to delay in payments from them, then it will have direct bearing on our working capital and hence costs. Further, the loss of such clients may be caused because of competition. There may be factors other than our performance, which may not be predictable, which could cause loss of clients. While we are constantly striving to increase our customer base and reduce dependence on any particular customer, there is no assurance that we will be able to broaden our customer base in any future periods, or that our business or results of operations will not be adversely affected by a reduction in demand or cessation of our relationship with any of our major customers.

***2. Our reliance on third parties for certain aspects of our business, including contract labour/ job work, transportation and logistics exposes us to certain risks.***

We rely on third parties for job work/ contract labour and manpower required for the manufacture of our products, as well as for performance of certain functions and services carried out at our manufacturing and office premises. Job work charges constituted 0.06%, 0.82%, 1.02% and 1.39% of our total expenses for the period ended August 31, 2021 and year ended March 31, 2021, 2020 and 2019 respectively. We also rely on transporters for transport and logistics support. Our reliance on third parties for certain critical outsourced job works and on transporters for transport and logistics may affect our timelines for making delivery to our customers.

As we rely on transport and logistics service providers for transporting a portion of our product supplies, any failure on their part to perform their services in the expected manner could result in us breaching our committed delivery timelines.

Factors such as the financial instability of contractors, suppliers, vendors' non-compliance with applicable laws, labour disputes, currency fluctuations, changes in tariff or import policies, severe weather, political uncertainty, terrorist attacks and transport capacity and cost may disrupt our supply chains, which may result in increased costs or delivery delays. Therefore, there is no assurance that third party contractors will be able to meet their contractual commitments to us, or that we will not be required to incur additional costs to remedy any deficiencies in their services. A significant disruption in the availability of contract labour or other third-party services may, in turn, disrupt our operations and adversely affect our inventory management, business and financial condition, at least until alternative sources are arranged.

**3. *The COVID-19 pandemic and resulting deterioration of general economic conditions has impacted our business and results of operations in the past and the extent to which it will impact our future business and results of operations will depend on future developments, which are difficult to predict.***

Since first case being reported in December 2019, the outbreak of COVID-19 has spread globally. The World Health Organization declared the novel coronavirus disease ("COVID-19") outbreak a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020. The rapid and diffused spread of COVID-19 and global health concerns relating to this pandemic have had a severe negative impact on, among other things, financial markets, liquidity, economic conditions and trade and could continue to do so or could worsen for an unknown period of time, that could in turn have a material adverse impact on our business, cash flows, results of operations and financial condition, including liquidity and growth. The extent to which the COVID-19 outbreak impacts our business, cash flows, results of operations and financial condition will depend on future developments, including on the duration and severity of the pandemic, the nature and scope of government actions to contain it, and the potential impact on global and national economic conditions, including inflation, interest rates, availability of capital markets, consumer spending rates, energy availability and costs (including fuel surcharges), which are highly uncertain and cannot be predicted. The scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and are likely to be severe. In addition, while the Government of India in coordination with the state governments have started the bulk immunization process or vaccination drive since January 16, 2021, achieving a complete vaccination scale may take significant amount of time. There is also no assurance that the vaccines that are developed will be fully effective and/ or may not have side effects.

Further, our manufacturing unit is currently operating subject to certain social distancing and additional safety measures, such as, regular temperature checks, regular sanitization, and compulsory use of masks and hand sanitization. While we have not been able to determine any material impact on our operations and results on account of COVID-19 in the previous Fiscal, our Company has witnessed a lower quantum of sales in previous years. In addition, recently, throughout March and April 2021, due to an increase in the number of daily COVID-19 cases, several state governments in India re-imposed lockdowns, curfews and other restrictions to curb the spread of the virus. As a result of the detection of new strains and subsequent waves of COVID-19 infections in several states in India as well as throughout various parts of the world, we may be subject to further reinstatements of lockdown protocols or other restrictions, which may adversely affect our business operations. We continue to closely monitor the impact that COVID-19 may have on our business operations.

**4. *The premises used by our Company i.e., the registered office and manufacturing unit & corporate Office are not owned by our Company and in case of unavailability of these properties, it would impact our operations, results and financial condition adversely.***

Our registered office i.e., at Shyam Kunj, 183A, Sainik Farms, Western Avenue, New Delhi Delhi-110062 and our manufacturing unit & corporate Office i.e., at Hall No. 2, 3, 6, 7 & 8 situated at Ground floor and First floor, Shyam Udyog Parisar, Khasra No. 25/1, 15/3/2 Alier Bhangrola Road, IMT Manesar, Gurgaon - 122505, Haryana is not owned by our Company.

Presently, our Promoter, who owns the premises where our registered office is situated, has given his consent for it to be used for the said purpose without any rent. In the event such arrangements are ceased or terminated, it could adversely affect our operation unless we arrange for similar premises. Any termination of such arrangement or our Promoter's inability to continue the arrangement, could adversely affect our operations. We may not be able to find suitable locations in time or at all in the location required which may cease the various benefits that were reaped earlier. Also, we may have to rent or acquire registered office/manufacturing unit/corporate office location at a rent or price which may be much higher than the prevailing market rates, which would require an immediate cash outflow. This may result in additional cost, disruption of day-to-day activities and increased rent burden which would adversely affect our financial condition. For details regarding properties taken on lease and license refer the section titled "**Our Business**" on page no. 71 of this prospectus.

**5. *An inability to compete effectively in the competitive automotive components industry could result in the loss of customers, which could have an adverse effect on our business, results of operations, financial condition, and future prospects.***

We compete globally with a number of other automotive component manufacturers and distributors that produce and sell products similar to ours. The automotive industry is highly competitive, and we face global competition in our business, which is based on many factors, including product quality and reliability, product range, product design and innovation,

manufacturing capabilities, distribution channels, scope and quality, price, customer loyalty and brand recognition. We as business have very little pricing power. As with any other auto component manufacturer our sales and pricing are tightly monitored and controlled by OEMs. We have very less say in pricing and many times we have to accept the margins and aggressive timelines in terms of bringing costs down. We compete with various competitors to retain our existing business as well as winning new business for the new and redesigned existing components of our automotive. Our failure to obtain new business or to retain or increase our existing business could adversely affect our financial results. In addition, we may incur significant expense in preparing to meet anticipated customer requirements which may not be recovered.

We also encounter competition from similar and alternative products. Additionally, as we further expand our presence in emerging markets we face competitive price pressures from low-cost producers in these markets, and we expect such price pressures to increase as our customers continue to expand their manufacturing footprints in these markets, thereby providing opportunities for local manufacturers to compete.

If our competitors outperform our business and develop superior products at a lesser cost in a timely manner, our growth and financial results could be adversely affected. In addition, manufacturers that do not currently compete with us could expand their product portfolios to include products that would compete directly with ours. Changes in the product focus of larger manufacturers could also result in such manufacturers establishing relationships with our customers that reduce or replace entirely our business with those customers. Larger manufacturers could also encourage price competition or acquire small manufacturers in an effort to displace smaller manufacturers. In addition, certain large customers to whom we currently sell certain products could decide to compete with us as manufacturers of these products. Any of these developments, alone or in combination, could have a material adverse effect on our business, financial condition and results of operations. ***Pricing pressure from customers may affect our gross margin, profitability and ability to increase our prices, which in turn may materially adversely affect our business, results of operations and financial condition.***

Pursuing cost-cutting measures while maintaining rigorous quality standards may lead to an erosion of our margins, which may have a material adverse effect on our business, results of operations and financial condition. In addition, estimating amounts of such price reductions is subject to risk and uncertainties, as any price reduction is the result of negotiations and other factors. Accordingly, suppliers must be able to reduce their operating costs in order to maintain profitability. Such price reductions may affect our sales and profit margins. If we are unable to offset customer price reductions in the future through improved operating efficiencies, new manufacturing processes, sourcing alternatives and other cost reduction initiatives, our business, results of operations and financial condition may be materially adversely affected. Our customers also negotiate for larger discounts in price as the volume of their orders increase. In addition, substantially all of our systems and components are customized to specific customer requirements, which requires us to incur significant costs in setting up our capabilities to manufacture these products, which may or may not be fully recovered from the customers. To maintain our profit margins, we focus on developing new systems and components, the benefits of which support stable or increased prices. In addition, we seek price reductions from our suppliers, improved production processes to increase manufacturing efficiency and streamlined product designs to reduce costs.

There can be no assurance that we will be able to avoid future customer price reductions or offset the impact of any such price reductions through continued technology improvements, improved operational efficiencies, cost-effective sourcing alternatives, new manufacturing processes, cost reductions or other productivity initiatives, which may adversely affect our business, financial condition and results of operations.

**6. *Our business is dependent on certain suppliers and loss of any one or more of them would have a material adverse effect on our business.***

Our Company procured 74.50% for the period ended August 31, 2021, 75% for the year ended March 31, 2021, 89% for the year ended March 31, 2020 and 92% for the year ended March 31, 2019 of its total raw material purchased from its top 10 suppliers.

We are dependent on our top 10 suppliers for our raw materials and certain components used in the manufacture of our products. We select suppliers based on total value (including total landed price, quality, delivery, and technology), taking into consideration their production capacities and financial condition and expect that they will deliver in accordance with our quality standards and comply with their contractual obligations with us. However, there can be no assurance that capacity limitations, industry shortages, labour or social unrest, weather emergencies, commercial disputes, government actions, riots, wars, sabotage, cyber- attacks, non-conforming parts, acts of terrorism, “Acts of God” such as fire, earthquake, floods, natural disasters and other events beyond human control, financial or operational instability of suppliers or other problems that our suppliers experience will not result in occasional shortages or delays in their supply of components to us. We are dependent upon the ability of our suppliers to meet performance and quality specifications and delivery schedules. The inability of a supplier to meet these requirements, the loss of a significant supplier, or any labour issues or work stoppages at a significant supplier could disrupt the supply of raw materials and parts to our facilities, preventing our Company from delivering to its customers, or cause returns of products under warranty or product recalls. This would have a material adverse impact on our customer relations, reputation and business and also generate additional

costs for our Company such as exceptional transportation costs and costs related to finding alternative suppliers within constrained timelines which could adversely impact our financial condition.

If we were to experience a significant or prolonged shortage of critical components from any of our suppliers and could not procure the raw materials or components from other sources, we would be unable to meet the production schedules for some of our key products and could miss customer delivery expectations. We cannot assure you that our suppliers will continue to supply the required components or raw materials to us or supply such raw materials and components at prices favourable to us, particularly at a time that we face substantial pressure to reduce the prices of our products. Any change in the supplying pattern of our raw materials can adversely affect our business, financial conditions and results of operations.

**7. *Our insurance coverage may not adequately protect us against all material hazards and the policies do not cover all risks.***

Our business could suffer damage from fire, natural calamities, misappropriation or other causes, resulting in losses, which may not be fully compensated by insurance. We maintain a standard fire and special perils insurance policy for certain movable and immovable assets, and for stock and tools and an insurance for Marine transport insurance. Our insurance policies, however, may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. Further, with respect to the insurances maintained by us, we cannot assure you that the terms of our insurance policies will be adequate to cover any damage or loss suffered by us or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. Further, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time. To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected.

**8. *Our operations have significant raw material requirements, and we may not be able to ensure the availability of the raw materials at competitive prices, which may adversely affect results of our operations.***

The success of our operations depends on our ability to source raw materials at competitive prices. Principal raw materials that we use in our production are aluminium components, brass components, steel components, plastic granules & plastic components, bare PCB, semi-conductor components & pressure die casting components etc. among others. We also purchase products which we use directly as input materials, including materials which do not require any processing. We procure these raw materials from various suppliers in the industry. Our ability to identify and build relationships with reliable vendors contributes to our growth and our successful management of our inventory as well as other aspects of our operations. Our raw material and component suppliers may fail to consistently deliver products of acceptable quality and within stipulated schedules, which may adversely affect our operations. We may be required to replace a vendor if its products or services do not meet our quality or performance standards or if a vendor should unexpectedly discontinue operations due to reasons beyond its or our control (including financing constraints caused by credit market conditions). Change in cost and availability of such raw materials for any reason, including change in the approved suppliers would adversely affect our business, financial condition, results of operations and prospects.

Further, increase in competition and/ or our competitors having established operations and long-term relationships with suppliers may see us facing challenges to secure adequate supply of raw materials or may increase our overall cost of raw materials. However, there is no assurance that third party suppliers will be able to meet their commitments to us, or that we will not be required to incur additional costs to remedy any deficiencies in their services or to obtain alternative sources of supply in the event that our suppliers should default or be delayed in their performance. A significant disruption in supply of raw material may, in turn, disrupt our operations and adversely affect our inventory management, business and financial condition, at least until alternative sources of supply of goods and services are arranged.

**9. *Our Company has not placed orders for machinery worth Rs. 895.00 Lakhs for our proposed objects, as specified in the chapter “Objects of the Issue”. Any delay in placing orders, procurement of machinery may delay our implementation schedule and may also lead to increase in price of the machinery, further affecting our revenue and profitability.***

As on date of the prospectus, we have not placed orders for machinery required and have only identified the machinery required to be bought towards proposed objects. However, we are yet to place orders for the machinery worth Rs. 895.00 lakhs as detailed in the “Objects of the Issue” on page 57 of this prospectus. These are based on our estimates and on third-party quotations, which are subject to a number of variables, including possible cost overruns, changes in management’s views of the desirability of current plans, change in supplier of machinery, among others, which may have an adverse effect on our business and results of operations. Further, we cannot assure that we would be able to procure the machinery or procure the same within budgeted costs and timelines. Delays in acquisition of the same could result in the cost and time overrun which in turn would have a material adverse effect on our business, results of operations and



financial condition. For further details, please refer to the chapter titled “*Objects of the Issue*” on page 57 of this prospectus.

**10. We face foreign exchange risks as we export certain products manufactured by our Company to outside India and import certain raw materials from outside India which could adversely affect our results of operations.**

We import certain of our raw-materials from overseas market and also export certain of our products to overseas market as such we are exposed to fluctuations in foreign exchange rates between foreign and Indian currencies. We are exposed to the risk of incurring potential losses if currencies fluctuate significantly. Any such losses on account of foreign exchange fluctuations may adversely affect our results of operations.

Further our import purchase amounted to 29% for the period ended August 31, 2021, 25% and for the financial year ended March 31, 2021, 17% for the financial year ended March 31, 2020 and 20% for the financial year ended March 31, 2019 of total materials purchased by our Company. Our export sales amounted to 1% for the period ended August 31, 2021, 0.05% for the financial year ended March 31, 2021, 1% for the financial year ended March 31, 2020 and 1% for the financial year ended March 31, 2019 of total revenue from operations of our Company.

**11. We have significant power, water and fuel requirements and any disruption to power or water sources could increase our production costs and adversely affect our results of operations.**

We require substantial power, water and fuel for our manufacturing facilities, and energy costs represent a significant portion of the production costs for our operations. Our Manufacturing Unit is taken on lease from one of our Group Companies i.e., CLH Gaseous Fuel Application Private Limited and the power, fuel and water charges incurred by our Company are included in the rent paid to CLH Gaseous Fuel Application Private Limited. If energy or water costs were to rise, or if electricity or water supplies or supply arrangements were disrupted, our profitability could decline.

The cost of electricity from state electricity boards could be significantly higher, thereby adversely affecting our cost of production and profitability. Interruptions of electricity supply can result in production shutdowns, increased costs associated with restarting production and the loss of production in progress. If energy or water costs were to rise, or if electricity or water supplies or supply arrangements were disrupted, our profitability could decline.

**12. Our operations are subject to high working capital requirements. If we are unable to generate sufficient cash flows to allow us to make required payments, there may be an adverse effect on our results of operations.**

Our business requires significant amount of working capital and major portion of our working capital is utilized towards debtors, creditors, inventories, security deposits and cash and cash equivalents. As on October 12, 2021, we have been sanctioned financing facilities of Rs. 1368.25 from ICICI Bank and Rs. 1400.00 lakhs (including Fund and Non-Fund based limits) from HDFC Bank Limited. Our inability to maintain sufficient cash flow, credit facility and other sources of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations. For further details, please refer to chapter titled “*Statement of Financial Indebtedness*” beginning on page 144 of this prospectus.

**13. Our Company has reported certain negative cash flows on the basis of Restated Financial Statements, details of which are given below. Sustained negative cash flow could impact our growth and business in the future.**

Our Company has reported certain negative cash flows from its operating, investing and financing activities as per the Restated financial statements and the same are summarized as under:

(Rs. in Lakhs)

Particulars	August 31, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Net Cash Flow from Operating Activities	748.90	298.38	346.68	138.62
Net Cash Flow from Investing Activities	(19.02)	(161.80)	(451.33)	(28.75)
Net Cash Flow from Financing Activities	(762.81)	58.39	112.09	(102.57)

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans, and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows in future, it may adversely affect our business and financial operations.

**14. We require a number of approvals, NOCs, licenses, registrations and permits in the ordinary course of our business. Some of the approvals are required to be transferred in the name of Shigan Quantum Technologies Limited from Shigan Quantum Technologies Private Limited pursuant to name change of our Company and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.**

We require several statutory and regulatory permits, licenses and approvals to operate our business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Inability to obtain or non-renewal of the said permits and licenses would adversely affect our Company’s operations, thereby having a material adverse effect on our business, results of operations and financial condition. Further, we are required to keep already obtained valid key approvals such as Tax Registrations, IEC Code, for running our operations in a smooth manner. We have to ensure that we register and renew our intellectual property or trademarks which are currently not registered. There can be no assurance



that the relevant authorities will issue any of such permits or approvals in the time-frame anticipated by us or at all. Further, some of our permits, licenses and approvals are subject to several conditions and we cannot provide any assurance that we will be able to continuously meet such conditions or be able to prove compliance with such conditions to the statutory authorities, which may lead to the cancellation, revocation or suspension of relevant permits, licenses or approvals. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business.

For further details, please see chapters titled “**Key Industry Regulations and Policies**” and “**Government and Other Approvals**” at pages 79 and 155 respectively of this prospectus.

**15. *Our Promoters play key role in our functioning and we heavily rely on their knowledge and experience in operating our business and therefore, it is critical for our business that our Promoters remain associated with us. Also, our success depends on our key managerial personnel and our ability to attract and retain them. Any loss of our key person could adversely affect our business, operations and financial condition.***

We are highly dependent on few key people in managing operations and if for any reason they were to leave the organisation, it will have an adverse impact on the operations of our Company. The success of our business operations is attributable to our Promoters, Directors and the Key Managerial Personnel. We believe that our relationship with our Promoters, who have rich experience in markets, managing customers and handling overall businesses, has enabled us to experience growth and profitability. Our Promoters have been actively involved in the day-to-day operations and management since the incorporation of our Company. Further, our Promoters have also promoted other companies/ firms/ ventures and may continue to do so. If they divert their attention to the other companies, we may not be able to function as efficiently and profitably as before. We may have to incur additional costs to replace the services of our Promoters or we may not be able to do so at all, which could adversely affect our business operations and affect our ability to continue to manage and expand our business.

We also depend significantly on the expertise, experience and continued efforts of our technical and servicing team, hence, our performance and success substantially depend on the ability to attract and retain our key employees, including our management team and experienced personnel. There can be no assurance that any member of our senior management or other experienced personnel will not leave us in the future. The lack of or loss of the services of such key persons in the organization could seriously impair our ability to continue to manage and expand our business. Our success is also dependent on our continuous ability to identify, hire, train retain and motivate technical team, servicing team and sales and marketing personnel. Competition for personnel in our industry is intense, and the availability of suitable and qualified candidates is limited. If we fail to hire and retain our employees, the loss of their services could harm our business operations and financial condition could be adversely affected.

**16. *Our Promoters/Directors/Group Companies have provided personal / corporate guarantees for loan facilities obtained by our Company, and any failure or default by our Company to repay such loans in accordance with the terms and conditions of the financing documents could trigger repayment obligations on them, which may impact their ability to effectively service their obligations as our Promoters/Directors and thereby, impact our business and operations.***

Our Promoters/Directors and our Corporate Promoter & Group Companies have provided Personal/ Corporate guarantees towards loan facilities taken by our Company from ICICI Bank Limited and may continue to provide such guarantees and other securities post listing. Any default or failure by us to repay the loans in a timely manner, or at all could trigger repayment obligations of our guarantors in respect of such loans, which in turn, could have an impact on their ability to effectively service their obligations as Promoters/Directors of our Company, thereby having an effect on our business, results of operation and financial condition. Furthermore, in the event that these individuals or companies withdraw or terminate their guarantees, our lenders for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lender, and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could affect our financial condition and cash flows. For further details, please refer to chapter titled “**Statement of Financial Indebtedness**” beginning on page 144 of this prospectus.

**17. *There are outstanding legal proceedings involving our Company, Promoters and Directors. Any adverse decision in such proceedings may have a material adverse effect on our business, results of operations and financial condition.***

We are involved in certain legal proceedings which are pending at different levels of adjudication before various courts, tribunals, enquiry officers, and appellate authorities. We cannot provide assurance that these legal proceedings will be decided in our favour. Any adverse decisions in any of the proceedings may have a significant adverse effect on our business, results of operations, cash flows and financial condition. A summary of the pending civil and other proceedings involving our Company is provided below:

A classification of legal proceedings is mentioned below:

Nature of Case	Number of Cases	Amount Involved (in Rs.)
<b>Company</b>		
Direct Tax		
E-Proceedings	3	-
Outstanding Demand	1	49,630
TDS	5	4,33,320
Indirect Tax	NIL	NIL
<b>Directors other than Promoters</b>		
Direct Tax		
E-Proceedings	2	-
Outstanding Demand	NIL	NIL
TDS	N. A.	N. A.
Indirect Tax	NIL	NIL
<b>Promoters</b>		
Direct Tax		
E-Proceedings	5	-
Outstanding Demand	3	12,31,709
TDS	1	200
Indirect Tax	NIL	NIL

For further details of litigation proceedings, please refer the chapter titled “*Outstanding Litigations and Material Developments*” on page 152 of this prospectus.

**18. Our failure to keep our technical knowledge confidential could erode our competitive advantage.**

We possess certain technical knowledge about our products. Our technical knowledge is a significant independent asset, which may not be adequately protected by intellectual property rights such as patent registration. Our technical knowledge is protected only by secrecy. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run. Even if all reasonable precautions, whether contractual or otherwise, are taken to protect our confidential technical knowledge of our products and business, there is still a danger that certain proprietary knowledge may be leaked, either inadvertently or wilfully, at various stages of the production process. A significant number of our employees have access to confidential design and product information and there can be no assurance that this information will remain confidential. Moreover, certain of our employees may leave us and join our various competitors. Although we may seek to enforce non-disclosure agreements in respect of research and development and certain other key employees, we cannot guarantee that we will be able to successfully enforce such agreements. We also have non-disclosure arrangements with a number of our customers and suppliers, as part of the general supply or purchase agreements, but we cannot assure you that such agreements will be successful in protecting our technical knowledge. In the event that the confidential technical information in respect of our products or business becomes available to third parties or to the general public, any competitive advantage that we may have over other companies in the automotive components sector could be harmed. If a competitor is able to reproduce or otherwise capitalise on our technology, it may be difficult, expensive or impossible for us to obtain necessary legal protection. Consequently, any leakage of confidential technical information could have an adverse effect on our business, results of operations, financial condition and future prospects.

**19. If we are unable to accurately forecast demand for our products and plan production schedules in advance, our business, cash flows, financial condition, results of operations, and prospects may be adversely affected.**

The volume and timing of sales to our customers may vary due to variation in demand for our customers’ products, our customers’ attempts to manage their inventory, design changes, changes in their product mix, manufacturing strategy and growth strategy, and macroeconomic factors affecting the economy in general, and our customers in particular. Our inability to forecast the level of customer demand for our products, process innovation, and value engineering costs as well as our inability to accurately schedule our raw material purchases and production and manage our inventory may adversely affect our business and cash flows from operations. In particular, our inability to accurately forecast demand for products in our emerging product verticals may hinder our planned growth in these verticals.

**20. Our Company is dependent on the continuing operation of our manufacturing facilities.**

Any significant interruption in manufacturing at our facilities could have a material adverse effect on our business, results of operations and financial condition. Our Company manufactures substantially all of the products at our manufacturing facility located at Gurgaon, which are subject to the normal risks of industrial production, including equipment breakdowns, labour stoppages, natural disasters, industrial accidents, power interruptions etc. In case of any disruption at such facilities, it may adversely affect the manufacturing cycle, and may lead to time over-run in the execution of the project. The manufacturing facility requires a significant amount and continuous supply of electricity and any shortage or non-availability of electricity may adversely affect our operations. For further information, please refer to the chapter “*Our Business*” on page no. 71 of this prospectus.

**21. Major fraud, lapses of internal control or system failures could adversely impact our Company's business.**

Our Company is vulnerable to risk arising from the failure of employees to adhere to approved procedures, system controls, fraud, system failures, information system disruptions, communication systems failure and interception during transmission through external communication channels or networks. Failure to protect fraud or breach in security may adversely affect our Company's operations and financial performance. Our reputation could also be adversely affected by significant fraud committed by our employees, agents, customers or third parties.

**22. Product liability and other civil claims and costs incurred as a result of product recalls could harm our business, results of operations and financial condition.**

We face an inherent business risk of exposure to product liability or recall claims, in the event that our products fail to perform as expected or such failure results, we may be subject to claims resulting from our manufacturing defects or failure to satisfy the requirements of our customers. These claims may include payment for the replacement of a product. Even unsuccessful product liability claims would likely require us to incur substantial expenses on litigation, divert management's time, adversely affect our goodwill and impair the marketability of our products. Although, we undergo complete testing in-house we are liable for the quality of the products manufactured by us.

We do not carry insurance for product liability or recall. We cannot assure you that such claims will not be brought against us in the future, and any adverse determination may have an adverse effect on our business, results of operations and financial condition. Further, our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding our Company, brand, or products or mishaps resulting from the use of our products, or any other unforeseen events could affect our reputation and our results from operations.

**23. Industrial accidents at our manufacturing facility may adversely affect our operation.**

Our manufacturing facilities are subject to operating risks resulting in fatal accidents which can cause injury to the labour and employees of our Company and this could also cause damage to the property and plant and machinery situated at the factory which could have an adverse effect on our operations. Though, we have taken adequate safety measures in order to avoid such mishaps, but in case of any such happening of the event out of our control, we cannot assure you whether it will be sufficient or not. Further occurrence of such accidents could impact our production schedules, costs, revenue and ability to meet customer demand.

**24. We are subject to stringent labour laws.**

Labour disputes could lead to lost production and increased costs. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for discharge of employees and dispute resolution and imposes financial obligations on employers upon employee layoffs. As a result of such stringent labour regulations, it is difficult for us to maintain flexible human resource policies, discharge employees or downsize, which may adversely affect our business, financial condition and results of operations. Additional labour unrest could result due to the operative labour union within our workforce. We cannot assure you that there will not be any strikes or work stoppages in the future, which could have an adverse impact on our operations, particularly given our dependence on a large workforce. For further details, please see "**Key Industrial Regulations and Policies**" on page no. 79 of this prospectus.

**25. Any delay or defaults in receipt of payments or dues from our customers could result in a reduction of our profits.**

We regularly commit resources prior to receiving payments from our customers. We may be subject to working capital shortages due to delays or defaults in receipt of payments or dues from such customers. If our customers default in their payments or if any order/ assignment in which we have invested significant resources is delayed, cancelled or curtailed, it could have a material adverse effect on our business, financial condition and results of operations.

**26. Our inability to manage our growth may disrupt our business and reduce our profitability.**

A principal component of our strategy is to broaden the product mix and increase penetration in markets, also expand our global sales. This growth strategy will place significant demands on our management, financial and other resources. It will require us to continuously develop and improve our operational, financial and internal controls. Continuous upgradation increases the challenges involved in retaining high quality human resources, technology upgradation for manufacturing automotive components, financial management, and developing and improving our internal administrative infrastructure. Any inability on our part to manage such growth could disrupt our business prospects, impact our financial condition and adversely affect our results of operations.

**27. Technology failures could disrupt our operations and adversely affect our business operations and financial performance.**

IT systems are critical to our ability to manage our operations. Our IT systems enable us to coordinate our operations, from planning, production scheduling and raw material ordering, invoicing, customer relationship management and decision support. If we do not allocate and effectively manage the resources necessary to build and sustain the proper IT infrastructure, we could be subject to transaction errors, processing inefficiencies, customer service disruptions and, in

some instances, loss of customers. In addition, technological advances from time to time may result in our systems, methods or processing facilities becoming obsolete. Any significant upgrade to or replacement of our systems could require considerable capital expenditure, which could affect our results of operations and financial condition.

**28. *The present production capacity installed at our manufacturing unit is not fully utilized.***

The installed capacity at our manufacturing unit is not fully utilized. The underutilization of the available capacity can affect our capacity to fully absorb fixed cost and thus may impact our manufacturing efficiency. The underutilization of installed capacity in future may affect profitability due to increase in per unit fixed cost of production. For further details of installed capacity and utilization, please refer to chapter titled “*Our Business*” beginning on page 71 of the prospectus.

**29. *Our business is seasonal in nature.***

Demand for our products is seasonal in nature. As a result, we usually experience relatively weaker sales volume from April to September and somewhat stronger sales in other months. We expect our results of operations will continue to be affected by seasonality in the future.

**30. *Our lenders have charge over immovable and movable properties in respect of finance availed by us.***

We have secured our lenders by creating a charge over immovable and movable properties in respect of Working Capital facilities availed by us from ICICI Bank and HDFC Bank Limited as on October 12, 2021. We have been extended such loans against hypothecation of property owned by one of our Group Company i.e., CLH Gaseous Fuel Applications Private Limited.

For further information on the financing and loan agreements along with the total amounts outstanding and the other details, please refer to chapter “*Statement of Financial Indebtedness*” beginning on page 144 of this prospectus.

**31. *There is no guarantee that our Equity Shares will be listed on the Stock Exchanges in a timely manner or at all.***

In accordance with Indian law and practice, permission to list the Equity Shares will not be granted until after the Equity Shares have been issued and allotted. Approval will require all other relevant documents authorizing the issuing of our Equity Shares to be submitted. There could be a failure or delay in listing our Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

**32. *Our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures and there can be no assurance that we will be able to pay dividends in the future.***

We currently intend to invest our future earnings, if any, to fund our growth. The amount of our future dividend payments, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements and capital expenditures. Hence, there can be no assurance that we will be able to pay dividends in the future.

**33. *The requirements of being a listed company may strain our resources.***

We are not a listed Company and have not, historically, been subjected to the increased scrutiny of our affairs by shareholders, regulators and the public at large that is associated with being a listed company. As a listed company, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur as an unlisted company. We will be subject to the listing agreements with the Stock Exchange and compliances of SEBI Listing Regulations which will require us to file audited annual and unaudited half yearly and limited review reports with respect to our business and financial condition. If we experience any delays, we may fail to satisfy our reporting obligations and/or we may not be able to readily determine and accordingly report any changes in our results of operations as promptly as other listed companies which may adversely affect the financial position of our Company.

As a listed company, we will need to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, including keeping adequate records of daily transactions to support the existence of effective disclosure controls and procedures, internal control over financial reporting and additional compliance requirements under the Companies Act, 2013. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, significant resources and management oversight will be required. As a result, management’s attention may be diverted from other business concerns, which could adversely affect our business, prospects, financial condition and results of operations. In addition, we may need to hire additional legal and accounting staff with appropriate listed company experience and technical accounting knowledge and we cannot assure you that we will be able to do so in a timely manner.

**34. *Our Company shares its registered office with our Group Companies.***

The registered office of our Company located at Shyam Kunj, 183A, Sainik Farms, Western Avenue, New Delhi – 110062, India is shared with our Group Companies i.e., CLH Gaseous Fuel Applications Private Limited and Arieon Technology Private Limited. Under Section 12 of Companies Act, 2013, every company is required to maintain a registered office which can receive and acknowledge all communications and notices as may be addressed to the company. As a result of



having the same registered, there may be confusion related to the receipt of documents and notices, which may further lead to miscommunications, loss of documents and conflicts of interests.

For details regarding Group Companies, please refer to Chapter titled “*Our Group Companies*” on page 113.

**35. *Information relating to our production capacities and the historical capacity utilization of our production facilities included in this prospectus is based on certain assumptions and has been subjected to rounding off and future production and capacity utilization may vary.***

Information relating to our production capacities and the historical capacity utilization of our production facilities included in this prospectus is based on various assumptions and estimates of our management, including proposed operations, assumptions relating to availability and quality of raw materials, assumptions relating to operational efficiencies, as well as assumptions in relation to the average density of products manufactured by us. Actual production levels and utilization rates may differ significantly from the estimated production capacities or historical estimated capacity utilization information of our facilities. Undue reliance should therefore not be placed on our production capacity or historical estimated capacity utilization information for our existing facilities included in this prospectus. For further information, see the section titled “*Our Business*” on page 71 of this prospectus.

**36. *The Objects of the Offer for which funds are being raised, are based on our management estimates and have not been appraised by any bank or financial institution or any independent agency. The deployment of funds will be entirely at our discretion, based on the parameters as mentioned in the chapter titled “Objects of the Offer”.***

The fund requirement and deployment, as mentioned in the “*Objects of the Issue*” on page 57 of this prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter “*Objects of the Issue*” is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter “*Objects of the Issue*” will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

**37. *The availability of counterfeit products, such as products passed off as our systems and components by others, could adversely affect our goodwill and results of operations.***

Entities in India and abroad could pass off their own products as ours, including counterfeit or pirated products. Certain entities could imitate our brand name, packaging materials or attempt to create look alike products. As a result, our market share could be reduced due to replacement of demand for our systems and components and deficiency in the quality of the counterfeit products will adversely affect our goodwill. We have also invested in our systems and components to distinguish it and to prevent counterfeit versions of our products from being distributed in the markets. The proliferation of counterfeit and pirated products, and the time and attention lost to defending claims and complaints about counterfeit products could have an adverse effect on our goodwill and our business, prospects, results of operations and financial condition could suffer.

**38. *Our Promoters and the Promoter Group will jointly continue to retain majority shareholding in our Company after the Issue, which will allow them to determine the outcome of the matters requiring the approval of shareholders.***

Our Promoters along with the promoter group will continue to hold collectively almost 73.63% of the Post issue Equity Share Capital of our Company. As a result of the same, they will be able to exercise significant influence over the control of the outcome of the matter that requires approval of the majority shareholders’ vote. Such a concentration of the ownership may also have the effect of delaying, preventing or deterring any change in the control of our Company. In addition to the above, our Promoters will continue to have the ability to take actions that are not in or may conflict with our interest or the interest of some or all of our minority shareholders, and there is no assurance that such action will not have any adverse effect on our future financials or results of operations.

**39. *We are subject to certain restrictive covenants in debt facilities provided to us by our lenders.***

We have entered into agreements for availing debt facilities from lenders. Certain covenants in these agreements require us to obtain approval/permission from our lenders in certain conditions. In the event of default or the breach of certain covenants, our lender has the option to make the entire outstanding amount payable immediately. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business.

For further details in this regard, please refer to chapter titled “*Statement of Financial Indebtedness*” beginning on page 144 of this prospectus.

**40. Our Company has in the past entered into related party transactions and may continue to do so in the future**

We have entered into and may in the course of our business continue to enter into transactions specified in the Restated Financial Information contained in this prospectus with related parties that include our Promoters, Directors, Promoter Group and Group Companies. For further details in relation to our related party transactions, please see annexure XXXIII for “**Related Party Transactions**” on page 139 of this prospectus. While we believe that all such transactions have been conducted on an arm’s length basis and in the ordinary course of business, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we may enter into related party transactions in future too. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, including specific compliance requirements such as obtaining prior approval from audit committee, the board of directors and shareholders for certain related party transactions. There can be no assurance that such transactions, individually or in the aggregate, will not have a material effect on our financial condition and results of operations.

**41. We appoint contract labour for carrying out certain of our operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations and financial condition**

In order to retain flexibility and control costs, our Company appoints independent contractors who in turn engage on-site contract labour for performance of certain of our operations. Although our Company does not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractors. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition. Any order from a regulatory body or court may have an adverse effect on our business, results of operations and financial condition.

**42. In addition to normal remuneration, other benefits and reimbursement of expenses some of our Directors are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.**

Some of our Directors are interested in our Company to the extent of their shareholding and dividend entitlement in our Company, in addition to normal remuneration or benefits or reimbursement of expenses taken by the Directors of our Company. We cannot assure you that our Directors would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, our Directors will continue to exercise significant control over our Company, including being able to control the composition of our board of directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Our Directors may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that our Directors will always act to resolve any conflicts of interest in our favour, thereby affecting our business and results of operations and prospects.

**43. The average cost of acquisition of Equity Shares by our Promoters could be lower than the Issue Price.**

Our Promoters’ average cost of acquisition of Equity Shares in our Company may be lower than the Issue Price as may be decided by our Company, in consultation with the Lead Manager. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the chapter titled “**Capital Structure**” beginning on page 47 of this prospectus.

**44. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the issue proceeds may delay the implementation schedule.**

The proposed fund requirement for our business, as detailed in the section titled “**Objects of the Issue**” is to be funded from the proceeds of this IPO. We have not identified any alternate source of funding and hence any failure or delay on our part to mobilize the required resources or any shortfall in the Issue proceeds may delay the operations. We, therefore, cannot assure that we would be able to execute our future plans/strategy within the given timeframe. For details, please refer to the Chapter titled “**Objects of the Issue**” beginning on page 57 of this prospectus.

**45. There is no monitoring agency appointed by Our Company to monitor the utilization of the Issue proceeds.**

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Offer size above ₹10,000 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, our Company shall inform about material deviations in the utilization of issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.



## **ISSUE RELATED RISKS**

**1. *There are restrictions on daily/weekly/monthly movements in the price of the Equity Shares, which may adversely affect a shareholders' ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.***

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

**2. *After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.***

The price of the Equity Shares on the Stock Exchange may fluctuate as a result of the factors, including:

1. Volatility in the Indian and global capital market;
2. Company's results of operations and financial performance;
3. Performance of Company's competitors,
4. Adverse media reports on Company or pertaining to the automobile Industry;
5. Changes in our estimates of performance or recommendations by financial analysts;
6. Significant developments in India's economic and fiscal policies; and
7. Significant developments in India's environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

**3. *You will not be able to sell immediately on Stock Exchange any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.***

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in the prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with Section 40 of the Companies Act, 2013, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

**4. *The Issue price of our Equity Shares may not be indicative of the market price of our Equity shares after the issue.***

The Issue price of our Equity Shares has been determined by fixed price method. This price is based on numerous factors and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuation after the issue and may decline below the issue price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue price. For further details you may refer chapter titled "**Basis for Issue Price**" beginning on the page 70 of this prospectus.

Some of the factors which may affect our share price without limitations are as follows:

- Reports on research by analysts.
- Changes in revenue
- Variations in growth rate of our financial indicators such as earning per share, income, profit etc.
- General Market Condition
- Domestic and International Economy.
- Fuel price movement like Brent prices for crude, LNG, etc.

**5. *Sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the Trading price of the Equity Shares.***

Any instance of disinvestments of equity shares by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

## **EXTERNAL RISKS**

### **A. INDUSTRY RELATED RISKS**

**1. *Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

Our business and industry are regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

**2. *Malpractices by some players in the industry affect overall performance of emerging companies.***

The industry in which our Company operates is subject to risk associated with unethical business practices such as unethical marketing, dishonest advertising, questionable pricing practices, inaccurate claims with regards to safety and efficacy of the product etc. Consumers' attitude toward the industry today is dominated by a sense of mistrust, paving a way for regulators for stricter entry barriers and introduction of code of conducts; making the entire industry environment regulated and controlled. Malpractices by some players in the industry affects the overall performance of the emerging Companies like ours as the industry norms are applicable to all at parity. Any unethical business practices by any industry player or intermediary may impact our business and results of operations.

### **B. OTHER RISKS**

**1. *You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.***

Previously, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months was not subject to long term capital gains tax in India if Securities Transaction Tax ("STT") was paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of Equity Shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, the Finance Act, 2018, now seeks to tax on such long-term capital gains exceeding ₹ 100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

**2. *Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements, prepared and presented in accordance with SEBI ICDR Regulations contained in this prospectus.***

As stated in the reports of the Auditor included in this prospectus under chapter "**Restated Financial Statements**" beginning on page 128 the financial statements included in this prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this prospectus. Accordingly, the degree to which the financial information included in this prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this prospectus should accordingly be limited.

**3. *Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information

technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

**4. *Financial instability in Indian Financial Markets could adversely affect our Company's results of operation and financial condition.***

In this globalized world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other emerging economies, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our Company's business, operations, financial condition, profitability and price of its Shares.

**5. *We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and our industry contained in the prospectus.***

While facts and other statistics in this prospectus relating to India, the Indian economy and our industry has been based on various government publications and reports from government agencies and other agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled "**Industry Overview**" beginning on page 74 of this prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

**6. *Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency a magnitude, which may negatively affect our stock prices.

**7. *Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

**8. *The extent and reliability of Indian infrastructure could adversely affect our Company's results of Operations and financial condition.***

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy; disrupt the transportation of goods and supplies, and costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

**9. *Natural calamities could have a negative impact on the Indian economy and cause Our Company's business to suffer.***

India has experienced natural calamities such as earthquakes, tsunami, floods etc. In recent years, the extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

**10. *Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, London, China, Taiwan, Japan, Australia, Sweden, Italy, etc. and other acts of violence may adversely affect the Indian stock markets as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

**11. *Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

**SECTION IV: INTRODUCTION****THE ISSUE**

The following is the summary of the Issue:

<b>Equity Shares Offered</b> <sup>(1)</sup> Present Issue of Equity Shares by our Company <sup>(2)</sup>	Issue of 45,39,000 Equity Shares of ₹10/- each for cash at a price of ₹50/- per Equity Share (including share premium of ₹40/- per Equity Share) aggregating to ₹2,269.50 Lakhs
<b>Out of which:</b>	
Market Maker Reservation Portion	2,28,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of ₹50/- per Equity Share (including share premium of ₹40/- per Equity Share) aggregating to ₹114.00 Lakhs
Net Issue to the Public <sup>(3)</sup>	43,11,000 Equity Shares of ₹10/- each for cash at a price of ₹50/- per Equity Share (including share premium of ₹40/- per Equity Share) aggregating to ₹2,155.50 Lakhs
<b>Out of which:</b>	
<b>Allocation to Retail Individual Investors for upto ₹2.00 Lakh</b>	21,57,000 Equity Shares of ₹10/- each at a price of ₹50/- per Equity Share (including share premium of ₹40/- per Equity Share) aggregating to ₹1078.50 Lakhs
<b>Allocation to Non-Institutional Investors for above ₹2.00 Lakh</b>	21,54,000 Equity Shares of ₹10/- each at a price of ₹50/- per Equity Share (including share premium of ₹40/- per Equity Share) aggregating to ₹1077.00 Lakhs
<b>Pre and Post-Issue Equity Shares</b>	
<b>Equity Shares outstanding prior to the Issue</b>	1,26,75,900 Equity Shares of ₹10/- each
<b>Equity Shares outstanding after the Issue*</b>	1,72,14,900 Equity Shares of ₹10/- each
<b>Objects of the Issue</b>	Please refer to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 57 of this Prospectus
<b>Issue Opens on</b>	February 28, 2022
<b>Issue Closes on</b>	March 03, 2022

\*Assuming full allotment

<sup>(1)</sup> The present Issue is being made by our Company in terms of Regulation 229(2) of the SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post-Issue paid-up equity share capital of our Company are being offered to the public for subscription.

<sup>(2)</sup> The present Issue has been authorized pursuant to a resolution of our Board dated January 27, 2022 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held with a shorter notice on February 02, 2022.

<sup>(3)</sup> This Issue is being made in terms of Section IX of the SEBI (ICDR) Regulations 2018, as amended from time to time. The Issue is being made through the Fixed Price method and hence, as per Regulation 253, sub regulation (2) of SEBI (ICDR) Regulations 2018, the allocation in the net issue to public category shall be made as follow:

- Minimum 50% (fifty percent) to Retail Individual Investors; and
- Remaining to:
  - a. Individual applicants other than retail individual investors; and
  - b. other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;

Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

**Explanation to Regulations 253 of ICDR Regulations, 2018:** If the retail individual investor category is entitled to more than fifty percent of the issue size on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage. (For further details please refer to the chapter titled “*Issue Structure*” beginning on page 174 of this Prospectus).



## SUMMARY OF FINANCIAL INFORMATION

## RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

Sr. No.	Particulars	As at August 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
	<b>EQUITY AND LIABILITIES</b>				
<b>1)</b>	<b><u>Shareholders' Funds</u></b>				
	a. Share Capital	253.52	253.52	253.52	200.00
	b. Reserves & Surplus	1,721.41	1,432.12	1,080.78	620.13
<b>2)</b>	<b><u>Non - Current Liabilities</u></b>				
	a. Long-term Borrowings	108.20	114.87	11.80	10.62
	b. Long-term Provisions	53.59	49.34	60.63	35.74
<b>3)</b>	<b><u>Current Liabilities</u></b>				
	a. Short Term Borrowings	68.46	762.39	674.57	678.18
	b. Trade Payables	1,789.71	1,499.57	267.98	537.22
	c. Other Current liabilities	590.52	317.36	109.43	122.89
	d. Short Term Provisions	93.76	100.40	14.77	0.87
	<b>TOTAL</b>	<b>4,679.17</b>	<b>4,529.57</b>	<b>2,473.48</b>	<b>2,205.65</b>
	<b>ASSETS</b>				
<b>1)</b>	<b><u>Non-Current Assets</u></b>				
	a. Property, Plant & Equipment				
	- Tangible Assets	303.52	307.50	210.04	154.64
	- Intangible Assets	233.19	257.98	4.20	6.12
	- Capital Work-in-Progress	-	-	344.15	-
	b. Deferred Tax Assets (net)	26.62	23.66	24.33	15.16
	c. Long-term Loans & Advances	5.43	65.43	4.43	8.63
<b>2)</b>	<b><u>Current Assets</u></b>				
	a. Inventories	1,402.05	1,209.75	1,311.66	1,414.35
	b. Trade Receivables	766.97	1,118.93	431.18	482.92
	c. Cash and Cash Equivalents	184.27	217.20	22.23	14.79
	d. Short term loan and advances	1,757.05	1,329.10	121.24	109.02
	e. Other current assets	0.02	0.02	0.02	0.02
	<b>TOTAL</b>	<b>4,679.17</b>	<b>4,529.57</b>	<b>2,473.48</b>	<b>2,205.65</b>

For further details, kindly refer the chapter titled "**Financial statement as Restated**" beginning on page 118 of this prospectus.

**RESTATED STATEMENT OF PROFIT AND LOSS***(Rs. in Lakhs)*

<b>Sr. No.</b>	<b>Particulars</b>	<b>For the period ended August 31, 2021</b>	<b>For the year ended March 31, 2021</b>	<b>For the year ended March 31, 2020</b>	<b>For the year ended March 31, 2019</b>
<b>A</b>	<b>INCOME</b>				
	Revenue from Operations	6,439.03	9,565.96	7,277.59	6,907.06
	Other income	0.73	36.30	1.19	1.36
	<b>Total Income (A)</b>	<b>6,439.76</b>	<b>9,602.26</b>	<b>7,278.78</b>	<b>6,908.42</b>
<b>B</b>	<b>EXPENDITURE</b>				
	Cost of Materials Consumed	4,994.64	6,404.92	5,103.69	4,702.28
	Manufacturing Expenses	777.73	1,471.40	753.46	1,008.97
	Changes in inventories of finished goods	(279.28)	9.99	57.99	(111.35)
	Employee benefits expense	173.25	313.88	352.10	250.94
	Finance costs	65.85	133.81	109.01	149.07
	Depreciation and amortization expense	48.52	156.86	54.90	47.17
	Other expenses	271.22	639.48	454.26	485.33
	<b>Total Expenses (B)</b>	<b>6,051.93</b>	<b>9,130.34</b>	<b>6,885.41</b>	<b>6,532.41</b>
<b>C</b>	<b>Profit before tax (A-B)</b>	<b>387.83</b>	<b>471.92</b>	<b>393.37</b>	<b>376.01</b>
<b>D</b>	<b>Tax Expense:</b>				
	(i) Current tax	101.50	119.91	110.47	112.31
	(ii) Deferred tax	(2.96)	0.67	(9.17)	(2.37)
	(iii) Excess/(Short) Provision for earlier years	-	-	-	-
	<b>Total Tax Expenses (E)</b>	<b>98.54</b>	<b>120.58</b>	<b>101.30</b>	<b>109.94</b>
<b>E</b>	<b>Profit for the year (C-D)</b>	<b>289.29</b>	<b>351.34</b>	<b>292.07</b>	<b>266.07</b>
<b>F</b>	<b>Earnings per share (Face value of ₹ 10/- each):</b>				
	<b>i. Basic</b>	<b>11.41</b>	<b>13.86</b>	<b>11.85</b>	<b>13.30</b>
	<b>ii. Diluted</b>	<b>11.41</b>	<b>13.86</b>	<b>11.85</b>	<b>13.30</b>

For further details, kindly refer the chapter titled “*Financial statement as Restated*” beginning on page 118 of this prospectus.

**RESTATED STATEMENT OF CASH FLOWS**

(Rs. in Lakhs)

Particulars	For the period ended August 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
<b><u>Cash Flow from Operating Activities:</u></b>				
Net Profit before tax as per Profit and Loss A/c	387.83	471.92	393.37	376.01
<b>Adjustments for:</b>				
Finance Cost Paid	65.85	133.81	109.01	149.07
Depreciation and Amortization	48.52	156.86	54.90	47.17
Interest Income	(0.73)	(2.16)	(1.19)	(1.36)
Repair & Maintenance Expenses for earlier periods	-	-	-	(3.22)
Amount written-off	-	100.20	-	-
<b>Operating Profit Before Working Capital Changes</b>	<b>501.47</b>	<b>860.63</b>	<b>556.09</b>	<b>567.67</b>
Adjusted for (Increase)/Decrease in operating assets				
Long-Term Loans and advances	60.00	(61.00)	-	-
Inventories	(192.30)	101.91	102.69	(641.43)
Trade Receivables	351.96	(687.75)	51.74	318.03
Short Term Loans and advances	(427.95)	(1,207.86)	(12.22)	24.09
Adjusted for Increase/(Decrease) in operating liabilities:				
Trade Payables	290.14	1,131.39	(269.24)	(6.97)
Other Current Liabilities	269.47	206.63	(14.89)	(35.55)
Provisions	4.79	(11.11)	25.81	0.22
<b>Cash Generated from Operations Before Extra-Ordinary Items</b>	<b>857.58</b>	<b>332.84</b>	<b>439.98</b>	<b>226.06</b>
Net Income Tax paid/ refunded	(108.68)	(34.46)	(93.29)	(87.44)
<b>Net Cash Flow from/ (used in) Operating Activities: (A)</b>	<b>748.90</b>	<b>298.38</b>	<b>346.69</b>	<b>138.62</b>
Purchase of Fixed Assets (Including Capital WIP)	(19.75)	(163.95)	(452.53)	(30.11)
Interest Income	0.73	2.16	1.19	1.36
<b>Net Cash Flow from/ (used in) Investing Activities: (B)</b>	<b>(19.02)</b>	<b>(161.79)</b>	<b>(451.34)</b>	<b>(28.75)</b>
<b><u>Cash Flow from Financing Activities:</u></b>				
Proceeds from Issue of Equity Shares	-	-	222.10	-
Net Increase/(Decrease) in Borrowings	(700.60)	190.89	(2.43)	43.81
Finance cost paid	(62.21)	(132.51)	(107.58)	(146.38)
<b>Net Cash Flow from/ (used in) Financing Activities (C)</b>	<b>(762.81)</b>	<b>58.38</b>	<b>112.09</b>	<b>(102.57)</b>
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(32.93)	194.97	7.44	7.30
Cash & Cash Equivalents as At Beginning of the Year	217.20	22.23	14.79	7.49
<b>Cash &amp; Cash Equivalents as At End of the Year</b>	<b>184.27</b>	<b>217.20</b>	<b>22.23</b>	<b>14.79</b>

For further details, kindly refer the chapter titled “Financial statement as Restated” beginning on page 118 of this prospectus.

**GENERAL INFORMATION**

Our Company was originally incorporated as “*Shigan Quantum Technologies Private Limited*” on October 20, 2008 at New Delhi as a private limited company under the Companies Act, 1956 with the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, our Company was converted into Public Limited Company pursuant to special resolution passed by the shareholders of our Company in their meeting held on September 29, 2021 and the name of our Company was changed to “*Shigan Quantum Technologies Limited*” and a Fresh Certificate of Incorporation consequent upon conversion of Company to Public Limited dated October 12, 2021 was issued by Registrar of Companies, Delhi, being Corporate Identification Number U72200DL2008PLC184341. (For further details in relation to the changes in the name of our Company, registered office and other details, please refer to the chapter titled “*History and Certain Other Corporate Matters*” beginning on page 87 of this Prospectus).

<b>BRIEF COMPANY AND ISSUE INFORMATION</b>	
<b>Registration Number</b>	184341
<b>Corporate Identification Number</b>	U72200DL2008PLC184341
<b>Date of Incorporation</b>	October 20, 2008
<b>Address of Registered Office</b>	<i>Shigan Quantum Technologies Limited</i> Shyam Kunj, 183-A, Sainik Farms, Western Avenue, New Delhi, -110062, India <b>Tel:</b> +91 9818159357 <b>Email:</b> cs@shigan.net <b>Website:</b> www.shigan-quantum.com
<b>Address of Corporate Office</b>	<i>Shigan Quantum Technologies Limited</i> Hall No. 2, 3, 6, 7 & 8, Ground floor and First floor, Shyam Udyog Parisar, Khasra No. 25/1, 15/3/2 Alier Bhangrola Road, IMT Manesar Gurugram- 122505 Haryana, India <b>Tel:</b> +91 9818162569 <b>Email:</b> cs@shigan.net
<b>Address of Registrar of Companies</b>	<b>Registrar of Companies, Delhi</b> 4th floor, IFCI Tower 61, Nehru Place, New Delhi-110019, India
<b>Designated Stock Exchange ^</b>	<b>National Stock Exchange of India Limited (NSE)</b> SME Platform of NSE (“NSE EMERGE”) <b>Address:</b> Exchange Plaza, Plot no. C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai – 400051
<b>Chief Financial Officer</b>	<b>Mr. Nathu Singh Tawar</b> <i>Shigan Quantum Technologies Limited</i> Hall No. 2, 3, 6, 7 & 8, Ground floor and First floor, Shyam Udyog Parisar, Khasra No. 25/1, 15/3/2 Alier Bhangrola Road, IMT Manesar Gurugram- 122505 Haryana, India <b>Tel:</b> +91 9818159357 <b>Email:</b> cfo@shigan.net <b>Website:</b> www.shigan-quantum.com
<b>Company Secretary and Compliance Officer</b>	<b>Ms. Gunjan Gupta</b> <i>Shigan Quantum Technologies Limited</i> Hall No. 2, 3, 6, 7 & 8, Ground floor and First floor, Shyam Udyog Parisar, Khasra No. 25/1, 15/3/2 Alier Bhangrola Road, IMT Manesar Gurugram- 122505 Haryana, India <b>Tel:</b> +91 9818162569 <b>Email:</b> cs@shigan.net <b>Website:</b> www.shigan-quantum.com

^ In compliance with Regulation 230(1)(a) of SEBI (ICDR) Regulation, 2018, we have made an application to NSE on the EMERGE Platform only for listing of our equity shares.

**OUR BOARD OF DIRECTORS**

*Details regarding our Board of Directors as on the date of this Prospectus are set forth in the table hereunder:*

Name	Designation	DIN	Age	Address
Mr. Shishir Agrawal	Managing Director	00054871	55 Years	183-A, Shyam Kunj, Western Avenue, Sainik Farms, New Delhi-110062, India
Mr. Gagan Agrawal	Joint Managing Director	00054879	48 Years	183-A, Shyam Kunj, Western Avenue, Sainik Farms, New Delhi-110062, India
Mr. Balraj Bhanot	Independent Director	00993431	78 Years	D-35, Hauz Khas, Delhi- 110016, India
Mr. Vijay Lal Toshavda	Independent Director	09307539	62 Years	Flat No- 40-D, Pocket A-3, Everest Apartments, Kalkaji Extension, New Delhi- 110019, India
Ms. Shubhangi Agarwal	Independent Woman Director	08135535	31 Years	D-742, 1 <sup>st</sup> Floor, VTC Saraswati Vihar S.O, Delhi- 110034, India

For further details of the Board of Directors, please refer to the Section titled **“Our Management”** beginning on page no 94 of this prospectus.

**DETAILS OF KEY INTERMEDIARIES PERTAINING TO THIS ISSUE OF OUR COMPANY:**

LEAD MANAGER OF THE ISSUE	REGISTRAR TO THE ISSUE
<b>FINSHORE MANAGEMENT SERVICES LIMITED</b> ‘Anandlok’, Block-A, 2 <sup>nd</sup> Floor, Room No. 207, 227 A.J.C Bose Road, Kolkata-700020, West Bengal <b>Telephone:</b> +91 – 33 – 22895101 <b>Email:</b> ramakrishna@finshoregroup.com <b>Website:</b> www.finshoregroup.com <b>Investor Grievance Email:</b> info@finshoregroup.com <b>Contact Person:</b> Mr. S. Ramakrishna Iyengar <b>SEBI Registration No:</b> INM000012185 <b>CIN No:</b> U74900WB2011PLC169377	<b>KFin Technologies Private Limited</b> (Formerly known as Karvy Fintech Private Limited) Selenium Tower-B, Plot 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032, Telangana <b>Tel. No.:</b> +91-40 6716 2222 <b>Fax.:</b> +91 40 2343 1551 <b>Email:</b> shigan.ipo@kfintech.com <b>Investor Grievance Email:</b> einward.ris@kfintech.com <b>Website:</b> www.kfintech.com <b>Contact Person:</b> Mr. M Murali Krishna <b>SEBI Registration No.:</b> INR000000221 <b>CIN:</b> U72400TG2017PTC117649
LEGAL ADVISOR TO THE ISSUE	STATUTORY AUDITOR OF THE COMPANY
<b>M/S. M. V. KINI, LAW FIRM</b> Kini House, 6/39 Jangpura-B, New Delhi – 110014, India <b>Tel No.:</b> +91 – 11 – 24371038/39/ 40 <b>Email:</b> raj@mvkini.com <b>Website:</b> www.mvkini.com <b>Contact Person:</b> Ms. Raj Rani Bhalla	<b>M/s Saria Gupta &amp; Co.</b> 10174/1A, Gurudwara Road, Karol Bagh, New Delhi – 05 <b>Tel No.:</b> 011-28753774 <b>Email:</b> sariaguptaco@yahoo.co.in <b>Contact Person:</b> Mr. Sachin Singhal <b>Membership Number:</b> 550213 <b>Firm Registration No.:</b> 003168N <b>Peer Review No:</b> 012414
BANKER TO THE COMPANY	BANKER TO THE COMPANY
<b>ICICI Bank Limited</b> Plot A-12, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi, 110044 <b>Tel. No.:</b> +91 7428967146 <b>Email:</b> alok.mishra@icicibank.com <b>Website:</b> www.icicibank.com <b>Contact Person:</b> Mr. Alok Mishra	<b>HDFC Bank Limited</b> D1 & 2 Shopping Centre 2, Vasant Vihar, New Delhi, Delhi-110057. <b>Tel. No.:</b> +91 8375817785 <b>Email:</b> rajeem.khan@hdfcbank.com <b>Website:</b> www.hdfcbank.com <b>Contact Person:</b> Mr. Rajeem Khan
ADVISOR TO THE COMPANY	BANKERS TO THE ISSUE / SPONSOR BANK
<b>Dolce Vita Trusteeship Services LLP</b> M8/B1 Jhulelal Apartment, Pitam Pura, New Delhi-110034 <b>Tel No.:</b> +91 9818382488 <b>Email:</b> shammi@dolcevitatrusters.com <b>Website:</b> www.dolcevitatrusters.com <b>Contact Person:</b> Mr. Shammi Khanna	<b>ICICI Bank Limited</b> Capital Market Division, 1 <sup>st</sup> Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai-400020 <b>Tel No.:</b> 022-66818911/23/24 <b>Email:</b> sagar.welekar@icicibank.com <b>Website:</b> www.icicibank.com <b>Contact Person:</b> Mr. Sagar Welekar



**INVESTOR GRIEVANCES:**

Investors may contact the Company Secretary and Compliance Officer and /or the Registrar to the Issue and/or Lead Manager in case of any Pre-Issue or Post-Issue related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account and non-receipt of funds by electronic mode.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the Application Form was submitted, giving full details such as Name of the Sole or First Applicant, Application Form number, Applicant's DP ID, Client ID, PAN, address of Applicant, number of Equity Shares applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for Retail Individual Investors who make the payment of Application Amount through the UPI Mechanism), date of Application Form and the name and address of the relevant Designated Intermediary where the Application was submitted. Further, the Applicant shall enclose the Acknowledgment Slip or the application number from the Designated Intermediary in addition to the documents or information mentioned hereinabove. All grievances relating to Applicants submitted through Registered Brokers may be addressed to the Stock Exchanges with a copy to the Registrar to the Issue.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and subject to applicable law, any ASBA Applicant whose Application has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. Further, the investors shall be compensated by the SCSBs at the rate higher of ₹100 or 15% per annum of the application amount in the events of delayed or withdrawal of applications, blocking of multiple amounts for the same UPI application, blocking of more amount than the application amount, delayed unblocking of amounts for non-allotted/partially-allotted applications for the stipulated period. In an event there is a delay in redressal of the investor grievance in relation to unblocking of amounts, the Lead Manager shall compensate the investors at the rate higher of ₹100 or 15% per annum of the application amount.

**CHANGES IN AUDITORS DURING LAST THREE FINANCIAL YEARS**

There has been no change in the auditors of our Company during the last 3 years.

**SELF-CERTIFIED SYNDICATE BANKS**

The list of SCSBs notified by SEBI for the ASBA process is available on the SEBI website at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, or at such other website as may be prescribed by SEBI from time to time. A list of the Designated SCSB Branches with which an ASBA Applicant, (other than an RII using the UPI Mechanism), not Applying through Syndicate or through a Registered Broker, may submit the ASBA Forms, is available at the abovementioned link, and at such other websites as may be prescribed by SEBI from time to time.

Further, the branches of the SCSBs where the Designated Intermediaries could submit the ASBA Form of Applicants is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time

**INVESTORS BANKS OR ISSUER BANKS FOR UPI**

In accordance with UPI Circulars, RIIs applying via UPI Mechanism may apply through the SCSBs and mobile applications, whose names appear on the website of SEBI

(<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>), as updated from time to time. A list of SCSBs and mobile applications, which are live for applying in public issues using UPI mechanism is provided as 'Annexure A' to the SEBI circular, bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019.

**REGISTERED BROKERS**

The list of the Registered Brokers eligible to accept ASBA forms, including details such as postal address, telephone number and e-mail address, is provided on the website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) at

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

**REGISTRAR AND SHARE TRANSFER AGENTS**

The list of the RTAs eligible to accept Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI on

<https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

#### **COLLECTING DEPOSITORY PARTICIPANTS**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, respectively, as updated from time to time.

#### **STATEMENT OF RESPONSIBILITY OF THE LEAD MANAGER/ STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES**

Since Finshore Management Services Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities amongst Lead Manager is not required.

#### **CREDIT RATING**

This being an Issue of Equity Shares, there is no requirement of credit rating for the Issue.

#### **IPO GRADING**

Since the Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, there is no requirement of appointing an IPO Grading agency.

#### **EXPERT OPINION**

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Statutory Auditor namely, M/s Saria Gupta & Co., Chartered Accountants, to include their name in respect of the reports on the Restated Financial Statements dated January 31, 2022 and the Statement of Possible Special Tax Benefits dated January 31, 2022 issued by them and included in this Prospectus, as required under section 26(1)(a)(v) of the Companies Act, 2013 in this Prospectus and as “Expert” as defined under section 2(38) of the Companies Act, 2013 and such consent has not been withdrawn as on the date of this Prospectus.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

#### **TRUSTEES**

This is an issue of equity shares hence appointment of trustees is not required.

#### **DEBENTURE TRUSTEES**

As the Issue is of Equity Shares, the appointment of Debenture trustees is not required.

#### **MONITORING AGENCY**

Since the proceeds from the Fresh Issue does not exceed ₹10,000 lakhs in terms of Regulation 262 (1) of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. However, as per Section 177 of the Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

#### **APPRAISAL AGENCY**

Our Company has not appointed any appraising agency for appraisal of the Project.

#### **FILING OF ISSUE DOCUMENT**

In terms of Regulation 246(1) of the SEBI (ICDR) Regulations, 2018, a copy of the Prospectus shall be filed with the Board (SEBI) through the Lead Manager, immediately upon filing of the offer document with the Registrar of Companies. However, as per Regulation 246(2) of the SEBI (ICDR) Regulations, 2018, the Board (SEBI) shall not issue any observation on the offer document.

In terms of Regulation 246(5) of the SEBI (ICDR) Regulations, 2018, a copy of this Prospectus shall also be furnished to the Board in a soft copy.

A copy of the Prospectus shall be filed electronically with the SEBI through the SEBI intermediary portal at <https://sipportal.sebi.gov.in> in terms of the circular (No. SEBI/HO/CFD/DIL1/CIR/P/2018/011) dated January 19, 2018 issued by the SEBI and with the Designated Stock Exchanges. Further, in light of the SEBI notification dated March 27, 2020, a copy of the Prospectus will be mailed at the e-mail address: [cfdil@sebi.gov.in](mailto:cfdil@sebi.gov.in)

A copy of the Prospectus, along with the documents required to be filed under Section 26 & 32 of the Companies Act, 2013 would be delivered for filing to the **Registrar of Companies – Delhi**.

**Issue Programme**

Issue Opening Date	February 28, 2022
Issue Closing Date	March 03, 2022
Finalisation of Basis of Allotment with NSE EMERGE	March 08, 2022
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts or UPI linked Bank A/c	March 09, 2022
Credit of Equity Shares to demat accounts of the Allottees	March 10, 2022
Commencement of trading of the Equity Shares on NSE EMERGE	March 11, 2022

**Note:** The above timetable is indicative in nature and does not constitute any obligation on the Company or the Lead Manager. While our Company shall ensure that all the steps for completion of all the necessary formalities for the listing and trading of our equity shares on the EMERGE Platform of NSE are taken within 6 working days of the issue closing date, the time table may change due to various factors such as extension of the issue period by the Company or any delay in receiving final listing and trading approval from the NSE. The Commencement of the trading of Equity shares will be entirely at the discretion of the NSE EMERGE in accordance with the applicable laws.

**WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice will be issued by our Company within two (2) Working Days of the Issue Closing Date, providing reasons for not proceeding with the Issue. The notice of withdrawal will be issued in the same newspapers where the pre-issue advertisements have appeared, and the Stock Exchange will also be informed promptly. The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs and Sponsor Bank (in case of RII's using the UPI Mechanism), to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through this prospectus, which our Company will apply for only after Allotment.

**UNDERWRITING AGREEMENT**

In terms of Regulation 260 (1) of the SEBI (ICDR) Regulations, 2018, the initial public offer shall be underwritten for hundred per cent (100%) of the offer and shall not be restricted up to the minimum subscription level and as per sub regulation (2) The lead manager(s) shall underwrite at least fifteen per cent of the issue size on their own account(s).

Our Company and Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated February 03, 2022. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriter have indicated its intention to underwrite the following number of specified securities being offered through this Issue:

Details of the Underwriter	No. of Equity shares to be underwritten	Amount Underwritten	% of the Total Issue Size Underwritten
<b>Finshore Management Services Limited</b> Anandlok, Block-A, 2nd Floor, Room No. 207, 227 A.J.C. Bose Road, Kolkata-700020, India <b>Tel No:</b> +91-33-22895101 <b>Website:</b> <a href="http://www.finshoregroup.com">www.finshoregroup.com</a> <b>Email:</b> <a href="mailto:ramakrishna@finshoregroup.com">ramakrishna@finshoregroup.com</a> <b>Investor Grievance Email:</b> <a href="mailto:info@finshoregroup.com">info@finshoregroup.com</a> <b>Contact Person:</b> Mr. S. Ramakrishna Iyengar <b>SEBI Registration No:</b> INM000012185	45,39,000 Equity Shares *	₹2,269.50 Lakhs	100

\*Includes 2,28,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker vide their agreement dated February 03, 2022 in order to comply with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.

As per Regulation 260(2) of SEBI (ICDR) Regulations, 2018, the Lead Manager has agreed to underwrite to a minimum extent of 15% of the Issue out of its own account. In the opinion of the Board of Directors (based on certificate given by the Underwriter), the resources of the above-mentioned Underwriter is sufficient to enable them to discharge their respective underwriting obligations in full. The above-mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act or registered as broker with the Stock Exchange.

#### **DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS ISSUE**

Our Company has entered into Market Making Agreement dated February 03, 2022 with the Lead Manager and Market Maker to fulfil the obligations of Market Making:

The details of Market Maker are set forth below:

<b>Name</b>	Nikunj Stock Brokers Limited
<b>Address</b>	A-92, Ground Floor, Left Portion, Kamla Nagar, New Delhi-110092
<b>Tel no.</b>	+91 9810655378
<b>Email</b>	<a href="mailto:complianceofficer@nikunjonline.com">complianceofficer@nikunjonline.com</a>
<b>Contact Person</b>	Mr. Anshul Aggarwal
<b>CIN</b>	U74899DL1994PLC060413
<b>SEBI Registration No.</b>	INZ000169335

Nikunj Stock Brokers Limited, registered with Companies Act, 1956 will act as the market maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the NSE and SEBI regarding this matter from time to time.

- *In terms of regulation 261(1) of SEBI ICDR Regulations 2018, the Market Making arrangement through the Market Maker will be in place for a period of three years from the date of listing of our Equity Shares and shall be carried out in accordance with SEBI ICDR Regulations and the circulars issued by the NSE and SEBI regarding this matter from time to time.*
- *In terms of regulation 261(2) of SEBI ICDR Regulations 2018, The market maker or issuer, in consultation with the lead manager(s) may enter into agreements with the nominated investors for receiving or delivering the specified securities in market making, subject to the prior approval of the NSE EMERGE.*
- *In terms of regulation 261(3) of SEBI ICDR Regulations 2018, Following is a summary of the key details pertaining to the Market Making arrangement:*
  1. The Market Maker “Nikunj Stock Brokers Limited” shall be required to provide a two-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
  2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of NSE EMERGE and SEBI from time to time.
  3. The Market Maker is required to comply with SEBI Circular No. CIR/MRD/DSA/31/2012 dated November 27, 2012 and SEBI ICDR Regulations and relevant Exchange Circulars requirement for Market Makers on SME platform.
  4. The minimum depth of the quote shall be Rs.1.00 Lakh. However, the investors with holdings of value less than Rs. 1.00 Lakh shall be allowed to offer their holding to the Market Maker in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
  5. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
  6. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on NSE EMERGE (in this case currently the minimum trading lot size is 3,000 equity shares; however, the same may be changed by the NSE EMERGE from time to time).

7. The shares of the Company will be traded in Trade for Trade Segment for the first 10 days from commencement of trading (as per SEBI Circular no: CIR/MRD/DP/ 02/2012 dated January 20, 2012) on EMERGE Platform of NSE and market maker will remain present as per the guidelines mentioned under NSE and SEBI circulars.
8. The Market Maker shall start providing quotes from the day of the listing / the day when designated as the Market Maker for the respective scrip and shall be subject to the guidelines laid down for market making by the National Stock Exchange of India Limited.
9. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
10. In terms of regulation 261(6) of SEBI ICDR Regulations 2018, Market Maker shall not buy the Equity Shares from the Promoters or Persons belonging to promoter group of **Shigan Quantum Technologies Limited** or any person who has acquired shares from such promoter or person belonging to promoter group, during the compulsory market making period.
11. In terms of regulation 261(7) of SEBI ICDR Regulations 2018, The Promoters' holding of **Shigan Quantum Technologies Limited** shall not be eligible for offering to the Market Maker during the Compulsory Market Making Period. However, the promoters' holding of **Shigan Quantum Technologies Limited** which is not locked-in as per the SEBI (ICDR) Regulations, 2018 as amended, can be traded with prior permission of the EMERGE Platform of NSE, in the manner specified by SEBI from time to time.
12. The Lead Manager may be represented on the Board of the Issuer Company in compliance with Regulation 261 (8) of SEBI (ICDR) Regulations, 2018.
13. The Market Maker shall not be responsible to maintain the price of the Equity Shares of the Issuer Company at any particular level and is purely supposed to facilitate liquidity on the counter of **Shigan Quantum Technologies Limited** via its 2-way quotes. The price of the Equity Shares shall be determined and be subject to market forces.
14. **Risk containment measures and monitoring for Market Maker:** NSE EMERGE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
15. **Punitive Action in case of default by Market Maker(s):** NSE EMERGE Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case they are not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

The Market Maker(s) shall have the right to terminate said arrangement by giving 3 (three) months' notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above-mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the relevant laws and regulations applicable at that particular point of time.

16. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction



17. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the issue size and as follows:

Issue Size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the issue size)	Re-entry threshold for buy quote (including mandatory initial inventory of 5% of the issue size)
Up to Rs.20 Crore	25%	24%
Rs. 20 to Rs.50 Crore	20%	19%
Rs. 50 to Rs.80 Crore	15%	14%
Above Rs. 80 Crore	12%	11%

18. All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

19. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to ₹250 crores, the applicable price bands for the first day shall be:

- In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
- In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the market maker spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

- *In terms of regulation 261(4) of SEBI ICDR Regulations 2018, The specified securities being bought or sold in the process of market making may be transferred to or from the nominated investors with whom the lead manager(s) and the issuer have entered into an agreement for market making: Provided that the inventory of the market maker, as on the date of allotment of the specified securities, shall be at least five per cent. of the specified securities proposed to be listed on NSE EMERGE.*
- *In terms of regulation 261(5) of SEBI ICDR Regulations 2018, The market maker shall buy the entire shareholding of a shareholder of the issuer in one lot, where the value of such shareholding is less than the minimum contract size allowed for trading on the NSE EMERGE: Provided that market maker shall not sell in lots less than the minimum contract size allowed for trading on the NSE EMERGE.*

**On the first day of listing, there will be a pre-open session (call auction) and there after trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction. The securities of our Company will be placed in SPOS and would remain in Trade for Trade settlement for 10 days from the date of listing of Equity Shares on the Stock Exchange.**

**CAPITAL STRUCTURE**

The Equity Share capital of our Company, as on the date of this Prospectus and after giving effect to the Issue is set forth below:

(₹ in Lakh except share data)

Sl. No.	Particulars	Aggregate Nominal Value	Aggregate value at Issue Price
<b>A.</b>	<b>Authorised Share Capital</b>		
	1,80,00,000 Equity Shares of ₹10/- each	1800.00	-
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	1,26,75,900 Equity Shares of ₹10/- each	1267.59	-
<b>C.</b>	<b>Present Issue in terms of this Prospectus <sup>(1)</sup></b>		
	Issue of <b>45,39,000</b> Equity Shares of ₹10/- each for cash at a price of <b>₹50/-</b> per Equity Share (including share premium of ₹40/- per Equity Share)	453.90	2,269.50
	<i>Which comprises:</i>		
<b>D.</b>	<b>Reservation for Market Maker portion</b>		
	2,28,000 Equity Shares of ₹10/- each for cash at a price of ₹50/- per Equity Share (including share premium of ₹40/- per Equity Share)	22.80	114.00
<b>E.</b>	<b>Net Issue to the Public</b>		
	43,11,000 Equity Shares of ₹10/- each for cash at a price of ₹50/- per Equity Share (including share premium of ₹40/- per Equity Share)	431.10	2,155.50
	<i>Of which <sup>(2)</sup>:</i>		
	21,57,000 Equity Shares of ₹10/- each at a price of ₹50/- per Equity Share (including share premium of ₹40/- per Equity Share) will be available for allocation to Retail Individual Investors	215.70	1078.50
	21,54,000 Equity Shares of ₹10/- each at a price of ₹50/- per Equity Share (including share premium of ₹40/- per Equity Share) will be available for allocation to Non-Institutional Investors	215.40	1077.00
<b>F.</b>	<b>Issued, Subscribed and Paid-up Share Capital after the Issue</b>		
	1,72,14,900 Equity Shares of ₹10/- each	1721.49	
<b>G.</b>	<b>Securities Premium Account</b>		
	Before the Issue	168.58	
	After the Issue	1984.18	

- The present Issue of 45,39,000 Equity shares has been authorized pursuant to a resolution of our Board of Directors dated January 27, 2022 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of the members held on February 02, 2022.*
- Allocation to all categories shall be made on a proportionate basis subject to valid Applications received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the Lead Manager and Designated Stock Exchange. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.*

**CLASS OF SHARES**

Our Company has only one class of share capital i.e., Equity Shares of ₹10/- each. All Equity Shares issued are fully paidup. Our Company does not have any outstanding convertible instruments as on the date of the Prospectus.

**Details of changes in Authorized Share Capital of our Company since incorporation:**

Sr. No.	Date of Shareholders approval	EGM/AGM/ Postal Ballot	Authorized Share Capital (Rs.)	Details of change
1	20-10-2008	On Incorporation	1,00,000	Incorporated with an Authorized Share Capital of ₹1,00,000 comprising of 10,000 Equity Shares of ₹10/- each.
2	09-07-2012	EOGM	2,00,00,000	Increase in Authorized Share Capital from ₹1,00,000 comprising of 10,000 Equity Shares of ₹10/- each to ₹2,00,00,000 comprising of 20,00,000 Equity Shares of ₹10/- each.
3	20-06-2016	EOGM	5,00,00,000	Increase in Authorized Share Capital from ₹2,00,00,000 comprising of 20,00,000 Equity Shares of ₹10/- each to ₹5,00,00,000 comprising of 50,00,000 Equity Shares of ₹10/- each.
4	31-07-2021	EOGM	15,00,00,000	Increase in Authorized Share Capital from ₹5,00,00,000 comprising of 50,00,000 Equity Shares of ₹10/- each to ₹15,00,00,000 comprising of 1,50,00,000 Equity Shares of ₹10/- each.
5	10-09-2021	EOGM	18,00,00,000	Increase in Authorized Share Capital from ₹15,00,00,000 comprising of 1,50,00,000 Equity Shares of ₹10/- each to ₹18,00,00,000 comprising of 1,80,00,000 Equity Shares of ₹10/- each.

**NOTES TO CAPITAL STRUCTURE****1. History of Issued and Paid-Up Share Capital of our Company**

The history of the equity share capital of our Company is set forth below:

Date of allotment	No. of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of Consideration	Nature of allotment	Cumulative No. of Equity Shares	Cumulative paid-up capital (₹)	Cumulative Securities Premium (₹)
20-10-2008	10,000	10/-	10.00	Cash	Subscription to MoA <sup>(i)</sup>	10,000	1,00,000	-
11/02/2010	9,90,000	10/-	10.00	Cash	Further Allotment <sup>(ii)</sup>	10,00,000	1,00,00,000	-
28/01/2013	10,00,000	10/-	10.00	Cash	Further Allotment <sup>(iii)</sup>	20,00,000	2,00,00,000	-
24/05/2019	5,35,180	10/-	41.50	Cash	Rights Basis <sup>(iv)</sup>	25,35,180	2,53,51,800	1,68,58,170
10/09/2021	1,01,40,720	10/-	-	Cash	Bonus Issue <sup>(v)</sup>	1,26,75,900	12,67,59,000	1,68,58,170

**(i) Initial Subscribers to the Memorandum of Association of our Company:**

Sr. No.	Name	No. of Equity Shares
1.	Mr. Shishir Agrawal	5,000
2.	Mr. Gagan Agrawal	5,000
<b>Total</b>		<b>10,000</b>

**(ii) Allotment of 9,90,000 Equity Shares on February 11, 2010:**

Sr. No.	Name	No. of Equity Shares
1.	Mr. Shishir Agrawal	1,00,000
2.	Mr. Gagan Agrawal	1,00,000
3.	Ms. Ruchi Agrawal	50,000
4.	Saptasagar Shipping Private Limited	4,90,000
5.	Quantum Fuel Systems Technologies Inc	2,50,000
<b>Total</b>		<b>9,90,000</b>

**(iii) Allotment of 10,00,000 Equity Shares on January 28, 2013:**

Sr. No.	Name	No. of Equity Shares
1.	Gagan Agrawal	20,000
2.	Giridhari Sales Private Limited	9,80,000
<b>Total</b>		<b>10,00,000</b>

(iv) *Allotment of 5,35,180 Equity Shares on May 24, 2019:*

Sr. No.	Name	No. of Equity Shares
1	Rudramala Impex Private Limited	5,35,180
<b>Total</b>		<b>5,35,180</b>

(v) *Bonus Issue of 1,01,40,720 Equity Shares in the ratio of 4 (Four) Equity Shares for every 1 (One) Equity Shares held on September 10, 2021 have been made out of Capitalization of Free Reserves (Profit and Loss Account):*

Sr. No.	Name	No. of Equity Shares
1.	Shishir Agrawal	5,59,980
2.	Gagan Agrawal	5,59,980
3.	Santosh Agrawal	40
4.	Rudramala Impex Private Limited	21,40,720
5.	Giridhari Sales Private Limited	39,20,000
6.	Autotronics worldwide Pte Limited	10,00,000
7.	Shigan Autotronics Private Limited	19,60,000
<b>Total</b>		<b>1,01,40,720</b>

2. **Issue of Equity Shares for Consideration other than Cash.**

We have not issued any Equity Shares for consideration other than cash, except as follows:

Date of Allotment	Face Value (₹)	Issue Price (₹)	Reasons for Allotment	Benefits accrued to our Company	Allottees	Class of Equity Shares	No. of Shares Allotted
September 10, 2021	10/-	Nil	Bonus	Nil	Shishir Agrawal	Equity	5,59,980
					Gagan Agrawal	Equity	5,59,980
					Santosh Agrawal	Equity	40
					Rudramala Impex Private Limited	Equity	21,40,720
					Giridhari Sales Private Limited	Equity	39,20,000
					Autotronics worldwide Pte Limited	Equity	10,00,000
					Shigan Autotronics Private Limited	Equity	19,60,000

3. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956 and Section 230-234 of the Companies Act, 2013.
4. We have not re-valued our assets since inception and have not issued any equity shares (including bonus shares) by capitalizing any revaluation reserves.
5. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees, and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed Issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
6. **Issue of Equity Shares at price lower than the Issue Price during the preceding 1 (one) year.**  
Our Company has not issued any Equity Shares at a price lower than the Issue Price within last one year from the date of this Prospectus except bonus issue as disclosed above.
7. **Our Shareholding Pattern**
  - a) The table below presents the current shareholding pattern of our Company as on the date of this Prospectus.

Category (I)	Category of shareholder (II)	Nos. Of shareholders (III)	No. of fully paid-up equity shares held (IV)	No. of Partly paid-up equity shares held (V)	No. of shares underlying Depository Receipts (VI)	Total nos. shares held (VII) = (IV)+(V)+ (VI)	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in shares (XII)		Number of Shares pledged or otherwise encumbered (XIII)		Number of equity shares held in dematerialized form (XIV)
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
								Class: X	Class: y	Total								
A1	Promoter	5	38,49,950	-	-	38,49,950	30.37	38,49,950	-	38,49,950	30.37	-	30.37	-	-	-	-	38,49,950
A2	Promoter Group	4	88,25,950	-	-	88,25,950	69.63	88,25,950	-	88,25,950	69.63	-	69.63	-	-	-	-	88,25,950
A	Promoter & Group	9	1,26,75,900			1,26,75,900	100.00	1,26,75,900		1,26,75,900	100.00	-	100.00	-	-	-	-	1,26,75,900
B	Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	9	1,26,75,900			1,26,75,900	100.00	1,26,75,900		1,26,75,900	100.00	-	100.00	-	-	-	-	1,26,75,900

- ❖ As on date of this prospectus, 1 Equity share holds 1 vote.
- ❖ As on date, we have only one class of Equity Shares of face value of Rs. 10/- each.
- ❖ All Pre-IPO equity shares of our company will be locked-in as per regulations of SEBI ICDR prior to listing of shares on EMERGE Platform of NSE.
- ❖ In terms of regulation 230(1)(d) of SEBI ICDR Regulation 2018, all specified securities held by promoters are dematerialised.
- ❖ Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 33 of the Listing Regulation, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of National Stock Exchange of India Limited before commencement of trading of such Equity Share.



**b) List of shareholders holding 1% or more of the paid-up capital of our Company as on date of this Prospectus:**

Sr. No.	Name of shareholder	No. of Equity Shares	% of Pre-Issue Capital
1.	Shishir Agrawal	1,74,975	1.38
2.	Giridhari Sales Private Limited	49,00,000	38.66
3.	Rudramala Impex Private Limited	26,75,900	21.11
4.	Shigan Autotronics Private Limited (Formerly known as Saptasagar Shipping Private Limited)	24,50,000	19.33
5.	Autotronics Worldwide Pte Limited	12,50,000	9.86
6.	SA Shigan Trust	5,25,000	4.14
7.	GA Shigan Trust	6,25,000	4.93

**c) List of shareholders holding 1% or more of the paid-up capital of our company ten days prior to the date of the Prospectus:**

Sr. No.	Name of shareholder	No. of Equity Shares	% of Pre-Issue Capital
1.	Shishir Agrawal	1,74,975	1.38
2.	Giridhari Sales Private Limited	49,00,000	38.66
3.	Rudramala Impex Private Limited	26,75,900	21.11
4.	Shigan Autotronics Private Limited (Formerly known as Saptasagar Shipping Private Limited)	24,50,000	19.33
5.	Autotronics Worldwide Pte Limited	12,50,000	9.86
6.	SA Shigan Trust	5,25,000	4.14
7.	GA Shigan Trust	6,25,000	4.93

**d) List of shareholders holding 1% or more of the paid-up capital of our Company one year prior to the date of the Prospectus:**

Sr. No.	Name of shareholder	No. of Equity Shares	% of Pre-Issue Capital
1.	Shishir Agrawal	1,40,000	5.52
2.	Gagan Agrawal	1,40,000	5.52
4.	Shigan Autotronics Private Limited (Formerly known as Saptasagar Shipping Pvt. Ltd.)	4,90,000	19.33
5.	ASC(s) Consulting Pte Ltd.	2,50,000	9.86
6.	Giridhari Sales Private Limited	9,80,000	38.66
7.	Rudramala Impex Private Limited	5,35,180	21.11

**e) List of shareholders holding 1% or more of the paid-up capital of our Company two years prior to the date of the Prospectus**

Sr. No.	Name of shareholder	No. of Equity Shares	% of Pre-Issue Capital
1.	Shishir Agrawal	1,05,000	4.14
2.	Gagan Agrawal	1,25,000	4.93
3.	Ruchi Agrawal	50,000	1.97
4.	Shigan Autotronics Private Limited (Formerly known as Saptasagar Shipping Pvt. Ltd.)	4,90,000	19.33
5.	ASC(s) Consulting Pte Ltd.	2,50,000	9.86
6.	Giridhari Sales Private Limited	9,80,000	38.66
7.	Rudramala Impex Private Limited	5,35,180	21.11

**f)** Our Company has not issued any convertible instruments like warrants, debentures etc. since its Incorporation and there are no outstanding convertible instruments as on date of the Prospectus.

**g)** Our Company has not made any public issue (including any rights issue to the public) since its incorporation.

8. Our Company does not have any intention or proposal to alter our capital structure within a period of 6 months from the date of opening of the Issue by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or bonus, rights, further public issue or qualified institutions placement or otherwise. However, our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the opening of the Issue to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company after obtaining relevant approvals.
9. **Details of our Promoters Shareholding**  
As on the date of this Prospectus, our Promoters hold 30.37% of the pre-issued, subscribed and paid-up Equity Share capital of our Company.

*a) Build-up of our Promoters shareholding in Our Company*

**(i) Mr. Shishir Agrawal**

Date of Allotment/ Transfer	Number of Equity Shares	Face Value (₹)	Issue/ Acquisition /Transfer Price (₹)	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post issue Share Holding%
October 20, 2008	5,000	10	10	Cash	Allotment	0.04	0.03
February 11, 2010	1,00,000	10	10	Cash	Allotment	0.79	0.58
February 01, 2021	35,000	10	-	Gift (Other than Cash)	Transfer	0.28	0.20
August 30, 2021	(5)	10	-	Gift (Other than Cash)	Transfer	0.00*	0.00*
September 10, 2021	5,59,980	10	-	Consideration other than cash	Bonus Issue of shares in Ratio 4:1	4.42	3.25
November 29, 2021	(525000)	10	-	Gift (Other than Cash)	Transfer	4.14	3.04
<b>Total</b>	<b>1,74,975</b>					<b>1.38</b>	<b>1.02</b>

\*Less than 0.001%

**(ii) Mr. Gagan Agrawal**

Date of Allotment/ Transfer	Number of Equity Shares	Face Value (₹)	Issue/ Acquisition /Transfer Price (₹)	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post-issue Share Holding%
October 20, 2008	5,000	10	10	Cash	Allotment	0.04	0.03
February 11, 2010	1,00,000	10	10	Cash	Allotment	0.79	0.58
January 28, 2013	20,000	10	10	Cash	Allotment	0.16	0.12
February 01, 2021	15,000	10	-	Gift (Other than Cash)	Transfer	0.12	0.09
August 30, 2021	(5)	10	-	Gift (Other than Cash)	Transfer	0.00*	0.00*
September 10, 2021	5,59,980	10	-	Consideration other than cash	Bonus Issue of shares in Ratio 4:1	4.42	3.25
November 29, 2021	(6,25,000)	10	-	Gift (Other than Cash)	Transfer	4.93	3.63
<b>Total</b>	<b>74,975</b>					<b>0.59</b>	<b>0.44</b>

\*Less than 0.001%

**(iii) Shigan Autotronics Private Limited (Previously known as Saptasagar Shipping Private Limited)**

Date of Allotment/ Transfer	Number of Equity Shares	Face Value (₹)	Issue/Acquisition/ Transfer Price (₹)	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post-issue Share Holding%
February 11, 2010	4,90,000	10	10	Cash	Allotment	3.87	2.85
September 10, 2021	19,60,000	10	-	Consideration other than cash	Bonus Issue of shares in Ratio 4:1	15.46	11.38
<b>Total</b>	<b>24,50,000</b>					<b>19.33</b>	<b>14.23</b>

## (iv) SA Shigan Trust

Date of Allotment/ Transfer	Number of Equity Shares	Face Value (₹)	Issue/Acquisition/ Transfer Price (₹)	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post-issue Share Holding%
November 29, 2021	5,25,000	10	-	Gift (Other than Cash)	Transfer	4.14	3.04
<b>Total</b>	<b>5,25,000</b>					<b>4.14</b>	<b>3.04</b>

## (v) GA Shigan Trust

Date of Allotment/ Transfer	Number of Equity Shares	Face Value (₹)	Issue/ Acquisition/ Transfer Price (₹)	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post-issue Share Holding%
November 29, 2021	6,25,000	10	-	Gift (Other than Cash)	Transfer	4.93	3.63
<b>Total</b>	<b>6,25,000</b>					<b>4.93</b>	<b>3.63</b>

## Notes:

- None of the shares belonging to our Promoters have been pledged till date.
- The entire Promoters shares shall be subject to lock-in from the date of allotment of the equity shares issued through the Prospectus for periods as per applicable Regulations of the SEBI (ICDR) Regulations.
- All the shares held by our Promoters, were fully paid-up on the respective dates of acquisition of such shares.
- None of the Designated Partners/Directors of our Corporate Promoter holds any equity shares in our Company except as disclosed below:

Sr. No.	Name of Shareholder	Number of Equity Shares	% of pre- Issue equity share capital
1.	Shishir Agrawal	1,74,975	1.38
2.	Gagan Agrawal	74,975	0.59

## b) The shareholding pattern of our Promoters and Promoter Group before and after the Issue is set forth below

Sr. No.	Particulars	Pre-Issue		Post-Issue	
		No. of Shares	% Holding	No. of Shares	% Holding
A)	<b>Promoters</b>				
1	Mr. Shishir Agrawal	1,74,975	1.38	1,74,975	1.02
2	Mr. Gagan Agrawal	74,975	0.59	74,975	0.44
3	Shigan Autotronics Private Limited (Formerly known as Saptasagar Shipping Pvt. Ltd.)	24,50,000	19.33	24,50,000	14.23
4	SA Shigan Trust	5,25,000	4.14	5,25,000	3.04
5	GA Shigan Trust	6,25,000	4.93	6,25,000	3.63
	<b>Total (A)</b>	<b>38,49,950</b>	<b>30.37</b>	<b>38,49,950</b>	<b>22.36</b>
B)	<b>Promoter Group</b>				
1	Giridhari Sales Private Limited	49,00,000	38.66	49,00,000	28.46
2	Rudramala Impex Private Limited	26,75,900	21.11	26,75,900	15.54
3	Autotronics worldwide Pte Limited	12,50,000	9.86	12,50,000	7.26
4	Santosh Agrawal	50	0.00*	50	0.00*
	<b>Total (B)</b>	<b>88,25,950</b>	<b>69.63</b>	<b>88,25,950</b>	<b>51.27</b>
	<b>Total (A+B)</b>	<b>1,26,75,900</b>	<b>100.00</b>	<b>1,26,75,900</b>	<b>73.63</b>

\*Less than 0.001%

10. We have 9 (Nine) Shareholders as on the date of this Prospectus.

11. We hereby confirm that:
- There has been no acquisition, sale or transfer of Equity Shares by our Promoters, Promoter Group, Directors and their immediate relatives in the last 6 months preceding the date of filing of this Prospectus except as disclosed above.
  - No financing arrangements have been entered into by the members of the Promoter Group, the Directors, or their relatives for the purchase by any other person of the securities of our Company other than in the normal course of business of the financing entity during a period of six months preceding the date of filing of this Prospectus.
12. **Details of Promoters' Contribution and Lock-in for Three Years**  
Pursuant to the Regulation 236 and 238 of SEBI (ICDR) Regulations, 2018, an aggregate of at least 20% of the post Issue Equity Share capital of our Company held by our Promoters shall be considered as Promoters' contribution ("**Promoters' Contribution**") and locked-in for a period of three years from the date of Allotment.

Our Promoters have granted consent to include such number of Equity Shares held by them as may constitute of the post Issue Equity Share capital of our Company as Promoters' Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters' Contribution from the date of filing of this Prospectus until the commencement of the lock-in period specified above. Details of the Equity Shares forming part of Promoters' Contribution and proposed to be locked-in for a period of three years are as follows:

Name of the Promoters	Number of shares locked-in <sup>(1)</sup>	As a % of Post Issue Share Capital
Shigan Autotronics Private Limited ( <i>Formerly known as Saptasagar Shipping Private Limited</i> )	24,50,000	14.23
SA Shigan Trust*	5,25,000	3.04
GA Shigan Trust*	6,25,000	3.63
<b>Total</b>	<b>36,00,000</b>	<b>20.90</b>

<sup>(1)</sup> For details on the date of Allotment of the above Equity Shares, the nature of Allotment, face value and the price at which they were acquired, please refer Note no. 9 under "**Notes to Capital Structure**" under the chapter "**Capital Structure**" on page 47 of this Prospectus.

\* Price consideration is Nil for Shares held by SA Shigan Trust & GA Shigan Trust and is part of Promoter Contribution.

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Promoters' Contribution under Regulation 237 of the SEBI (ICDR) Regulations, 2018. In this computation, as per Regulation 237 of the SEBI (ICDR) Regulations, our Company confirms that the Equity Shares locked-in do not, and shall not, consist of:

- The Equity Shares offered for minimum 20% Promoters' Contribution have not been acquired in the three years preceding the date of this Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- The minimum Promoters' contribution does not include Equity Shares acquired during the one year preceding the date of this Prospectus at a price lower than the Issue Price except as disclosed above;
- No equity shares have been issued to our Promoters upon conversion of a partnership firm during the preceding one year at a price less than the Issue Price;
- The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not subject to any pledge;
- All the Equity Shares of our Company held by the Promoters are in dematerialized form.
- The Equity Shares offered for Promoters contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoters for inclusion of its subscription in the Promoters contribution subject to lock-in.

We further confirm that our Promoters Contribution of 20% of the Post Issue Equity does not include any contribution from Alternative Investment Funds or FVCI or Scheduled Commercial Banks or Public Financial Institutions or Insurance Companies.

13. **Equity Shares locked-in for one year other than Minimum Promoters Contribution**

Pursuant to regulation 238(b) and 239 of the SEBI (ICDR) Regulations, 2018, other than the Equity Shares held by our Promoters, which will be locked-in as minimum Promoters contribution for three years, all pre- Issue Equity Shares shall be subject to lock-in for a period of one year from the date of Allotment in this Issue, other than the Equity Shares allotted and subscribed pursuant to the issue.

14. **Inscription or Recording of non-transferability**

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription “Non-Transferable” and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

15. **Pledge of Locked in Equity Shares**

Pursuant to Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked-in Equity Shares held by our Promoters can be pledged with any scheduled commercial bank or public financial institution or systematically important non-banking finance company or a housing finance company as collateral security for loans granted by them, provided that:

- a) if the equity shares are locked-in in terms of clause (a) of Regulation 238, the loan has been granted to the company or its subsidiary(ies) for the purpose of financing one or more of the objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan;
- b) if the specified securities are locked-in in terms of clause (b) of Regulation 238 and the pledge of specified securities is one of the terms of sanction of the loan.

Provided that such lock-in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock-in period stipulated in these regulations has expired.

16. **Transferability of Locked in Equity Shares**

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of SEBI (SAST) Regulations, 2011 as applicable;

- a) The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoter Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
- b) The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoters and Promoter' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

17. Our Company, our Directors and the Lead Manager to this Issue have not entered into any buy-back or similar arrangements with any person for purchase of our Equity Shares issued by our Company.

18. As on date of the Prospectus, there are no partly paid-up equity shares and all the Equity Shares of our Company are fully paid up. Further, since the entire money in respect of the Issue is being called on application, all the successful applicants will be issued fully paid-up equity shares.

19. As on the date of this Prospectus, the Lead Manager and their respective associates (as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The Lead Manager and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

20. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed under “**Basis of Allotment**” in the chapter titled “**Issue Procedure**” beginning on page 176 of this Prospectus. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 253 (2) of SEBI (ICDR) Regulations, as amended from time to time.



21. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post Issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoters and subject to lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
22. Our Company has not raised any bridge loan against the proceeds of this Issue. However, depending on business requirements, we might consider raising bridge financing facilities, pending receipt of the Net Proceeds.
23. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
24. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
25. No payment, direct or indirect in the nature of discount, commission, allowances or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
26. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing this Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.

## OBJECTS OF THE ISSUE

Issue of 45,39,000 Equity Shares of ₹10/- each for cash at a price of ₹50/- per Equity Share (including share premium of ₹40/- per Equity Share). The objects of the Issue Proceeds (as defined below) of the Issue are:

1. To meet Working Capital requirements,
2. To finance the purchase of Machinery,
3. General Corporate Purpose,
4. To meet offer related expenses

In addition to the aforementioned objects, our Company believes that listing will give more visibility to our brand and enhance the corporate image of our Company. We also believe that our Company and shareholders will receive the benefits from listing of Equity Shares on the NSE Emerge. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company and will further enable us to avail future growth opportunities.

The main object clause of Memorandum of Association of our Company enables us to undertake the activities for which the funds are being raised by us through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association. For the main objects clause of our Memorandum of Association, see “*History and Certain Corporate Matters*” on page 87 of this prospectus.

### Net Proceeds

The details of the Net Proceeds are set forth below:

Particulars	Amount (Rs. in lakhs)
Gross Proceeds of the Offer	2,269.50
Less: Issue related expenses	93.50
<b>Net Proceeds of the Offer</b>	<b>2,176.00</b>

### Requirement of Funds and Utilization of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details as set forth below:

S. No.	Particulars	Amount (Rs. in lakhs)
1.	To meet Working Capital requirements	1,681.00
2.	To finance the purchase of Machinery	395.00
3.	General Corporate Purpose	100.00
	<b>Total</b>	<b>2,176.00</b>

Our fund requirements and deployment thereof are based on internal management estimates of our current business plans and have not been appraised by any bank or financial institution. These are based on current conditions and are subject to change in light of changes in external circumstances or costs or in other financial conditions, business strategy, as discussed further below.

### Means of Finance

We intend to finance our Objects of Offer through Net Offer Proceeds which is as follows:

Particulars	Amount (Rs. in lakhs)
Net Offer Proceeds	2,176.00
<b>Total</b>	<b>2,176.00</b>

*We propose to meet the requirement of funds from the stated objects of the Issue from the proceeds of the Offer and internal accruals, accordingly, we confirm that we are in compliance with the requirement under Regulation 230(1)(e) of the SEBI ICDR Regulations and Clause 9(C) of Part A of Schedule VI of the SEBI (ICDR) Regulations (which requires firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Offer and existing identifiable internal accruals).*

In case of any increase in the actual utilization of funds earmarked for the Objects, such additional funds for a particular activity will be met by way of means available to our Company, including from internal accruals. If the actual utilization towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding existing objects, if required. In case of delays in raising funds from the Offer, our Company may deploy certain amounts towards any of the above-mentioned Objects through a combination of Internal Accruals or Unsecured Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Unsecured Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Offer Proceeds.

As we operate in competitive environment, our Company may have to revise its business plan from time to time and consequently our fund requirements may also change. Our Company's historical expenditure may not be reflective of our future expenditure plans. Our Company may have to revise its estimated costs, fund allocation and fund requirements owing to various factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our Company's management.

(For further details on the risks involved in our business plans and executing our business strategies, please see the section titled "Risk Factors" beginning on page 20 of the Prospectus).

#### Details of Use of Net Issue Proceeds:

The details of utilization of the Net Proceeds are set forth herein below:

#### 1. To Meet Working Capital Requirement

The business of our Company will be in the need of additional working capital requirements. Our Company will meet the requirement to the extent of Rs. 1,681.00 Lakhs from the Net Proceeds of the offer and balance from borrowings or internal accruals at an appropriate time as per the requirement. Details of Estimation of Working Capital requirement are as follows:

(Rs.in Lakhs)

S. No.	Particulars	(Restated)	(Restated)	(Restated)	Estimated
		31-March-2019	31-March-2020	31-March-2021	31-March-2022
<b>I</b>	<b>Current Assets</b>				
	Inventories	1,414.35	1,311.66	1,209.75	3211.97
	Trade receivable	482.92	431.18	1,118.93	1458.21
	Cash and cash equivalents	14.79	22.23	217.20	361.10
	Short term Loan and advances	109.02	121.24	1,329.10	2450.42
	Other current assets	0.02	0.02	0.02	17.25
	<b>Total(A)</b>	<b>2,021.10</b>	<b>1,886.33</b>	<b>3,875.00</b>	<b>7498.95</b>
<b>II</b>	<b>Current Liabilities</b>				
	Trade payables	537.22	267.98	1,499.57	1272.04
	Other current liabilities	122.89	109.43	317.36	499.11
	Short term Provisions	0.87	14.77	100.40	335.77
	<b>Total (B)</b>	<b>660.98</b>	<b>392.18</b>	<b>1,917.33</b>	<b>2106.92</b>
<b>III</b>	<b>Total Working Capital Gap (A-B)</b>	<b>1,360.12</b>	<b>1,494.15</b>	<b>1,957.67</b>	<b>5392.03</b>
<b>IV</b>	<b>Funding Pattern</b>				
	Bank Borrowings	688.80	686.37	877.26	642.93
	Internal accruals	671.32	807.78	1080.41	3068.10
	<b>IPO Proceeds</b>				<b>1681.00</b>

#### Justification

<b>Inventories</b>	Company is expecting inventory holding days to be at approx. 57 days for the FY 2021-22. as compare to 41 days in the FY 2020-2021 as compared to 58 days in the FY 2019-2020.
<b>Trade Receivables</b>	Company is expecting Debtors Receivable period at approx. 27 days for the FY 2021-22 as compared to 43 days in the FY 2020-21 as compare to 22 days in the FY 2019-2020.
<b>Trade Payables</b>	Company is expecting creditors payable period at approx. 30 days for the FY 2021-22 as compared to 87 days in the FY 2020-21 as compare to 19 days in the FY 2019-2020.

"As the company is going for a capex investment of Rs. 895.00 Lakhs and also ventured into manufacturing of Fire Detection & Alarm System and Fire Detection & Suppression System (FDAS & FDSS) with an installed capacity of 36,000 per annum, combined with the existing increased orders from the OEMs, we are expecting a high growth in turnover and accordingly our working capital requirement is estimated to be increased from FY 2021-22 onwards as compared to FY 2020-21".

#### 2. To finance the purchase of Machinery:

We propose to utilize Rs. 395.00 Lakhs out of the Net Proceeds towards purchase of Machinery i.e., Surface Mount Technology Machine (SMT line). The cost of the machinery is around Rs. 895.00 Lakhs based on the quotation obtained by our Company from Panasonic India Pvt. Ltd. (the vendor). Our Company has availed term loan facility of Rs. 500.00 Lakhs from HDFC Bank Limited pursuant to sanction letter dated October 12, 2021 for part-funding the purchase of machinery. The relevant terms of the facilities are set out below:

Particulars	Details
Lender	HDFC Bank Limited
Amount Sanctioned	Rs. 500.00 Lakhs
Purpose	Purchase of Machinery
Tenure	To be repaid in 84 months installments

SMT Line is an area of automatic area assembly used to mount electronic components to the surface of the printed circuit board (PCB). SMT drastically reduces manufacturing cost and cycle time. As a result of the introduction of surface mount technology it is now possible to build highly complex electronic circuits into smaller and smaller assemblies with good repeatability due to the higher level of automation. SMT uses are: a). PCB Manufacturing for Automotive Engine Control Unit for CNG application, Diesel application and Petrol applications; b). PCB Manufacturing for Fire control panel for Fire Detection and Alarm System (FDAS) and Fire Detection & Suppression System (FDSS); c). PCB for Sensor Manufacturing; d). PCB for Body control unit for Automotive Applications.

The detail of fund to be utilized for the purchase of machinery out of the offer proceeds is set forth below:

Particulars	Amount in lakhs
Purchase cost of Machinery	895.00
Less: Term Loan sanction from HDFC Bank	500.00
<b>Balance amount to be utilized out of offer Proceeds</b>	<b>395.00</b>

#### Detailed Cost Estimate:

The breakups of estimated cost of machinery are based on the quotation dated October 14, 2021 from Panasonic India Pvt. Ltd. (the vendor) is set out in the table below:

Sr.No	Description of Equipment	Make	Model	Quantity	Amount* (JPY)	Amount* (USD)
	<b>SMT Line</b>					
1	Loader (Automatic Magazine Loader)	SJ Innotech	SLD 120	1	-	38,000
2	Conveyors (Inspection Convey - Single Lane)		SCC 900	2	-	
3	Cooling Conv (Cooling Conveyors - Single Lane)		SCL 900	1	-	
4	Conveyors (Work Table Conveyors-Single Lane)		SWT 900	1	-	
5	Un-Loader (Automatic Magazine Loader)		SUD 120	1	-	
6	Laser Marker	Nutek	NTM5510X	1	-	1,30,000
7	Printer (SPG printer)	Panasonic	SPG2	1	97,90,000	-
8	Mounter (Panasonic Mounter with Feeders with Handling Capacity)	Panasonic	NPM W2	1	3,19,83,198	-
9	Reflow Oven (Single Lane Reflow Oven and KIC X5 Profiler)	JTU	RS 800e with Profiler	1	-	52,000
10	3D SPI (3D Solder Paste Inspection)	Kohyoung	KY8080-L	1	-	66,600
11	3D AOI (Automatic Optical Inspection)	Kohyoung	Zenith Alpha HS	1	-	1,17,000
12	Wave Soldering (Wave soldering Machine)	JT	US 350	1	-	54,424
	<b>Total</b>				<b>¥4,17,73,198</b>	<b>\$4,58,024</b>
	<b>Total in USD</b>				<b>\$ 3,67,604.14<sup>(i)</sup></b>	<b>\$4,58,024</b>
	<b>Total in USD (i.e., 3,67,604.14+4,58,024) (A)</b>					<b>\$825628.14</b>

<sup>(i)</sup> Conversion rate: 1 JPY = 0.0088 USD as on dated October 14, 2021 (date of quotation)

Sr. No.	Additional Accessories for SMT Line	Quantity	Amount in USD*
1	Router (Dual Table De Paneling Machine-Offline)	1	55,000
2	Dry Cabinet (Dry Cabinet-Offline-For production, QC, Store)	3	20,000
3	Solder Paste Mixer (Table Top Offline)	1	6,500
4	Digital Microscope (Table Top Offline for Production, QC, Stores)	3	20,000
5	Conformal Coating (Offline Conformal Coating)	1	80,000
6	Baking Oven (For PCB Baking and Component Baking)	1	20,000
7	Viscosity Meter (Table Top Model)	1	10,000
8	Stencil Cleaning (Stencil Cleaning For Solder Paste)	1	25,000

9	ICT (In circuit Tester)	1	1,30,000
	<b>Total in USD (B)</b>		<b>\$3,66,500</b>
	<b>Total of SMT Line machine along with the accessories in USD (A+B)</b>		<b>\$11,92,128.14</b>
	<b>Total of SMT Line machine along with the accessories (Rs. in lakhs)</b>		<b>894.93<sup>(ii)</sup></b>
	<b>Rounded off (Rs. in Lakhs)</b>		<b>895.00</b>

\* All the above amounts are exclusive of applicable taxes.

(ii) Conversion rate: 1 USD = Rs 75.07 as on dated October 14, 2021 (date of quotation).

- ❖ The quotations in relation to the above equipment's are exclusive of cost of freight, insurance and Engineers travelling cost. Such additional cost shall be funded through internal accruals.
- ❖ No second-hand machinery is proposed to be purchased out of the Net Proceeds of the Offer.
- ❖ As on the date of this Prospectus, our Company has not placed any order for the above Machinery.
- ❖ We have not entered into any definitive agreements with the vendor and there can be no assurance that the same vendor would be engaged to eventually supply the machinery at the same costs. The quantity of the machinery to be purchased is based on the estimates of our management. Our Company shall have the flexibility to deploy the machinery according to our business requirement of our Company, which are dynamic, which may evolve with the passage of time and based on the estimates of our management.

Our Promoters, Directors, Key Management Personnel or Group Entities have no interest in the proposed procurements, as stated above.

### 3. General Corporate Purpose

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the Issue proceeds aggregating Rs. 100.00 Lakhs towards the general corporate purposes to drive our business growth. In accordance with the resolution passed by our Board, we have flexibility in applying the remaining Net Proceeds, for general corporate purpose including but not restricted to, meeting operating expenses and the strengthening of our business development and marketing capabilities, meeting exigencies, which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act, 2013.

We confirm that any offer related expenses shall not be considered as a part of General Corporate Purpose. Further in case, our actual issue expenses turn to be lesser than the estimated offer expenses of Rs. 93.50 lakhs, such surplus amount shall be utilized for General Corporate Purpose in such a manner that the amount for general corporate purposes, as mentioned in the Prospectus, shall not exceed 25% of the amount raised by our Company through this offer.

### 4. Public Issue Expenses

The total estimated Offer Expenses are Rs. 93.50 Lakhs, which is 4.12% of the total Offer Size. The details of the Offer Expenses are tabulated below:

Activity	Expenses (Rs. in Lakh)	As a % of Estimates Offer Expenses	As a % of Offer Size
Lead Manger Fees	10.00	10.70%	0.44%
Fees Payable to Registrar to the Offer	0.50	0.53%	0.02%
Fees Payable for Advertising and Publishing Expenses	2.50	2.67%	0.11%
Fees Payable to Regulators including Stock Exchanges	4.00	4.28%	0.18%
Payment for Printing & Stationery, Postage, etc.	2.50	2.67%	0.11%
Fees Payable to Auditor, Legal Advisors and other Professionals	4.00	4.28%	0.18%
Others (Fees payable for Marketing & distribution expenses, Selling Commission, Brokerage, Underwriting fees and Miscellaneous Expenses)	70.00	74.87%	3.08%
<b>Total Estimated Offer Expenses</b>	<b>93.50</b>	<b>100.00%</b>	<b>4.12%</b>

**Note:**

- **ASBA Bankers:** The SCSBs will be entitled to selling commission of 0.01% (plus GST) of the amount allotted (product of the no. of equity shares allotted and the issue price) for the forms directly procured by them and uploaded on the electronic system of the stock exchange by them on the portion of Retail Individual Bidders and Non-Institutional Bidders. No other fees/commission shall be payable on the application forms directly procured by them.  
The SCSBs would be entitled to processing fees of 0.01% (plus GST) of the amount allotted (product of the no. of equity shares allotted and the issue price), for processing the application forms procured by other intermediaries and submitted to SCSBs for processing.
- **SYNDICATE ASBA:** Other intermediaries will be entitled to procurement fees of ₹10/- (plus GST) per valid application form for the forms directly procured by them and submitted to SCSBs for processing by them on the portion of Retail Individual Bidders and Non-Institutional Bidders.



- **Issuer banks for UPI Mechanism** as registered with SEBI would be entitled to a processing fee of ₹10/- (plus GST) per valid application form made by the Retail Individual Bidders using the UPI mechanism for processing.
- The payment towards commission and processing fees will be completed within 30 days from the date of receipt of final invoice from the respective entities.

#### **Proposed Schedule of Implementation:**

The proposed year wise break up of deployment of funds and Schedule of Implementation of Net Offer Proceeds is as under:  
(Rs. in Lakhs)

S.N.	Particular	Amount to be deployed and utilized in
		F.Y. 21-22
1	To meet Working Capital requirements	1,681.00
2	To finance the purchase of Machinery	395.00
3	General Corporate Purpose	100.00
4	Issue Expenses	93.50
	<b>Total</b>	<b>2,269.50</b>

To the extent our Company is unable to utilise any portion of the Net Proceeds towards the Objects, as per the estimated schedule of Implementation specified above, our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Objects.

#### **Appraisal**

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Offer are currently based on available quotations and management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including but not limited to variations in interest rate structures, changes in our financial condition and current commercial conditions of our business and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

#### **Shortfall of Funds**

Any shortfall in meeting the fund requirements will be met by way of internal accruals and or unsecured Loans.

#### **Bridge Financing Facilities**

As on the date of the Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds.

#### **Monitoring Utilization of Funds**

As the size of the Offer will not exceed Rs.10,000 Lakhs, the appointment of Monitoring Agency would not be required as per Regulation 262(1) of the SEBI ICDR Regulations. Our Board and the management will monitor the utilization of the Net Offer Proceeds through our audit committee. Pursuant to Regulation 32 of the SEBI Listing Regulations, our Company shall on half-yearly basis disclose to the Audit Committee the Application of the proceeds of the Offer. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Offer have been utilized in full.

#### **Interim Use of Proceeds**

Pending utilization of the offer proceeds of the Offer for the purposes described above, our Company will deposit the Net Proceeds with scheduled commercial banks included in schedule II of the RBI Act.

Our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any listed company or for any investment in the equity markets or investing in any real estate product or real estate linked products.

#### **Variation in Objects**

In accordance with Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the offer without our Company being authorized to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution shall specify the prescribed details as required under the Companies Act and shall be published in accordance with the Companies Act and the rules there under. As per the current provisions of the Companies Act, our Promoters or controlling Shareholders would be required to provide an exit opportunity to such shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

#### **Other confirmations**

There are no material existing or anticipated transactions with our Promoter, our Directors, our Company's key Managerial personnel, in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our Directors or key managerial personnel except in the normal course of business and in compliance with the applicable laws.

## BASIS FOR ISSUE PRICE

*Investors should read the following summary with the section titled “Risk Factors”, the details about our Company under the section titled “Our Business” and its financial statements under the section titled “Restated Financial Statement” beginning on page 20, 71 and 118 respectively of the Prospectus. The trading price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his investment.*

The Offer Price has been determined by our Company in consultation with the Lead Manager on the basis of the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10/- each and the Offer Price is ₹50/-, which is 5.0 times of the face value.

## QUALITATIVE FACTORS

We believe the following business strengths allow us to successfully compete in the industry:

- Established and proven track record;
- Leveraging the experience of our Promoters;
- Experienced Management Team;
- Quality Assurance and Standards;
- Cordial Relationships with our Suppliers;

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled “Our Business” beginning on page 71 of the Prospectus.

## QUANTITATIVE FACTORS

The information presented below relating to our Company is based on the Restated Financial Statements. (For details, please refer section titled “Restated Financial Statement” on page 118 of this Prospectus.)

Some of the quantitative factors which may form the basis for calculating the Offer Price are as follows:

### 1. Basic & Diluted Earnings per share (EPS) (Face value of Rs. 10 each), as adjusted for change in capital:

As per the Restated Financial Statements:

Particulars	Basic & Diluted EPS (Rs.)		Weight
	With retrospective Effect #	As per Restated	
Year ended March 31, 2019	2.66	13.30	1
Year ended March 31, 2020	2.37	11.85	2
Year ended March 31, 2021	2.77	13.86	3
<b>Weighted Average</b>	<b>2.62</b>	<b>13.10</b>	<b>6</b>
<b>For the five months period ended August 31, 2021 (Not Annualised)</b>	<b>2.28</b>	<b>11.41</b>	<b>--</b>

**Notes:** The earnings per share have been calculated by dividing the net profit as restated, attributable to equity shareholders by restated weighted average number of Equity Shares outstanding during the period/year. Restated weighted average number of equity shares has been computed as per AS 20. The face value of each Equity Share is ₹10/-.

The company has allotted 1,01,40,720 Equity Shares as Bonus Share in the ratio of 4:1 i.e., 4 (four) shares for every 1(one) share held on September 10, 2021 i.e., after the restated period. As per Accounting Standard 20 (AS - 20), In case of a bonus issue or a share split, equity shares are issued to existing shareholders for no additional consideration. Therefore, the number of equity shares outstanding is increased without an increase in resources. The number of equities shares outstanding before the event is adjusted for the proportionate change in the number of equities shares outstanding as if the event had occurred at the beginning of the earliest period reported.

# Post Bonus allotment on 10/09/2021, the total no. of equity shares has been increased to 1,26,75,900 from 25,35,180 without any fresh infusion of equity capital. The EPS has been shown separately giving retrospective effect of Bonus allotment. (For further details, please refer chapter “Capital Structure” beginning from 47 of this prospectus.)

**2. Price Earning (P/E) Ratio in relation to the Offer Price of ₹50/-**

Particulars	P/E Ratio	
	With retrospective Effect	As per Restated
P/E ratio based on the Basic & Diluted EPS as on March 31, 2021	18.04	3.61
P/E ratio based on the Weighted Average EPS, as restated.	19.09	3.82
P/E ratio based on the Basic & Diluted EPS For the five months period ended August 31, 2021 ( <i>Not annualised</i> )	21.91	4.38

Industry P/E Ratio*	
Lowest	NA
Highest	NA
Industry Average	NA

\*We believe that there are no listed companies in India which are engaged in the similar business to ours. The industry P/E ratio cannot be ascertained.

**3. Return on Net worth (RoNW)**

Period	RONW (%)	Weights
Period ending March 31, 2019	32.44	1
Period ending March 31, 2020	21.89	2
Period ending March 31, 2021	20.84	3
<b>Weighted Average</b>	<b>23.12</b>	<b>6</b>
<b>For the five months period ended August 31, 2021 (Not annualised)</b>	<b>14.65</b>	

*Note: The RoNW has been computed by dividing net profit after tax with restated Net worth as at the end of the year/period.*

**4. Net Asset Value (NAV) per Equity Share:**

NAV per Equity Share*	NAV
As at March 31, 2019	41.01
As at March 31, 2020	52.63
As at March 31, 2021	66.49
<b>For the five months period ended August 31, 2021 (Not annualised)</b>	<b>77.90</b>
<b>NAV per Equity Share after the Offer</b>	<b>24.66</b>
<b>Offer Price</b>	<b>₹50.00</b>

*Note: NAV has been calculated as net-worth divided by number of Equity Shares at the end of the year. On September 10, 2021, our Company issued 101,40,720 equity shares to the existing shareholders as bonus in the ratio 4:1. for calculating NAV, these bonus shares were taken into account.*

**5. Comparison of Accounting Ratios with Industry Peers**

We believe that there are no listed Companies in India which are engaged in business similar to ours. Hence a strict comparison is not possible.

**6.** The face value of our share is ₹10/- per share and the Issue Price is ₹50/- per share i.e., 5.0 times of the face value.

**7.** Our Company in consultation with the Lead Manager believes that the Issue Price of ₹50/- per equity share for the Public Issue is justified in view of the above parameters. Investor should read the abovementioned information along with the section titled “**Risk Factors**” on page 20 of this Prospectus and the financials of our Company including important profitability and return ratios, as set out in the section titled “**Restated Financial Statements**” on page 118 of this Prospectus.

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To,  
The Board of Directors  
Shigan Quantum Technologies Limited  
(Formerly known as Shigan Quantum Technologies Private Limited)  
183A, Sainik Farms, Western Avenue,  
New Delhi, – 110062

Dear Sirs,

**Sub: Statement of possible special tax benefits available to Shigan Quantum Technologies Limited (“the Company”) and its shareholders under direct and indirect tax laws**

We refer to the proposed issue of equity shares of Shigan Quantum Technologies Limited (“the Company”). We enclose herewith the annexure showing the current position of special tax benefits available to the Company and to its shareholders as per the provisions of the direct and indirect tax laws, including the Income-tax Act, 1961, The Central Goods and Services Tax Act, 2017, The Integrated Goods and Services Tax Act, 2017, The State Goods and Services Tax Act as passed by respective State Governments from where the Company operates and applicable to the Company, Customs Act, 1962 and Foreign Trade Policy 2015-2020, as amended by the Finance Act, 2021, i.e., applicable for the Financial Year 2021-22 relevant to the assessment year 2022-23, presently in force in India for inclusion in the Draft Prospectus (“DP”)/Prospectus for the proposed public offer of equity shares, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”).

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Income-tax Act 1961. Hence, the ability of the Company or its shareholders to derive these direct tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated in the Annexure are based on the information and explanations obtained from the Company. This statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

We do not express any opinion or provide any assurance whether:

- The Company or its Shareholders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/would be met;
- The revenue authorities/courts will concur with the views expressed herein.

We hereby give our consent to include enclosed statement regarding the tax benefits available to the Company and to its shareholders in the DP for the proposed public offer of equity shares which the Company intends to submit to the Securities and Exchange Board of India provided that the below statement of limitation is included in the offer document.

**LIMITATIONS**

*Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the interpretation of the existing tax laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on the statement.*

*This statement has been prepared solely in connection with the offering of Equity shares by the Company under the Securities and Exchange Board of India (“SEBI”) (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the Issue).*

For Saria Gupta & Co.  
Chartered Accountants  
FRN - 003168N

Sd/-  
(CA Sachin Singhal)

**Partner**  
**Membership No. - 550213**  
**(UDIN –22550213AAAABJ8250)**

**Place: New Delhi**  
**Date: 31st January, 2022**

**ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE  
COMPANY AND ITS SHAREHOLDERS**

**Direct Taxation**

Outlined below are the special tax benefits available to the Company and its shareholders under the Income-tax Act, 1961 ('the Act'), as amended by Finance Act, 2021 i.e., applicable for Financial Year 2021-22 relevant to the Assessment Year 2022-23, presently in force in India

**A. SPECIAL TAX BENEFITS TO THE COMPANY**

Section 115BAA, as inserted vide The Taxation Laws (Amendment) Act, 2019, provides that domestic company can opt for a rate of tax of 22% (plus applicable surcharge and education cess) for the financial year 2019-20 onwards, provided the total income of the company is computed without claiming certain specified incentives/deductions or set-off of losses, depreciation etc. and claiming depreciation determined in the prescribed manner. In case a company opts for section 115BAA, provisions of Minimum Alternate Tax would not be applicable and earlier year MAT credit will not be available for set-off. The option needs to be exercised on or before the due date of filing the tax return. Option once exercised, cannot be subsequently withdrawn for the same or any other tax year.

The Company has represented to us that it has applied section 115BAA for the assessment year 2021-22 and for the period ended August 31, 2021.

**B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS**

The Shareholders of the Company are not entitled to any special tax benefits under the Act.

**Indirect Taxation**

Outlined below are the special tax benefits available to the Company and its shareholders under the Central Goods and Services Tax Act, 2017/ Integrated Goods and Services Tax Act, 2017 read with Rules, Circulars, and Notifications ("GST law"), the Customs Act, 1962, Customs Tariff Act, 1975 ("Customs law") and Foreign Trade Policy 2015-2020 ("FTP") (collectively referred as "Indirect Tax").

**A. SPECIAL TAX BENEFITS TO THE COMPANY**

There are no special tax benefits available to the Company under GST law.

**B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS**

The Shareholders of the Company are not entitled to any special tax benefits under the Indirect Tax.



## SECTION V: ABOUT THE COMPANY

### INDUSTRY OVERVIEW

*The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. Neither we nor any other person connected with the issue has independently verified the information provided in this section. Industry sources and publications, referred to in this section, generally state that the information contained therein has been obtained from sources generally believed to be reliable but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured, and, accordingly, investment decisions should not be based on such information.*

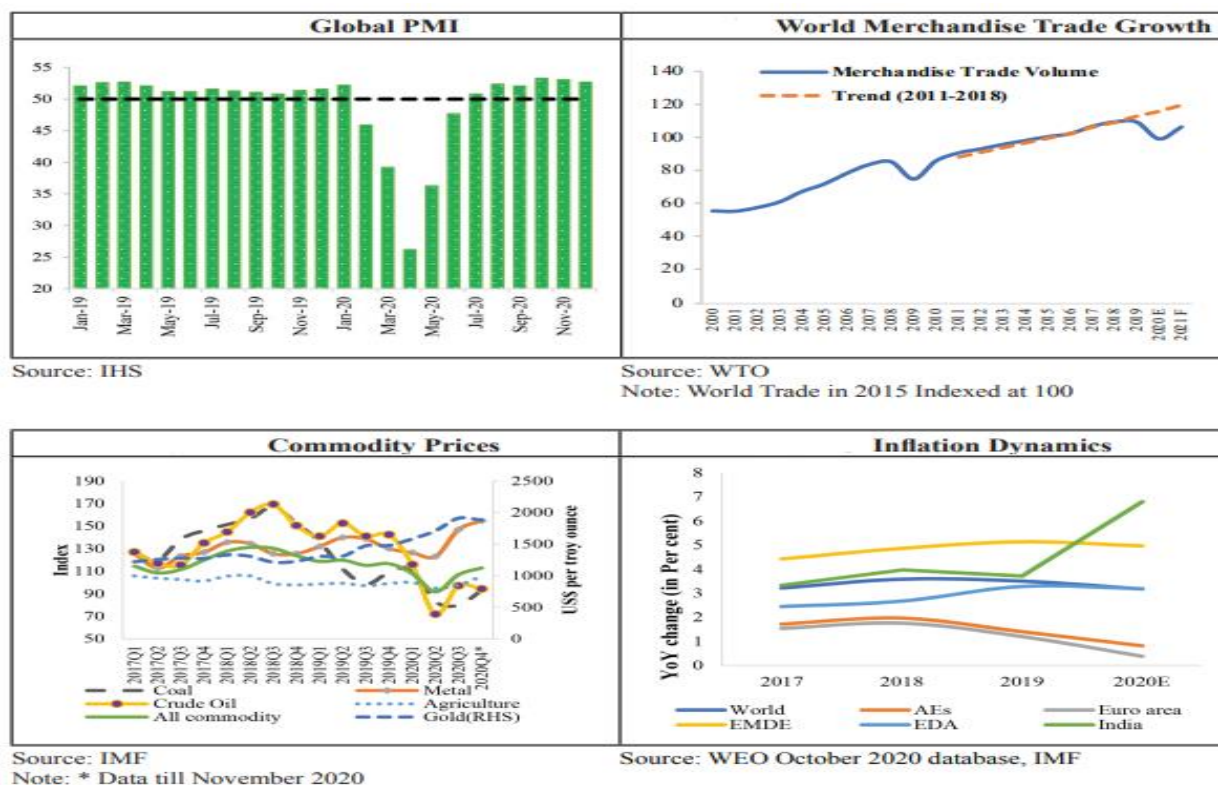
#### Global Scenario

the pandemic raised unprecedented health challenges on a global scale and posed unique policy dilemmas. Since 2018, the growth momentum in global output was on a weakened footing owing to various factors like trade tensions, political instability, slowed demand and reduction in industrial activity. COVID-19 pandemic accentuated the deceleration by causing severe demand and supply disruptions. Economic activity has been belaboured by reduced mobility, owing both to official restrictions and private decisions; uncertainty regarding the post-pandemic economic prospects and policies has impacted investment; disruptions in education have decelerated human capital accumulation; concerns about the viability of global value chains; and the adverse impact on international trade and tourism.

Global output is expected to witness the sharpest contraction in a century, contracting in the range of 3.5 - 4.3 per cent in 2020 as per the estimates provided by IMF and World Bank. The cumulative loss to global GDP over 2020 and 2021 is estimated at around USD 9 trillion – greater than the economies of Japan and Germany combined. Loss of output is anticipated to be more severe in AEs at 5.4 per cent compared to EMDEs, excluding China, which stood at 5.0 per cent for the year 2020. This is aligned with the more severe impact of the pandemic spread in AEs than EMDEs as was seen above. The estimates for global growth were revised upward through the year with easing of lockdowns and resurgence in economic activity in July-September quarter of the year. The rebound in global activity has, however, been uneven and subdued since the beginning of second half of the year due to resurgence in COVID-19 infection rates in AEs.

Global financial conditions have remained accommodative on the back of continued policy support via unprecedented swift interventions by Central banks. Despite subdued activity and a highly uncertain outlook, global equity markets have rebounded at a faster pace from the March lows, though with notable differentiation across countries, depending on the spread of the virus, the scope of policy support, and sectoral composition. Behind the broad rebound of risky assets, there are clear signs of differentiation across sectors. Some sectors (such as airlines, hotels, energy, and financials) have been more affected by the lockdown and social distancing, whereas those that are less contact-intensive (information technology, communications) have fared better. US dollar index has weakened by 7.4 per cent on year-to-date basis in comparison to most G-10 currencies with countries adopting various policies to alleviate downward pressure on their exchange rates.

Most commodity prices rebounded from their mid-2020 lows as strict lockdowns were gradually lifted and demand firmed, especially from China. The recovery in oil prices was more modest amid concerns over the pandemic's lasting impact on oil demand. Gold emerged as a safe-haven investment in the backdrop of the pandemic prices with prices increasing by 26.2 per cent in November, 2020 as compared to December, 2019. Food prices also surged during the year reflecting supply chain disruptions. As a result of weak demand and subdued energy prices, inflation moderated in most part of the world, deflationary pressure emerged in major AEs. Fall in inflation in EMDEs was less broad based than in AEs, reflecting the effects of sharp currency depreciations as well as rising domestic food prices in some countries.



### Indian Economy Overview

The year 2020 was predominated by the COVID-19 pandemic, posing the most formidable economic challenge to India and to the world, since the Global Financial Crisis. Global economic output is estimated to fall by 4.4 per cent in 2020, the sharpest contraction in a century. COVID-19 put emergency brake on an economy that was gaining momentum at the start of the year 2020. India's GDP is estimated to grow by (-)7.7 per cent in FY2021, composed of a sharp 15.7 per cent decline in H1 and a modest (-)0.1 per cent fall in the second half. Inflation, mainly driven by food prices, remained above 6 per cent for much of the year, given supply disruptions. The softening of CPI inflation recently reflects easing of supply side constraints that affected food inflation.

The weak demand led to a sharper contraction in imports than exports, with Forex reserves rising to cover 18 months of imports. Sharp rise in commercial paper issuances, easing yields, and sturdy credit growth to MSMEs, portend a revamped credit flow mechanism for enterprises to survive and grow. As part of India's four-pillar strategy, calibrated fiscal and monetary support was provided attuned to the evolving economic situation, cushioning the vulnerable in the lockdown and boosting consumption and investment while unlocking. Long-pending structural reforms in agriculture, mining, labour, etc. were concurrently undertaken for the economy to return to the potential growth path, keeping super-hysteresis at bay. The estimated real GDP growth for FY 2022 at 11 per cent is the highest since independence.

Sources: *echap01\_vol2.pdf* ([indiabudget.gov.in](http://indiabudget.gov.in))

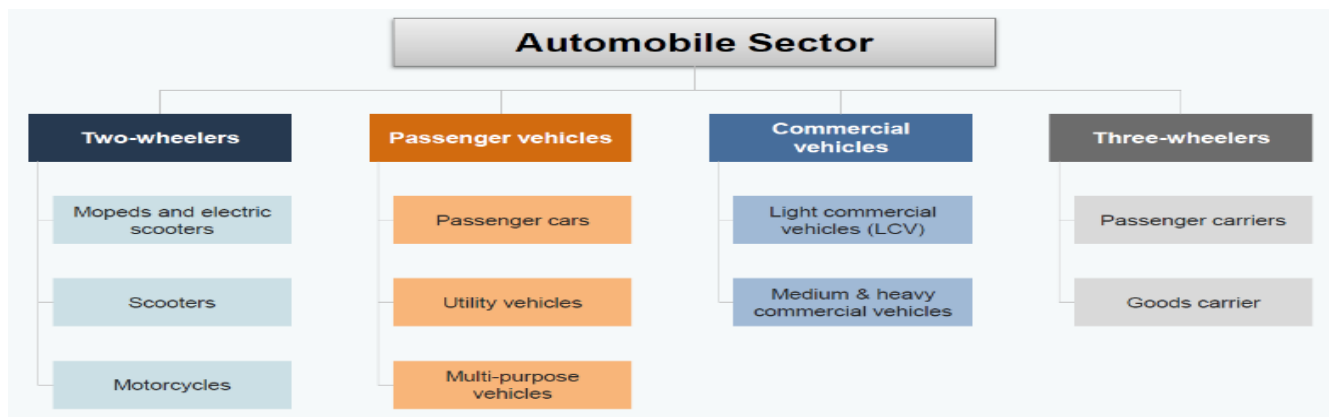
### Automobile Industry

The automobile industry in India is the world's fifth largest. India was the world's fifth largest manufacturer of cars and seventh largest manufacturer of commercial vehicles in 2019. Indian automotive industry (including component manufacturing) is expected to reach Rs. 16.16-18.18 trillion (US\$ 251.4-282.8 billion) by 2026. The industry attracted Foreign Direct Investment (FDI) worth US\$ 25.85 billion between April 2000 and March 2021 accounting for ~5% of the total FDI during the period according to the data released by Department for Promotion of Industry and Internal Trade (DPIIT).

The Indian automotive industry is expected to reach US\$ 300 billion by 2026. Domestic automobile production increased at 2.36% CAGR between FY16-FY20 with 26.36 million vehicles being manufactured in the country in FY20. Overall, domestic automobiles sales increased at 1.29% CAGR between FY16-FY20 with 21.55 million vehicles being sold in FY20.

Overall, automobile export reached 4.77 million vehicles in FY20, growing at a CAGR of 6.94% during FY16-FY20. Two wheelers made up 73.9% of the vehicles exported, followed by passenger vehicles at 14.2%, three wheelers at 10.5% and commercial vehicles at 1.3%. Indian automobile exports stood at 1,419,430 units from April 2021 to June 2021 as compared to 436,500 units in April 2020 to June 2020.

## AUTOMOBILE SECTOR



## GROWTH DRIVERS

### -Policy support

- Initiatives like Make in India, Automotive Mission Plan 2026, and NEMMP 2020 will give a huge boost to the sector.
- In Union Budget 2021-22, the government introduced the voluntary vehicle scrap policy, which is likely to boost demand for new vehicles after removing old unfit vehicles currently plying on the Indian roads.
- To install electric vehicle supply equipment (EVSE) infrastructure for EVs, various public sector firms, ministries and rail ways have come together to create infrastructure and manufacturing components.

### Growing demand

- Rising income and a growing young population.
- Greater availability of credit and financing options.
- Demand for commercial vehicles increasing due to high level of activity in the infrastructure sector.

### Support infrastructure and high investment

- In July 2021, India inaugurated the national automotive test tracks (NATRAX), which is Asia's longest high-speed track to facilitate automotive testing.
- From April 2000 to March 2021, the automobiles sector received 5% of the total FDI inflow to India.
- In February 2021, the Delhi government started the process to setup 100 vehicle battery charging points across the state to push the option of electric vehicles.

## OPPORTUNITIES

### -India is fast emerging as a global R&D hub

- Strong support from the Government; setting up of NATRIP centres.
- Private players such as Hyundai, Suzuki, and GM, keen to setup R&D base in India.
- In January 2021, Tesla, the electric car maker, setup a R&D centre in Bengaluru and registered its subsidiary as Tesla India Motors and Energy Private Limited.

### -Opportunities for creating sizeable market segments through innovations

- Mahindra & Mahindra (M&M) is targeting to implement digital technology in the business.
- Hyundai is planning to enter the hybrid vehicles segment to explore alternative fuel technology and to avail the Government incentives.
- In May 2019, Nissan Motor Company received a patent for wireless charging of EVs in India.

### -Small car manufacturing hub

- GM, Nissan and Toyota announced plans to make India their global hub for small cars.
- Strong export potential in ultra-low-cost cars segment (to developing & emerging markets).

## AUTO AND NATURAL GAS SCENARIO IN INDIA

Increased concern on the environmental pollution caused by conventional auto fuels such as diesel/petrol, Compressed Natural Gas (CNG), an environmentally friendly and clean fuel is opted as an alternate fuel. Auto fuel Policy introduced during 2003 by MoPNG aims at to address the issues of vehicle emission, vehicle technology and auto fuel quality. And also, it aims at optimal utilization of oil & gas infrastructure. The use of CNG and LPG would be increased in pollution affected cities.

CNG Vehicles are in use in major states in Maharashtra, Gujarat, Delhi, Andhra Pradesh, Bengal, UP, MP etc. In recent future, it is likely that most Southern cities will also go on CNG. CNG is dispensed using specialized dispensing equipment to the vehicle. In the Automobile sector, there is a continuous growth of CNG stations.

Sources: <http://www.fcridia.com/natural-gas-medium/>

### **CNG PROGRAMMES IN INDIA**

The use of natural gas in the transportation sector is primarily driven by the environmental and public health imperatives. The CNG programme targeted diesel vehicles in India mainly because diesel-related pollutants are either already very high or rapidly increasing in Indian cities.

Air quality gains of the CNG programme have not been investigated adequately in Delhi. However, collage of small and fragmented studies brings out the gains of this programme. The Central Pollution Control Board the apex air quality monitoring agency in Delhi based on the air quality trends has stated that after the implementation of the CNG programme the particulate levels dropped.

### **BENEFIT OF USING CNG IN VEHICLES**

Compressed Natural Gas (CNG), commonly known as "methane", is a natural gas that compresses at a pressure of 220 to 250 bar and is used as an energy source in industry or motor fuel in vehicles. Natural gas is of Russian origin, it is not mixed with domestic gas and is of exceptional quality. The quality of natural gas is excellent due to a high and uniform percentage of methane of 97%. Sources: <http://www.bedemes.com/en/advantages>.

#### **Environmental benefits**

CNG burns cleaner when compared to traditional petrol and diesel. Carbon monoxide emissions are reduced by roughly 80 percent, and 44 percent fewer hydrocarbons are produced in comparison to gasoline-powered vehicles. CNG cars also run quieter than gasoline and diesel vehicles, which results in less noise pollution.

#### **Economic Benefits**

CNG is cheaper fuel than petrol and diesel. If a vehicle's average consumption is 8l/100 km of petrol, if converted to LPG it's consumption would be around 10l/100 km of gas. But, if we convert it to CNG, it's consumption would be 5.5kg/100 km of methane. It is more than obvious what are the cost savings by switching to CNG.

#### **Safety**

In the event of a collision, CNG cylinders are less dangerous than gasoline and diesel tanks because of its size, structure, and location within the vehicle. These cylinders have safety devices which are designed to release the gas if there is a higher-than-normal pressure or temperature. The ignition temperature of CNG is 600°C, which is higher than gasoline (320°C) and diesel (285°C). This means that CNG vehicles are less likely to catch fire under any circumstances. In the event of a leak, CNG is lighter than air, meaning that it will dissipate into the atmosphere, unlike gasoline or diesel which pools on the ground and serves as a fire hazard.

#### **Cleaner Fuel**

CNG does not have sulphur, particulate matter, traces of heavy metals or toxic additives in it, which may contaminate your motor oil.

#### **Lower maintenance costs**

The maintenance cost of your vehicle will be cut down since there can be longer periods between tune-ups and oil changes.

#### **Less damage to your car**

CNG combusting leaves little to no residue when compared to traditional gasoline and diesel. This means that damages to pipes and tubes in the vehicle's engines are reduced.

#### **Better performance**

Dedicated natural gas engines are superior in performance to gasoline engines because natural gas has an octane rating of approximately 130, whereas super and unleaded have octane levels of 95 and 98 respectively. One can agree that the benefits that come from using CNG are very appealing. In the future, it can be predicted that many more citizens will be keen on either converting to CNG or purchasing CNG vehicles.

## ROAD AHEAD

Energy demand of India is anticipated to grow faster than energy demand of all major economies on the back of continuous robust economic growth. India's energy demand is expected to double to 1,516 Mtoe by 2035 from 753.7 Mtoe in 2017. Moreover, the country's share in global primary energy consumption is projected to increase by two-fold by 2035.

Crude oil consumption is expected to grow at a CAGR of 3.60% to 500 million tonnes by 2040 from 221.56 million tonnes in 2017.

India's oil demand is projected to rise at the fastest pace in the world to reach 10 million barrels per day by 2030, from 5.05 million barrel per day in 2020.

Natural Gas consumption is forecast to increase at a CAGR of 4.18% to 143.08 million tonnes by 2040 from 58.10 million tonnes in 2018.

Diesel demand in India is expected to double to 163 million tonnes (MT) by 2029-30.

As per preliminary data of gasoline sales, fuel consumption in India registered growth in June 2021 and is expected to further recover by end-2021. Gasoline sales by state refiners stood at 2.12 million tonnes in June 2021, registering an increase of 5.7% YoY.

India is set to expand India's natural gas grid to 34,500 kms by adding another 17,000 km gas pipeline. The regasification capacity of the existing 42 MMT per annum will be expanded to 61 MMT per year by the year 2022.

Sources: <https://www.ibef.org/industry/oil-gas-india.aspx>

Note: Conversion rate used in August 2021, Rs. 1 = US\$ 0.013



## OUR BUSINESS

The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Prospectus, including the information contained in the section titled “**Risk Factors**”, beginning on page 20 of this Prospectus.

This section should be read in conjunction with, and is qualified in its entirety by, the more detailed information about our Company and its financial statements, including the notes thereto, in the section title “**Risk Factors**” and the chapters titled “**Restated Financial Statements**” and “**Management Discussion and Analysis of Financial Conditions and Results of Operations**” beginning on page 20, 118 and 146 respectively of this Prospectus.

Unless the context otherwise requires, in relation to business operations, in this section of this Prospectus, all references to “**we**”, “**us**”, “**our**” and “**our Company**” are to “**Shigan Quantum Technologies Limited**”.

## OVERVIEW

Our Company is engaged in the business of designing, developing and manufacturing of varieties of Alternate Fuel Systems including CNG, LNG and Hydrogen Fuel Kit systems for OEMS and others. We manufacture Alternate Fuel Systems for heavy duty vehicles, light duty vehicles and off- highway applications.

Our Company was incorporated in the year 2008 with an object to manufacture alternate fuel systems in India. Subsequently, we have gained expertise in various products in the alternate fuel systems, especially in CNG and LNG fuel kits within automotive industry through our in-house expertise and technical assistance. Since April 2020, our Company has also ventured into manufacturing of Fire Detection & Alarm System and Fire Detection & Suppression System (FDAS & FDSS). The turnover from this newly ventured business activity as on August 31, 2021 is Rs. 85.21 lakhs and March 31, 2021 is Rs. 139.61 lakhs. The installed capacity of manufacturing of FDAS & FDSS is 36,000 nos. per annum, however our Company has manufactured 671 nos. of FDAS & FDSS as on March 31, 2021.

We source our critical technologies from MNC companies with whom we have long term technology user agreement or manufacturing license. We have entered into technology agreements with companies for developing exclusive products customised to our requirements. We have got exclusive manufacturing rights in India for these products after their development.

With change in technologies, we have plan to acquire the Foreign Suppliers’ expertise through Joint Venture or by outright purchase of their technologies and localise production of Gaseous Fuel Injection Technology systems. Such Gaseous Fuel Injection Technology systems will enable the Company to manufacture products that will meet the upcoming Emission norms thereby enhancing the performance of the vehicle.

We are engaged in designing, optimizing, manufacturing, assembling, testing and kit integration of alternate fuel systems/kits for heavy/light duty commercial vehicles and buses, power generation equipment and industrial equipment viz. forklifts etc. We aim to localize the components of Euro-VI CNG kits in India, which will help to reduce the cost of the total system.

Our Company imports its raw materials from countries like Singapore, USA, Chicago, Mexico, Switzerland, China, Hong Kong, UAE, Italy, France, etc. We also procure our raw materials from domestic suppliers located in Pune, Gurugram, Ghaziabad, Bangalore and other domestic market in India. We export certain components of CNG Fuel Systems to countries like New Jersey, Australia, Italy, Sweden, Canada.

The breakup details of our revenue from operations (Imports and Exports) are set forth in the table below:

### Export Breakup:

Particulars	For the period ended August 31, 2021		For the Financial Year ended					
			March 31, 2021		March 31, 2020		March 31, 2019	
	Rs. in Lakhs	% of Total Revenue from Operations	Rs. in Lakhs	% of Total Revenue from Operations	Rs. in Lakhs	% of Total Revenue from Operations	Rs. in Lakhs	% of Total Revenue from Operations
<b>Sale of Goods</b>								
-Domestic Sales	6,377.85	99.05%	9,372.74	97.98%	7,086.58	97.38%	6,784.46	98.23%
-Export Sales	61.18	0.95%	5.01	0.05%	53.25	0.73%	48.35	0.70%
-Development Fees	-	-	-	-	116.31	1.60%	74.25	1.07%
-Service Charges	-	-	188.21	1.97%	21.46	0.29%	-	-
<b>Total</b>	<b>6,439.03</b>	<b>100.00%</b>	<b>9,565.96</b>	<b>100.00%</b>	<b>7,277.59</b>	<b>100.00%</b>	<b>6,907.06</b>	<b>100.00%</b>

**Import Breakup:**

Particulars	For the period ended August 31, 2021		For the Financial Year ended					
			March 31, 2021		March 31, 2020		March 31, 2019	
	Rs in Lakhs	% of Total Material Purchased	Rs in Lakhs	% of Total Material Purchased	Rs in Lakhs	% of Total Material Purchased	Rs in Lakhs	% of Total Material Purchased
<b>Purchase of Goods</b>								
-Domestic purchase	3566.82	71%	4,736.52	75%	4,223.57	83%	4,196.20	80%
-Import Purchase	1427.82	29%	1,576.48	25%	835.42	17%	1,036.16	20%
<b>Total</b>	<b>4,994.64</b>	<b>100.00%</b>	<b>6,313.00</b>	<b>100.00%</b>	<b>5,058.99</b>	<b>100.00%</b>	<b>5,232.36</b>	<b>100.00%</b>

**Brief Details of Plant and Machinery**

The brief details of machineries are:

- For Gaseous Injectors, state of art manufacturing facility is installed at our plant which includes clean room with semi- automatic and automatic assembly processes.
- For ECU manufacturing, semi-automated assembly line is installed in a dedicated static compliant area which includes a dedicated end of the line (EOL) machines based on national instrument hardware.
- For High Pressure Regulators, High Pressure filters, Fuel Rails dedicated assembly line are installed with leak detection and performance testing capability.

**Brief Details Of Technology and Business Process**

We have entered into long terms contracts with our OEM customers for existing products and to develop new products for the OEMs. The long-term contracts with OEMs include product specifications, tentative demand and tentative product pricing. OEMs engages us for developing new products for their new vehicle launches or modifications of their existing product portfolio and based on these agreements and discussions with the OEMs, we develop the required products. We have entered into Technology Assistance Agreement (TAA) or licensing for design & technical know-how support with Global technology companies, for manufacturing products viz. Injectors, Electronic controller Units (ECUs), High pressure filters, CNG Pressure Regulator, Filling Valves, Fire Detection and Automatic Fire Suppression Systems, etc. to also bring down the manufacturing cost of products and improve and increase our profit margins.






**Manufacturing of product**





The first step in our product development is finalization of technical features and drawings of the System with our customers. Then the second step is Advance Product Quality Planning (APQP), which is followed up for development of complete system or any new component/product in the existing system. We manufacture majority of our components / products in-house and few of the components are imported or sourced locally. We conduct an in-house testing of the products under various stress conditions before delivering it to the customers. Our entire production and assembly line are driven by actual customer demand. The process of manufacturing of our products starts only once an order is received from the customer, and the number of units produced are as per the customer schedule. Based on the Despatch schedules received from the Customers, (this is normally received at the beginning of each month), marketing department issues internal indents to Production Department which is based on their existing inventory and the Production Department carries out the manufacturing and kit integration activities post assembly and testing of the components and sub-assemblies.

In order to ensure that all the components manufactured by us meet all the quality parameters laid down by customers, we have a defined Quality Check process for all the materials received in our Plant (including raw material and finished goods) from our suppliers, and all the material undergoes Quality Inspection by the Quality Team. We have invested substantially in buying Quality inspection tools and training of our Quality Check Team to ensure that the Quality standards specified by our customers are met. Also, wherever there is a requirement for statutory test as per automotive standard, we carry out the certification of the components at Government accredited labs like ICAT. We constantly analyze the alternate fuel market in India and upcoming government policies/ regulations which may impact our industry. Based on this analysis, we sometimes develop new products ahead of the demand order from our customers for a particular product/system. We develop the initial prototype of the new product and keep it ready for testing at the customer's end. We believe in keeping abreast of technology trends and upgrade our technology/design accordingly to reduce our import dependence and improve our profit margins.

## Product Portfolio

The chart below describes our products and their end-use application:

Product	Application across automotive, locomotive and stationary engine	Description
<b>CNG Filters</b> 	3 Wheelers, Cars, Buses & Trucks	Our Company has the fuel filter for CNG gaseous injection system. It filters impurities in CNG including oil and other particles.
<b>Engine Control Unit (ECU)</b> 	Automotive / Industrial / Off Highway	Our Company offers in-house manufactured Engine Control Unit (ECUs) that has been specifically designed for SI Engines. It is able to control variety of alternate fuels CNG / LPG / LNG / Hydrogen / HCNG etc. and applications (Automotive / Industrial / Off-highway). We have a wide range of ECUs suitable from Single Cylinder Bi-fuel application upto 8 Cylinder Mono Fuel / Dual Fuel application.
<b>Fuel Rail</b> 	3 Wheelers, Cars, Buses & Trucks	Fuel rail acts a distributor channel of CNG injectors. It is equipped with integrated pressure and temperature sensors or standalone pressure sensor depends on application required. Our Company has variety of solutions for Fuel Rail Assembly right from extruded fuel rail to casted fuel rails depending on the packaging profiles on engine to accommodate different types of alternate fuels injector (top feed and Side feed injectors).
<b>High Pressure Regulator</b> 	3 Wheelers, Buses, Trucks, Industrial & Off Highway	This is a device used to reduce the pressure of CNG from 200~220 Bar to operating injection pressure of 2~8 Bar based on type of injector used for the application. It is also equipped with high pressure solenoid and high-pressure sensor.
<b>Injectors</b> 	3 Wheelers, Buses, Trucks, Industrial & Off Highway	Injector is a device to supply fuel to the engine. Injection quantity and injector duty cycle is being controlled by ECU (Engine Control Unit). Our Company offers in-house manufactured variety of injectors compatible to run on CNG, LNG, hydrogen fuels. Our Company has state of the art dedicated clean room facility to manufacture the injectors and approx. 1 million of Company's manufactured injectors are in operation in field. Our Company has different types of Injectors based on inlet type (side feed and Top Feed Injectors) and based operation (peak and hold type and saturated switch type). Our Company has very large range of operating pressure injectors from 1.5 bar to 8.5 bar operating pressure. These injectors are ECER approved and completed above 500 million cycle of durability operation.
<b>Fire Detection and Suppression System</b>	Buses & Trucks, Locomotives, Mining vehicles applications	This two-zone panel is for monitoring and controlling of fire extinguishing systems. The system is built to fit into standard dashboards & instrument panels. The panel is designed to monitor various sensors and activate alarm outputs in the event of a fire being detected.

		<p>The system monitors the inputs both to detect actual alarm or fire situations, and to check for faults in the system itself. This is a device used to detect and suppress fire, using LHD cables for detection and ABC powder for suppression.</p>
<p>CNG Tube and Fitting</p> 	<p>Three Wheelers, Buses, Trucks, Industrial &amp; Off Highway</p>	<p>Our Company offers Computer Numeric Controlled (CNC) pipe bending services for larger bends and for customers requesting high-quality tube and pipe bending services. We have the ability to work with stainless steel and carbon steel tube bendings. This is used to supply CNG from tank to HPR (High Pressure Regulator). Our highly-trained bend technicians are capable of CNC bending of a wide range of bend radii. Our experts have many years of experience and knowledge, which allows them to provide the most accurate bends possible.</p>
<p>Filler Valve</p> 	<p>3 Wheelers, Buses &amp; Trucks</p>	<p>Our Company is a trustworthy manufacturer and supplier of a wide assortment of CNG Filling Valve in India. This range of product is made employing finest grade raw material and cutting-edge techniques under the supervision of trained professionals as per the set industry standards. Manually operated filling valve with forged brass body, mechanized in the latest CNC lathe machines with variable plates. Its function is to allow the gas filling into the vehicle. Its effective closing system turns our valve into a highly reliable and safe product. Its distinctive compact design allows its placement in reduced spaces of the vehicle.</p>
<p>FMFD Module</p> 	<p>Automotive / Industrial / Off Highway</p>	<p>It is an unique proprietary filling unit integrated with high pressure filter, receptacle NGV and NZS filling valves, manual shut- off valve having optional feature of solenoid.</p>

## OUR COMPETITIVE STRENGTH

Our Company's Strengths are:

### ***Experienced Management Team***

Our management team includes professionals with experience in the Automotive industry as well as finance and marketing functions. Our Promoters Shishir Agrawal and Gagan Agrawal brings their entrepreneurial vision and leadership which has been instrumental in growing and sustaining our business operations. We believe that our management team is growth oriented and has ability to manage growth in rapidly changing business environment and delivery of high-quality materials at sustainable cost. For details regarding the education and experience of our promoters, please refer to chapter titled "***Our Management***" beginning on page no. 94 of the Prospectus.

### ***Quality Assurance and Standards***

Our Company believes in the quality in our process and products. We are committed to deliver the good quality product in proper manner at all steps from manufacturing to dispatch. Our dedicated internal quality control team ensures the compliance with good standard practices. We give prime focus to providing quality material to our customers and follows high quality standards.

### ***Cordial Relationships with our Suppliers***

We have cordial relationship with our suppliers for supply of materials, which we believe provides us with the competitive advantage of effective and timely sourcing of raw materials. We also believe effective sourcing of materials ensures timely delivery of our products to our customers, thereby enhancing the value provided to our customers.

## OUR STRATEGIES

### *Improving operational efficiencies*

We make continuous efforts to improve efficiencies to achieve cost reductions so that we can be competitive in market. We believe that we can achieve the same by gaining economies of scale in our operations and continuous research and development. Our operations team including senior management adopts good practices in line with industry standards across our product facilities.

### *Expand geographical reach*

We seek to expand and enhance our presence in our existing business segments by identifying markets where we can provide cost-effective and quality products to prospective consumers. We seek to capitalize on our existing experience, established contacts with suppliers and entering in the new products market considering the local working conditions.

### *Strengthening our brand*

We intend to invest in developing and enhancing recognition of our brand through brand building efforts, communication and promotional initiatives such as participation in industry events, public relations and investor relations efforts. This will help us to maintain and improve our reach. We believe that our branding exercise will enhance the recall value and trust in the minds of our customers and will help in increasing demand for our products.

### *Training our employees*

We believe that the successful implementation of our business and growth strategies depends on our employees' commitment to our vision. We also believe that to sustain our future growth, we need to continue to train and empower our employees. As we expand our business into other geographical region, our ability to successfully train our existing and new employees will play a crucial role.

### *To build-up a professional organization*

We believe in transparency, commitment and coordination in our work, with our suppliers and customers. We have a blend of experienced and sufficient staff for taking care of our day-to-day operations. We also consult with external agencies on a case-to-case basis on technical and financial aspects of our business. We wish to make it sounder and stronger in times to come.

## **SALES AND MARKETING STRATEGY**

Sales and marketing for our products is dependent on our long-term relationships with our customer. We have a marketing and business development team, comprising of five full time employees, who are responsible for marketing and selling our products. Our sales teams are responsible for growing our relationships with our key customers and developing strategies to ensure that we are developing the right products in line with the market trends and our business strategy. We participate in exhibitions and fairs which gives us a platform to exhibit our products in the market and gives boost to our Company as whole.

## **COLLABORATIONS**

Except as disclosed in this Prospectus and in our normal course of business, we do not have any collaboration as on date

## **EXPORT OBLIGATION**

Our Company does not have any export obligations, as on date of this Prospectus

## **RAW MATERIAL AND COMPONENTS**

The following is the list of raw materials used by our Company:

1. Aluminium components
2. Brass components
3. Steel components
4. Plastic granules and plastic components
5. Bare Printed Circuit Boards
6. Semi- conductor components
7. Pressure die casting components, etc.



## **COMPETITION**

The market for our product is highly competitive and fragmented and we face competition from various domestic and international companies. In order to counter the competition, our focus would be to provide products that would be in consonance with quality and technical requirement of our customers as well as by offering latest state of art technology, competitive pricing model and without compromising on quality. The industry is fragmented, consisting of large established players and small players. We believe that the principal elements of competition in our industry are price, durability, overall product quality, timely delivery, reliability and service support. We believe that with the growing market, competition is bound to increase.

## **CAPACITY AND CAPACITY UTILIZATION**

Product	Particulars	2021	2020	2019
Alternate Fuel Systems/ Kits	Installed capacity (Per month)	10,000 kits per month	5,000 kits per month	3,000 kits per month
	Actual Production (Per month)	7,000 - 8,000 kits per month	3,000 - 4,000 kits per month	2,000 kits per month
	Utilisation (%)	70-80	60- 80	66.67

The installed capacity of our newly ventured business of manufacturing of Fire Detection & Alarm System and Fire Detection & Suppression System is 36,000 nos. per annum, however our Company has manufactured 671 nos. of Fire Detection & Alarm System and Fire Detection & Suppression System as on March 31, 2021

## **HUMAN RESOURCE**

Human resource is the key element for our Company's growth strategy and handling the day-to-day activities within the organization. We focus on attracting and retaining the best possible talent. Our team is a blend of experienced, professional with expertise in capital markets.

As on November 30, 2021, we employed 72 on-roll employees and 166 contractual employees who look after the day-to-day business operations, administrative, secretarial and accounting functions in accordance with their respective designated duties.

## **ENVIRONMENT, HEALTH, QUALITY AND SAFETY**

### ***Environment Policy***

Our Company reaffirms its commitment to minimise the adverse impact of its products, operations and services on the environment. Towards this end, we strive to: establish sound environmental objectives and targets and a process of reviewing them; comply with all applicable legal/regulatory and other Environmental requirements; use of environmentally sustainable technologies and practices for prevention of pollution and the continual improvement in environmental performance; conserve natural resources and energy by minimising their consumption and wastage; minimise waste generation and develop Eco-friendly waste disposal practices; reduce the usage of single use plastic.

### ***Health and Safety Policy***

We are committed to being an injury-free organization, ensuring the safety and health of the employees, contractors and visitors in our organization.

We recognise safety as an integral part of every operation and that we would strive to meet the need and expectations of all internal and external associates.


### ***Quality Policy***

Our Quality Policy is to provide high quality products and a professional and efficient service to ensure customer satisfaction as well as statutory and regulatory compliance. This achievement will result in securing efficiency, a strong customer focus and enhancement of long-term sustainability and profitability within the organisation.

The management team will show leadership and commitment and bear the responsibility for establishing, implementing, integrating and maintaining the quality management system in a commitment to satisfy the requirements of IATF 16949:2016.

Through direction and support, each employee will have a proper understanding of the importance of the quality management system, their responsibility in contributing to its effectiveness and its direct relevance to the success of the organisation.

**INTELLECTUAL RIGHTS**

Sr. No.	Trademark Image	Trademark applied for	Word/Label Mark	Applicant	Application No.	Issuing Authority	Class	Status/Validity
1		SQT	Device	Shigan Quantum Technologies Limited	5193426 dated 29/10/2021	Trademarks Registry, Mumbai	12 <sup>^</sup>	Objected

<sup>^</sup> The Logo is applied as “SQT” under category “Trademark” and Trade Mark Type “Device” for providing Manufacturing & Assembly of Gaseous Fuel Automotive Components, FDSS & FDAS components & related thereto under class 12. (For further details, see “Government and Other Approvals” and “Risk Factors” on pages 155 and 20 respectively).

**PROPERTY****Registered Office**

The registered office of our Company is situated at Shyam Kunj, 183A, Sainik Farms, Western Avenue, New Delhi-110062 and is taken on rent free basis from our Mr. Shishir Agrawal, Managing Director.

**Corporate Office & Manufacturing Unit**

Sr. No	Location	Type	Name of Licensor/Lessor	Security Deposit	Rent	Period of Agreement	
						From	To
1.	Hall No. 2,3,6,7 & 8 Ground and First floor, Shyam Udyog Parisar, Khasra No. 25/1, 15/3/2 Alier Bhangrola Road, IMT Manesar, Gurgaon -122505, Haryana.	Leased	CLH Gaseous Fuel Applications Private Limited	Rs.60,00,000/-	Rs.10,00,000 per month	July 1, 2021	June 30, 2023

For details, please refer to section titled “Risk Factor” on page 20.

**INSURANCE DETAILS**

Our Company has insurance coverage which we consider reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with the industry standards. We have taken insurance policies with different schemes and benefits covering our employees. Our policies are subject to customary exclusions and customary deductibles. We believe that our insurance coverage is adequate for our business needs and operations. We will continue to review our policies to ensure adequate insurance coverage is maintained.

Policy No.	Risk Covered	Sum assured (in Rs.)	Name of the Issuer	Policy Period	
				From	To
4016 X 219519375 00 000	Medical expenses incurred by the Insured during the day care treatment, hospitalization, domiciliary hospitalization, for any illness and injury suffered.	22,500,000	ICICI Lombard General Insurance Company Limited	April 03, 2021	April 02, 2022
4002/219595214/00/000	Burglary Insurance Policy	15,30,00,000	ICICI Lombard General Insurance Company Limited	March 30, 2021	March 29, 2022
1001/219779950/00/000	Standard Fire and Special Perils Insurance	Standard Fire and Special Perils: 15,30,00,000	ICICI Lombard General Insurance Company Limited	March 30, 2021	March 29, 2022

		Earthquake: 15,30,00,000			
2001/219765474/00/000	Marine Open Inland Declaration Policy	1,00,00,00,000	ICICI Lombard General Insurance Company Limited	April 14, 2021	April 13, 2022
2001/224743642/00/000	Marine Open Inland Declaration Policy	10,00,00,000	ICICI Lombard General Insurance Company Limited	August 12, 2021	August 11, 2022
OG-21-1113-9902- 00000135	Group Personal Accident	1,75,00,000	Bajaj Allianz General Insurance Company Limited	February 21, 2021	February 20,2022
OG-21-1113-9902- 00000134	Group Personal Accident	3,62,00,000	Bajaj Allianz General Insurance Company Limited	February 21, 2021	February 20,2022
2002/1/227246142/00/000	Marine Open Import Declaration Policy	20,00,00,000	ICICI Lombard General Insurance Company Limited	September 24, 2021	September 23, 2022

### **IMPACT OF COVID-19 PANDEMIC**

The Coronavirus (Covid-19) Pandemic was announced by the World Health Organization (WHO) in March 2020 given the outbreak of the virus in countries across the world. The sales have been greatly impacted since then.

The spread of Covid-19 has created uncertainty to the near-term global economic prospects and impacted various major business sectors. The travel bans have drastically affected the aviation as well as travel sectors. The company is taking precautionary measures to deal with the present Covid- 19 outbreak and future pandemics by implementing all ICMR and Government advisory on Covid- 19 related safety protocols

This on-going Covid-19 will continue to impact the Company's sales and operations in line with the impact of pandemic on the automotive industry, the extent of which will also depend on the success of regional inoculations. As at the date of financial statements are authorised for issuance, the current situation is still evolving and unpredictable. As a result, it is not practicable for the Company to estimate the financial effect of Covid-19 at this juncture. The company is actively monitoring and managing its operations to minimise any potential impacts that may arise from the on-going pandemic.

## KEY INDUSTRY REGULATIONS AND POLICIES

*Except as otherwise specified in this Prospectus, the Companies Act, 2013, we are subject to several central and state legislations which regulate substantive and procedural aspects of our business.*

*Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business of providing alternative fuel system solution for automotive, locomotive and stationary engine applications. Taxation statutes such as the I.T. Act, GST and applicable Labour laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive and are only intended to provide general information to Investors and is neither designed nor intended to be a substitute for professional legal advice.*

### APPROVALS

For the purpose of the business undertaken by our Company, its required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “**Government and Other Approvals**” beginning on page number 155 of this Prospectus.

### APPLICABLE LAWS AND REGULATIONS

#### **BUSINESS/TRADE RELATED LAWS/REGULATIONS**

##### **The National Auto Policy, 2002**

The National Auto Policy, 2002, as amended, was introduced by the Department of Heavy Industries, Ministry of Heavy Industries and Public Enterprises, GoI in March 2002, with the aim, among others, to promote a globally competitive automotive industry and emerge as a global source for auto components, ensure a balanced transition to open trade at a minimal risk to the Indian economy and local industry, to encourage modernisation of the industry and facilitate indigenous design, research and development and to develop domestic safety and environmental standards at par with international standards.

##### **Automotive Mission Plan 2016-2026 (“AMP”)**

The Ministry of Heavy Industries and Public Enterprises, GoI released the Automotive Mission Plan 2016-26 in September 2015 with the objective of making the Indian automotive industry an integral part of the “Make in India” initiative. This plan aims to, among others, promote safe, efficient and comfortable mobility for every person in the country along with environmental protection and affordability through both public and personal transport options.

##### **Bureau of Indian Standards Act, 2016 (the “Bureau of Indian Standards Act”)**

The Bureau of Indian Standards Act, 2016, as amended, provides for the standardization, marking and quality certification of goods. The Bureau of Indian Standards Act provides for the functions of the bureau which include, among others (a) recognize as an Indian standard, any standard established for any goods, article, process, system or service by any other institution in India or elsewhere; (b) specify a standard mark to be called the Bureau of Indian Standards Certification Mark; and (c) make such inspection and take such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a license.

##### **Bureau of Indian Standards Rules, 2018 (the “Bureau of Indian Standards Rules”)**

The Bureau of India Standards Rules, 2018, as amended, have been notified, in supersession of the Bureau of Indian Standards Rules, 1987, in so far as they relate to Chapter IV A of the said rules relating to registration of the articles notified by the Central Government, and in supersession of the Bureau of Indian Standards Rules, 2017 except in relation to things done or omitted to be done before such supersession. Under the Bureau of Indian Standards Rules, the bureau is required to establish Indian standards in relation to any goods, article, process, system or service and shall reaffirm, amend, revise or withdraw Indian standards so established as may be necessary.

## **LAWS RELATING TO SPECIFIC STATE WHERE ESTABLISHMENT IS SITUATED**

### **The Delhi Shops and Establishments Act, 1954 (the “Act”)**

Under the provisions of the Act, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

### **The Indian Stamp (Delhi Amendment) Act, 1899**

The purpose of Stamp Act was to streamline and simplify transactions of immovable properties and securities by the State Government. The Stamp Act provides for the imposition of stamp duty at the specified rates on instruments listed in Schedule IA of the Stamp Act. Stamp duty is payable on all instruments/ documents evidencing a transfer or creation or extinguishment of any right, title or interest in immoveable property. However, under the Constitution of India, the states are also empowered to prescribe or alter the stamp duty payable on such documents executed within the state.

### **The Indian Stamp (Haryana Amendment) Act, 2020**

Under the Indian Stamp Act, stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state. Instruments chargeable to duty under the Stamp Act, which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein and it also provides for impounding of instruments that are not sufficiently stamped or not stamped at all.

### **Punjab Factory (Haryana Amendment) Rules, 2016. (the “Rules”)**

In exercise of the powers conferred by Section 112 of the Factories Act, 1948, the Governor of Haryana has enacted the above Rules to be applied to premises within the State of Haryana. It has made a number amendments to the Punjab Factories Rules, 1952. The Rules have substituted the Schedule for ‘Registration Fee’ which contains that registration fees have to be paid by the employer based on the total number of employees employed by him during the year. The Rules also provide for deemed acceptance of stability certificate in cases where no order is communicated to the applicant within forty-five days from the date of receipt. The Enacted Rules have further helped to achieve occupational safety, health and welfare of workers at workplace.

### **Haryana Inter-State Migrant Workmen (Regulation of Employment And Conditions Of Service) Rules, 1981 (the “Rules”)**

In exercise of the powers conferred by Section 35 of the Inter State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979, the Governor of Haryana has enacted the above Rules to be applied to establishments within the State of Haryana. The Rules lay down the manner of filing an application for registration of establishments and the consequent issuance of certificate of registration. It also deals with circumstances in which application for registration is liable to be rejected and protocol to be followed for the amendment of certificate of registration along with other related provision which are to be applicable to establishments within State of Haryana.

### **The Haryana Maternity Benefit Rules, 1967 (the “Rules”)**

In exercise of the powers conferred by Section 28 of the Maternity Benefit Act 1961, the Governor of Haryana, has made the above rules for establishments within the State of Haryana. Under these Rules, the employer of every factory or plantation including an establishment belonging to Government in which women are employed shall prepare and maintain a muster roll and shall enter therein particulars such as the daily attendance of all women workers in the establishment. The Rules also provide for the method to be followed for payment of maternity and other benefits to a women worker. The rules contain an elaborate list of Forms with their respective formats for a number of situations that may arise under the Maternity Benefit Act.

### **Haryana Fire Service Act, 2009 (the “Act”)**

The Haryana Fire Service Act, 2009, as amended, provides for the establishment and maintenance of fire service in the State of Haryana and other related matters. The Act lays down the conditions under which occupiers or owners of buildings/premises are mandatorily required to appoint Fire Safety Officers. The Act also provides for the method of approval of Fire Fighting Scheme and issuance of no objection certificate. The Act further deals with penalties to be imposed in case of violation of the provisions laid down thereunder.

### **The Delhi Fire Service Safety Act, 2007 (the “Act”)**

The Delhi Fire Service Act, 2007, as amended, provides for the maintenance of a fire service and makes more effective provisions for the fire prevention and fire safety measures in certain buildings and premises in National Capital Territory of Delhi. The Act lays down provisions for levy of fire tax, fee and other charges along with their mode of assessment and methods of collection. Multistorey building governed by the Act, are open to inspection by the nominated authority to ensure compliance with fire prevention and safety measures in the said building.



## ENVIRONMENT RELATED LAWS

### **Environment Protection Act, 1986 and Environment (Protection) Rules, 1986**

The Environmental Protection Act, 1986 is an "umbrella" legislation designed to provide a framework for coordination of the activities of various central and state authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property.

### **The Water (Prevention and Control of pollution) Act, 1974 (the "Water Act")**

The Water Act aims to prevent and control water pollution as well as restore water quality by establishing and empowering the Central Pollution Control Board and the State Pollution Control Boards. Under the Water Act, any person establishing any industry, operation or process, any treatment or disposal system, use of any new or altered outlet for the discharge of sewage or new discharge of sewage, must obtain the consent of the relevant State Pollution Control Board, who is empowered to establish standards and conditions that are required to be complied with.

### **The Air (Prevention and Control of Pollution) Act, 1981 (the "Air Act")**

The Air (Prevention and Control of Pollution) Act, 1981 has been enacted to provide for the prevention, control and abatement of air pollution. Pursuant to the provisions of the Air Act, any person, establishing or operating any industrial plant within an air pollution control area, must obtain the consent of the relevant State Pollution Control Board prior to establishing or operating such industrial plant. No person operating any industrial plant in any air pollution control area is permitted to discharge the emission of any air pollutant in excess of the standards laid down by the State Pollution Control Board.

### **The Hazardous and Other Wastes (Management, Handling and Trans boundary Movement) Rules, 2016**

Hazardous and Other Wastes (Management, Handling and Trans boundary Movement) Rules, 2016 came into force from April 04, 2016 superseding the Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008. Hazardous waste means any waste, which by reason of characteristics, such as physical, chemical, biological, reactive, toxic, flammable, explosive or corrosive, causes danger to health, or environment. It comprises the waste generated during the manufacturing processes of the commercial products such as industries involved in petroleum refining, production of pharmaceuticals, petroleum, paint, aluminium, electronic products etc. Hazardous Waste Management Rules are notified to ensure safe handling, generation, processing, treatment, package, storage, transportation, use reprocessing, collection, conversion, and offering for sale, destruction and disposal of Hazardous Waste.

### **The Noise Pollution (Regulation & Control) Rules 2000 ("Noise Regulation Rules")**

The Noise Regulation Rules regulate noise levels in industrial, commercial and residential zones. The Noise Regulation Rules also establish zones of silence of not less than 100 meters near schools, courts, hospitals, etc. The rules also assign regulatory authority for these standards to the local district courts. Penalty for non-compliance with the Noise Regulation Rules shall be under the provisions of the Environment (Protection) Act, 1986.

### **E – Waste (Management) Rules, 2016 (the "E – Waste Rules")**

E-waste means waste electrical and electronic equipment, whole or in part discarded as waste by the consumer or bulk consumer as well as reject from their manufacturing, refurbishment, and repair processes. The E – Waste Management Rules, 2016 are applicable to every producer, consumer or bulk consumer, collection centre, dismantler and recycler of e-waste involved in the manufacture, sale, purchase and processing of electrical and electronic equipment or components specified in Schedule – I of these E – Waste Rules. Every producer, manufacturer, refurbished, dismantler and recycler of e-waste shall obtain an Extended Producer Responsibility Authorization or Authorization as the case may be from Central Pollution Control Board or the State Pollution Control Board as the case may be. The manufacturer is also now responsible to collect e - waste generated during the manufacture of any electrical and electronic equipment and channelize it for recycling or disposal and seek authorization from State Pollution Control Board.

## **GENERAL CORPORATE COMPLIANCE**

### **Companies Act, 2013 (the "Companies Act")**

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29th August 2013.

The Companies Act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure related to appointment of Directors. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the Act.

Further, Schedule V (read with sections 196 and 197), Part I lays down the conditions to be fulfilled for the appointment of a managing or whole-time director or manager. It provides the list of Acts under which if a person is prosecuted, he cannot be appointed as the director or Managing Director or Manager of a Company. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

### **The Registration Act, 1908 (the “Registration Act”)**

The Registration Act was passed to consolidate the enactments relating to the registration of documents. The main purpose for which the Registration Act was designed was to ensure information about all deals concerning land so that correct land records could be maintained. The Registration Act is used for proper recording of transactions relating to other immovable property also. The Registration Act provides for registration of other documents also, which can give these documents more authenticity. Registering authorities have been provided in all the districts for this purpose.

## **EMPLOYMENT AND LABOUR LAWS**

### **The Code on Wages, 2019 (the “Code”)**

The Code received the assent of the President of India on August 8, 2019. The Code is yet to be notified in the Official Gazette. The Code will replace the four existing ancient laws namely (i) the Payment of Wages Act, 1936, (ii) the Minimum Wages Act, 1948, (iii) the Payment of Bonus Act, 1965, and (iv) the Equal Remuneration Act, 1976. The Code will apply to all employees and allows the Central Government to set a minimum statutory wage.

The four existing laws are as follows:

- **The Payment of Wages Act, 1936**  
Payment of Wages Act, 1936, as amended, Payment of Wages (Amendment) Act, 2017 is aimed at regulating the payment of wages to certain classes of persons employed in certain specified industries and to ensure a speedy and effective remedy for them against illegal deductions or unjustified delay caused in paying wages to them. The Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of this Act and Rules made there under.
- **The Minimum Wages Act, 1948**  
The Minimum Wages Act, 1948 came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, and manual or clerical (including out-workers) in any employment listed in the schedule to this Act, in respect of which minimum rates of wages have been fixed or revised under the Act.
- **The Payment of Bonus Act, 1965 (the “PoB Act”)**  
The PoB Act provides for payment of minimum bonus to factory employees and every other establishment in which 20 or more persons are employed and requires maintenance of certain books and registers and filing of monthly returns showing computation of allocable surplus, set on and set off of allocable surplus and bonus due.
- **The Equal Remuneration Act, 1976**  
The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith. The Act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

### **Factories Act, 1948 (the “Factories Act”)**

The Factories Act, 1948, as amended, defines a “factory” to cover any premises which employs 10 or more workers on any day of the preceding 12 months and in which a manufacturing process is carried on with the aid of power or any premises where at least 20 workers are employed, and where a manufacturing process is carried on without the aid of power. Each state government has enacted rules in respect of the prior submission of plans and their approval for the establishment of factories and registration/licensing thereof. The Factories Act provides for imposition of fines and imprisonment of the manager and occupier of the factory in case of any contravention of the provisions of the Factories Act.

### **Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979**

This law is applicable to all the establishments employing five or more migrant workmen from other states. In addition to this, this law is also applicable to contractors who have employed five or more inter-State workmen. The establishment must be registered with the local authority while employing migrant workers. This means that if an establishment is prohibited from employing migrant workers from other states if they do not have a certificate from the concerned authority. The same law applies to the contractors too who employ workers from one state and deploy them in other states. As per this law, the

contractors deploying the migrant workers must provide terms and conditions of the recruitment to the workers. These are the remuneration payable, hours of work, fixation of wages and other essential amenities.

**Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act") and the Employees' Provident Fund Scheme, 1952**

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under Section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

**Employees' Deposit Linked Insurance Scheme, 1976**

The scheme shall be administered by the Central Board constituted under section 6C of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under Section 8A of the Act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

**The Employees' Pension Scheme, 1995**

Family pension in relation to this Act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this Act. Every employee who is member of EPF or PF has an option of the joining the scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the all the employees who are members of the fund.

**Employees' State Insurance Act, 1948 (the "ESI Act")**

It is an Act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government) other than seasonal factories. The ESI Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

**Contract Labour (Regulation and Abolition) Act, 1970 (the "Contract Labour Act")**

The Contract Labour (Regulation and Abolition) Act, 1970 requires establishments that employ or have employed on any day in the preceding twelve months twenty or more workers as contract labour to be registered. The Act requires the principal employer of an establishment to which the Contract Labour Act applies to make an application for registration of the establishment to employ contract labour in the establishment. Contractor to whom the Contract Labour Act applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. The Contract Labour Act imposes certain obligations on the contractor including the establishment of canteens, rest rooms, washing facilities, first aid facilities and provision of drinking water and payment of wages. In the event that the contractor fails to provide these amenities, the principal employer is under an obligation to provide these facilities within a prescribed time.

**The Employees' Compensation Act, 1923 (the "Employees' Act")**

The Employees' Compensation Act, 1923 provides for payment of compensation to injured employees or workmen by certain classes of employers for personal injuries caused due to an accident arising out of and during the course of employment. Under the Employees' Act, the amount of compensation to be paid depends on the nature and severity of the injury. The Employees' Act also lays down the duties/obligations of an employer and penalties in cases of non-fulfilment of such obligations thereof. There are separate methods of calculation or estimation of compensation for injury sustained by the employee. The employer is required to submit to the Commissioner for Employees' Compensation a report regarding any fatal or serious bodily injury suffered by an employee within seven days of death/serious bodily injury.

**Equal Remuneration Act, 1976 (the "Remuneration Act")**

The Equal Remuneration Act, 1976 aims to provide for the payment of equal remuneration to men and women workers and for the prevention of discrimination, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. According to the Remuneration Act, no employer shall pay to any worker, employed by him/her in an establishment, a remuneration (whether payable in cash or in kind) at rates less favourable than those at which remuneration is paid by him to the workers of the opposite sex in such establishment for performing the same work or work

of a similar nature. In addition, no employer shall for complying with the foregoing provisions of the Remuneration Act, reduce the rate of remuneration of any worker. No employer shall, while making recruitment for the same work or work of a similar nature, or in any condition of service subsequent to recruitment such as promotions, training or transfer, make any discrimination against women except where the employment of women in such work is prohibited or restricted by or under any law for the time being in force.

**Industrial Disputes Act, 1947 (the “ID Act”)**

The Industrial Disputes Act, 1947 provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate Government may refer the dispute to a labour court, tribunal, or arbitrator, to prevent the occurrence or continuance of the dispute, or a strike or lock-out while a proceeding is pending. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workers. The ID Act further provides for direct access for the workers to labour courts or tribunals in case of individual disputes and provided for the constitution of grievance settlement machineries in any establishment having twenty or more workers.

**Payment of Gratuity Act, 1972 (the “Act”)**

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this Act has become applicable shall be continued to be governed by this Act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five-year period shall be relaxed in case of termination of service due to death or disablement.

**Maternity Benefit Act, 1961 (the “Act”)**

The Act provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The Act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months’ notice shall apply any of the provisions of this Act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

**Trade Unions Act, 1926 (the “Act”)**

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

**The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the “Act”)**

In order to curb the rise in sexual harassment of women at workplace, this Act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the Act. Every employer should also constitute an “Internal Complaints Committee” and every officer and member of the company shall hold office for a period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

**Child Labour (Prohibition and Regulation) Act, 1986 (the “CLPR Act”)**

The “CLPR Act seeks to prohibit the engagement of children in certain employments and to regulate the conditions of work of children in certain other employments. Part B of the Schedule to the CLPR Act strictly prohibits employment of children in cloth printing, dyeing and weaving processes and cotton ginning and processing and production of hosiery goods.

**TAX RELATED LEGISLATIONS****Income Tax Act, 1961 (the “IT Act”)**

The IT Act is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of the IT Act or Rules made thereunder depending upon its Residential Status and Type of Income involved. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. Every Company assessable to income tax under the IT Act is required to comply with the provisions thereof, including those relating to Tax Deduction at Source, Advance Tax, Minimum Alternative Tax and like. Every such Company is also required to file its returns by September 30 of each assessment year.

**Central Goods and Services Tax Act, 2017 (the “GST Act”)**

The GST Act levies indirect tax throughout India to replace many taxes levied by the Central and State Governments. The GST Act was applicable from July 1, 2017 and combined the Central Excise Duty, Commercial Tax, Value Added Tax (VAT), Food Tax, Central Sales Tax (CST), Introit, Octroi, Entertainment Tax, Entry Tax, Purchase Tax, Luxury Tax, Advertisement Tax, Service Tax, Customs Duty, Surcharges. GST is levied on all transactions such as sale, transfer, purchase, barter, lease, or import of goods and/or services. India has adopted a dual GST model, meaning that taxation is administered by both the Union and State Governments. Transactions made within a single state is levied with Central GST (CGST) by the Central Government and State GST (SGST) by the government of that state. For inter-state transactions and imported goods or services, an Integrated GST (IGST) is levied by the Central Government. GST is a consumption-based tax; therefore, taxes are paid to the state where the goods or services are consumed and not the state in which they were produced.

**INTELLECTUAL PROPERTY LEGISLATIONS**

In general, the Intellectual Property Rights includes but is not limited to the following enactments:

- Indian Copyright Act, 1957
- The Trade Marks Act, 1999
- The Designs Act, 2000
- The Patent Act, 1970

The Acts applicable to our Company will be:

**Trade Marks Act, 1999 (the “TM Act”)**

The Trade Marks Act, 1999 provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The TM Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

**ANTI-TRUST LAWS****Competition Act, 2002 (the “Act”)**

The Act is to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The Act deals with prohibition of anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

**GENERAL LAWS**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Negotiable Instrument Act 1881, Employment Exchanges (Compulsory Notification Of Vacancies) Act, 1959, Consumer Protection Act 2019, Indian Contract Act, 1872, Transfer of Property Act, 1882, Information Technology Act, 2000 etc.

**OTHER LAWS:****Foreign Exchange Management Act, 1999 (“FEMA”)**

FEMA was enacted by the Government of India to replace the erstwhile Foreign Exchange Regulation Act, 1973 (“FERA”). The Act was aimed at consolidating and amending the law relating to foreign exchange with the objective of facilitating external trade and payments and for promoting the orderly development and maintenance of foreign exchange market in India. FEMA has removed restrictions on trade in goods and services to and from India, except for the enabling provision for the Central Government to impose reasonable restrictions in the interest of public when required.



**Foreign Trade (Development and Regulation) Act, 1992 (the “Act”)**

The Act regulates and governs the foreign policy of India in relation to trade of goods and services. The Act was enacted in the year 1992 as a replacement of the Import and Exports (Control) Act, 1947. The objective of the Act was to provide for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. Through the Foreign Trade (Development and Regulation) Amendment Act of 2010, "services" was also included in the ambit of import and export of trade in the purview of the Act.

**Foreign Direct Investment**

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2020 (“**FDI Policy 2020**”), which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India (“**RBI**”) also issues Master Directions Foreign Investment in India and updates at the same from time to time. Presently, FDI in India is being governed by Master Directions on Foreign Investment No. RBI/FED/2017-18/60 FED Master Direction No. 11/2017-18 dated January 4, 2018, as updated from time to time by RBI. In terms of the Master Directions, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Directions. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including the filing of Form FC-GPR.

## HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### BRIEF HISTORY AND CORPORATE PROFILE

Our Company was originally incorporated as “Shigan Quantum Technologies Private Limited” on October 20, 2008, having its registered office at 183-A, Shyam Kunj, Western Avenue, Sainik Farms, New Delhi- 110062 as a private limited company under the Companies Act, 1956 with the Deputy Registrar of Companies, National Capital Territory of Delhi and Haryana. Further, our Company was converted into Public Limited Company pursuant to Shareholder’s resolution passed at the Extraordinary General Meeting of our Company held on September 29, 2021 and the name of our Company was changed to “Shigan Quantum Technologies Limited” and a Fresh Certificate of Incorporation consequent upon conversion of Company to Public Limited dated October 12, 2021 was issued by Registrar of Companies, Delhi, being Corporate Identification Number U72200DL2008PLC184341.

We have our registered office at 183-A, Shyam Kunj, Western Avenue, Sainik Farms, New Delhi-110062 and our corporate office & manufacturing unit are located at Hall No. 2,3,6,7 & 8 Ground and First floor, Shyam Udyog Parisar, Khasra No. 25/1, 15/3/2 Alier Bhargola Road, IMT Manesar, Gurugram -122505, Haryana, India having a combined total area of 13713 sq ft. approximately, where the books of accounts are kept as on date.

Mr. Shishir Agrawal and Mr. Gagan Agrawal were the initial subscribers to the Memorandum of Association of our Company.

For information on our Company’s business profile, activities, services, managerial competence, and customers, see chapters titled, “*Our Business*”, “*Restated Financial Statements*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and “*Our Management*” beginning on page 71, 118, 146 and 94 respectively of this Prospectus.

### CHANGE IN REGISTERED OFFICE

Our Company has not changed its Registered Office since incorporation.

### MAJOR EVENTS AND MILESTONES

The table below sets forth some of the key events in the history of our Company:

Calendar Year	Particulars
2008	Company was Incorporated as “Shigan Quantum Technologies Private Limited”
2019	Awarded Supplier of the year at the Vendor’s meet 2019.
2021	Conversion of our Company from Private Limited to Public Limited Company
2021	Our company was awarded Certificate of Recognition for Best HR initiative of the Year-WFH Management at Energy HR summit, India.
	Company got shareholders’ approval to raise funds through Initial Public Offer (IPO) and to get Listed.

### MAIN OBJECTS OF OUR COMPANY

The object clauses of the Memorandum of Association of our Company enable us to undertake the activities for which the funds are being raised in the present Issue. Furthermore, the activities of our Company which we have been carrying out until now are in accordance with the objects of the Memorandum. The objects of our Company are:

1. To carry on the Business of Buying, selling, reselling, trading, importing, exporting, manufacturing, testing, servicing, hiring, distribution, supplying, subcontracting, altering, improving, assembling, cleaning, cutting, shaping, milling, rolling, re-rolling, laminating, reconditioning, renovating, designing, developing, modifying, repairing, finishing and to act as stockist, franchisers, agent, brokers, lessors, warehouses, wholesalers, retailers, job-workers or otherwise to deal in all types, varieties, models, shapes, size, specifications, descriptions, applications and uses of automotive fuel component and machinery including LNG/CNG/“*LPG*”/Fuel cell/Carburetion, Air valve & injection kits/system, automotive gas cylinder, “*Fire Detection and Alarm System, Fire Detection and Suppression System, all kinds of gases & energy solutions*”, replacement parts, spare parts, system “*of electric and electric hybrid vehicle assemblies*”, accessories, tools, implements, motors, power units, transmission and propulsion systems, chassis, bodies, substances, equipments, dies, jigs, structures, moulds, gauges, beams, “*LNG system and its components both at dispensing and vehicle side, Components of conventional fuel system for both automotive, non-automotive application, Electronic parts for automotive and non-automotive application, etc*”.
2. To carry on the Business to own, lease, manage, run establish, install, workshops, garages, petrol pumps, gas and fuel stations, automobiles service stations “*and distribution of compressed natural gas*”.

3. *“To import, export, deal in, exchange, let out vehicles of all kinds and the business of dealers in or suppliers of Genset Fuel System & its parts, controllers for engine, transmission and other vehicle or body control units, Tyre safety system including TPMS, CTIS and related products and Future Tech, Tyre & Rim Assembling, Air Compressors, AMC for Locomotives, Off road Vehicles, Automobile Gensets”.*
4. *“To carry on the trade or business of Manufacture, Transmissions, integration and controller of all kinds of Dual Fuel, diesel, CNG, Hydrogen, methanol, Ethanol fuel system for Locomotives, Automotives, defence, railway and off road applications”.*

**Note:** \*Added in accordance with amendment to the Object Clause of the Memorandum of Association of our Company vide Extra-Ordinary General Meeting dated September 29, 2021.

#### AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY IN LAST TEN (10) YEARS

The following changes have been made in the Memorandum of Association of our Company in last ten (10) years:

Date of Meeting	Meeting	Nature of Amendment
November 2, 2009	Extra- Ordinary General Meeting	<b><u>Alteration in Capital Clause:</u></b> The authorised share capital of our Company increased from ₹1 Lakh divided into 10,000 Equity Shares of ₹10/- each to ₹1 Crore divided into 1,00,000 Equity Shares of ₹10/-.
July 9, 2012	Extra- Ordinary General Meeting	<b><u>Alteration in Capital Clause:</u></b> The authorised share capital of our Company increased from ₹1 Crore divided into 1,00,000 Equity Shares of ₹10/- each to ₹2 Crore divided into 2,00,000 Equity Shares of ₹10/- each
June 20, 2016	Extra- Ordinary General Meeting	<b><u>Alteration in Capital Clause:</u></b> The authorised share capital of our Company increased from ₹2 Crore divided into 20,00,000 Equity Shares of ₹10/- each to ₹5 Crore divided into 50,00,000 Equity Shares of ₹10/- each
July 31, 2021	Extra- Ordinary General Meeting	<b><u>Alteration in Capital Clause:</u></b> The authorised share capital of our Company increased from ₹5 Crore divided into 50,00,000 Equity Shares of ₹10/- each to ₹15 Crore divided into 1,50,00,000 Equity Shares of ₹10/- each
September 10, 2021	Extra- Ordinary General Meeting	<b><u>Alteration in Capital Clause:</u></b> The authorised share capital of our Company increased from ₹15 Crore divided into 1,50,00,000 Equity Shares of ₹10/- each to ₹18 Crore divided into 1,80,00,000 Equity Shares of ₹10/- each
September 10, 2021	Extra- Ordinary General Meeting	<b><u>Alteration in Object Clause</u></b>  The existing Main Objects of Clause III (A) be altered by replacing the same with the following new Clause III(A) as under:  1. To carry on the Business of Buying, selling, reselling, trading, importing, exporting, manufacturing, testing, servicing, hiring, distribution, supplying, subcontracting, altering, improving, assembling, cleaning, cutting, shaping, milling, rolling, re-rolling, laminating, reconditioning, renovating, designing, developing, modifying, repairing, finishing and to act as stockist, franchisers, agent, brokers, lessors, warehouses, wholesalers, retailers, job-workers or otherwise to deal in all types, varieties, models, shapes, size, specifications, descriptions, applications and uses of automotive fuel component and machinery including LNG/CNG/LPG/Fuelcell/Carburetion, Airvalve & injection kits/system, automotive gas cylinder, Fire Detection and Alarm System, Fire Detection and Suppression System, all kinds of gases & energy solutions, replacement parts, spare parts, system of electric and electric hybrid vehicle assemblies, accessories, tools, implements, motors, power units, transmission and propulsion systems, chassis, bodies, substances, equipments, dies, jigs, structures, moulds, gauges, beams, LNG system and its components both at dispensing and vehicle side, Components of conventional fuel

		<p>system for both automotive, non-automotive application, Electronic parts for automotive and non-automotive application, etc.</p> <p>2. To carry on the Business to own, lease, manage, run establish, install, workshops, garages, petrol pumps, gas and fuel stations, automobiles service stations and distribution of compressed natural gas.</p> <p>3. To import, export, deal in, exchange, let out vehicles of all kinds and the business of dealers in or suppliers of Genset Fuel System &amp; its parts, controllers for engine, transmission and other vehicle or body control units, Tyre safety system including TPMS, CTIS and related products and Future Tech, Tyre &amp; Rim Assembling, Air Compressors, AMC for Locomotives, Off road Vehicles, Automobile Gensets.</p> <p>4. To carry on the trade or business of Manufacture, Transmissions, integration and controller of all kinds of Dual Fuel, diesel, CNG, Hydrogen, methanol, Ethanol fuel system for Locomotives, Automotives, defence, railway and off road applications.</p> <p>The existing Clause III (B) of the objects be altered by replacing the same with the following new Clause III(B) as under:</p> <p>1. To buy all kinds of plant, equipment, machinery, apparatus, tools, utensils, commodities, substances, articles and things necessary or useful for carrying on the objects of the Company.</p> <p>2. To enter into agreement with any company or persons for obtaining by grant of licence or on such other terms of all types, formulae and such other rights and benefits, technical information, know-how and expert guidance and equipment and machinery and things mentioned herein above and to arrange facilities for training of technical personnel by them.</p> <p>3. To establish, provide, maintain and conduct or otherwise, subsidise research laboratories and experimental workshops for scientific and technical research and experiments and to undertake and carry on with all scientific and technical research, experiments and tests of all kinds and to promote studies and research both scientific and technical investigation and invention by providing, subsidising, endowing or assisting laboratories, workshops, libraries, lectures, meetings and conferences and by providing the remuneration to scientific and technical professors and teachers and to award, scholarships, prizes, grants and bursaries to students and to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist the objects of the Company.</p> <p>4. To acquire by concession, grant, purchase, licence or otherwise either absolutely or conditionally and either alone or jointly with others land, buildings, machinery, plants, utensils, works, conveniences and such other movable and immovable properties of any description and any patents, trademarks, concessions, privileges, brevets, d'invention, licences, protections and concessions conferring any exclusive or limited rights to any inventions, information which may seem necessary for any of the objects of the Company and to construct, maintain and alter any building or work, necessary or convenient for the business of the Company and to pay for such land, buildings, works, property or rights or any such other property and rights purchased or acquired by or for the Company by shares, debentures, debenture stock, bonds or such other securities of the Company or otherwise and manage, develop or otherwise dispose of in such manner and for</p>
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		<p>such consideration as may be deemed proper or expedient to attain the main objects of the Company.</p> <p>5. Subject to the provisions of the Companies Act, 2013 to amalgamate with any other Company having objects altogether or in part similar to those of this Company.</p> <p>6. To enter into any arrangement with any Government or Authorities Municipal, local or otherwise or any person or company in India or abroad, that may seem conducive to the objects of the company or any of them and to obtain from any such Government, Authority persons or company any rights, privileges, charters, contracts, licences and concessions including in particular rights in respect of waterways, roads and highways, which the Company may carry out, exercise and comply therewith.</p> <p>7. To apply for and obtain any order of Central/State or such other Authority for enabling the Company to carry on any of its objects into effect or for effecting any modifications of the Company's constitution or any other such purpose, which may seem expedient and to make representations against any proceedings or applications which may seem calculated directly or indirectly to prejudice the company's interests.</p> <p>8. To enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint-venture, reciprocal concessions or otherwise with any person, or company carrying on or engaged in any business or transaction which this Company is authorised to carry on.</p> <p>9. To purchase or otherwise acquire and undertake the whole or any part of the business, property, rights and liabilities of any company, firms or person carrying on business which this Company is authorised to carry on or is possessed of rights suitable for the objects of this Company.</p> <p>10. To do all or any of the above things as principals, agents, contractors, trustees or otherwise and by or through trustees, agents or otherwise and either alone or in conjunction with others and to do all such other things as are incidental or as may be conducive to the attainment of the objects or any of them.</p> <p>11. To promote, form and register, aid in the promotion, formation and registration of any company or companies, subsidiary or otherwise for the purpose of acquiring all or any of the properties, rights and liabilities of this Company and to transfer to any such company any property of this company and to be interested in or take or otherwise acquire, hold, sell or otherwise dispose of shares, stock, debentures and such other securities of all types in or of any such company, subsidiary or otherwise for all or any of the objects mentioned in this Memorandum of Association and to assist any such company and to undertake the management and secretarial or such other work, duties and business on such terms as may be arranged.</p> <p>12. To open accounts with any bank or financial institution and to draw make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, hundies, bills of lading, warrants, debentures and such other negotiable or transferable instruments of all types and to buy the same.</p> <p>13. Subject to the provisions of the Companies Act, 2013 including the rules and regulations made therein and the directions issued by Reserve Bank of India to borrow, raise or secure the payment of money or to receive money as loan, at interest for any of the objects of the company and at such time or times as may be expedient, by promissory notes, bills of exchange, hundies, bills of lading, warrants or such other negotiable instruments of all types or by taking credit in or opening current accounts or over-draft accounts with any person, firm, bank or company and whether with or without any security or by such other means, as may deem</p>
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		<p>expedient and in particular by the issue of debentures or debenture stock, perpetual or otherwise and in security for any such money so borrowed, raised or received and of any such debentures or debenture stock so issued, to mortgage, pledge or charge the whole or any part of the property and assets of the Company both present and future, including its uncalled capital, by special assignment or otherwise or to transfer or convey the same absolutely or in trust and to give the lenders power of sale and other powers as may seem expedient and to purchase, redeem or pay off such securities provided that the Company shall not carry on the business of banking within the meaning of the Banking Regulation Act, 1949.</p> <p>14. To advance money not immediately required by the Company or give credit to such persons, firms or companies and on such terms with or without security as may seem expedient and in particular to customers of and such others having dealings with the Company and to give guarantees or securities of any such persons, firms, companies as may appear proper or reasonable provided that the Company shall not carry on the business of banking, within the meaning of Banking Regulation Act, 1949.</p> <p>15. To improve alter, manage, develop, exchange, mortgage, enfranchise and dispose of, any part of the land, properties, assets and rights and the resources and undertakings of the Company, in such manner and on such terms as the Company may determine.</p> <p>16. To remunerate any person or company, for services rendered or to be rendered in or about the formation or promotion of the Company or the conduct of its business, subject to the provisions of the Companies Act, 2013.</p> <p>17. To create any depreciation fund, reserve fund, sinking fund, provident fund, super-annuation fund or any other such special fund, whether for depreciations, repairing, improving, extending or maintaining any of the properties and assets of the Company or for redemption of debentures or redeemable preference shares, worker's welfare or for any other such purpose conducive to the interest of the Company.</p> <p>18. To provide for the welfare of employees or ex-employees (including Directors and other officers) of the Company and the wives and families or the dependents or connections of such persons, by building or contributing to the building of houses, or dwellings or chawls or by grants of money, pensions, allowances, bonus or other such payments or be creating and from time to time, subscribing or contributing to provident fund and other associations, institutions, funds or trusts, and/or by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and such other attendances and assistance as the Company shall determine.</p> <p>19. To undertake and execute any trusts, the undertaking of which may seem desirable, either gratuitously or otherwise, for the attainment of the main objects of the Company.</p> <p>20. To procure the incorporation, registration or such other recognition of the Company in the Country, State or place outside India and to establish and maintain local registers and branch places of the main business in any part of the world.</p> <p>21. To adopt such means of making known the business of the Company as may seem expedient and in particular by advertising over the internet or any other electronic media and also in print media in the press by circulars, by purchase and exhibition of works of art or interest, by publication of books and periodicals and by granting prizes, rewards or organizing exhibitions.</p> <p>22. The company would obtain approval of the concerned authorities to carry on the objects of the company and the matters which are necessary for furtherance of the objects of the Company as given in this memorandum of association wherever required.</p>
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#### **ADOPTING NEW ARTICLES OF ASSOCIATION OF THE COMPANY:**

Our Company has adopted a new set of Articles of Association of the Company in accordance with applicable provisions of the Companies Act 2013 in the Extra Ordinary General Meeting of the Company dated November 22, 2021.

#### **OTHER DETAILS ABOUT OUR COMPANY:**

For details of our Company's activities, products, growth, awards & recognitions, capacity, location of plants, technology, marketing strategy, competition and our customers, please refer section titled "*Our Business*", "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" and "*Basis for Issue Price*" on pages 71, 146 and 62 respectively of this Prospectus. For details of our management and managerial competence and for details of shareholding of our Promoters, please refer to sections titled "*Our Management*" and "*Capital Structure*" beginning on page 94 and 47 of the Prospectus respectively.

#### **CAPITAL RAISING (DEBT / EQUITY)**

For details in relation to our capital raising activities through equity, please refer to the chapter titled "*Capital Structure*" beginning on page 47 of the Prospectus.

For a description of our Company's debt facilities, see "*Statement of Financial Indebtedness*" on page 144 of the Prospectus.

#### **REVALUATION OF ASSETS**

Our Company has not revalued its assets since incorporation.

#### **DETAILS REGARDING ACQUISITION OF BUSINESS / UNDERTAKINGS, MERGERS, AMALGAMATIONS OR REVALUATION OF ASSETS**

Our Company has not made any material acquisitions or divestments of any business undertaking, and has not undertaken any mergers, amalgamation or revaluation of assets in the last ten years.

#### **DETAILS REGARDING SUBSIDIARIES AND JOINT VENTURE**

Our company has no Subsidiary or Joint Venture.

#### **HOLDING COMPANY**

Our Company has no holding company.

#### **ASSOCIATE COMPANY OF OUR COMPANY**

Our Company has no Associate company.

#### **INJUNCTION OR RESTRAINING ORDER:**

Except as disclosed in the section titled "*Outstanding Litigation and Material Developments*" beginning on page 152 of this Prospectus, there are no injunctions/restraining orders that have been passed against the Company.

#### **GUARANTEES PROVIDED BY OUR PROMOTERS**

As on the date of this Prospectus, no guarantee has been issued by Promoters except as disclosed in the "*Statement of Financial Indebtedness*" on page 144 of this Prospectus.

#### **CHANGES IN THE ACTIVITIES OF OUR COMPANY DURING THE LAST FIVE YEARS**

There have been no changes in the activities of our Company during the last five years which may have had a material effect on the profits and loss account of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

#### **CHANGES IN THE MANAGEMENT:**

For details of change in Management, please see chapter titled "*Our Management*" on page 94 of the Prospectus.

#### **DEFAULTS OR RESCHEDULING OF BORROWINGS FROM FINANCIAL INSTITUTIONS / BANKS**

There have been no defaults or rescheduling/restructuring of borrowings with financial institutions/ banks in respect of borrowings of our Company.

#### **LOCK OUTS AND STRIKES**

There have been no lock outs or strikes at any of the units of our Company.

#### **TIME AND COST OVER RUNS**

There have been no time or cost overruns pertaining to the setting up of projects and the business operations undertaken by our Company, except in the ordinary course of business.

## **SHAREHOLDERS' AGREEMENTS**

The Shareholders' Agreement (SHA) dated November 22, 2021 has been entered between our Company, the two incoming Promoter entities i.e. SA Shigan Trust, GA Shigan Trust and existing Promoters and Promoter Group (i.e. Shishir Agrawal, Gagan Agrawal, Shigan Autotronics Private Limited, Rudramala Impex Private Limited, Giridhari Sales Private Limited, Santosh Agrawal and Autotronics Worldwide Pte. Ltd.). The Settlor of the two incoming trusts are Mr. Shishir Agrawal and Gagan Agrawal who are brothers and the promoters of Shigan Quantum Technologies Limited. The SHA has been entered for good governance and smooth succession planning. This SHA provides covenants to be followed by the two promoters (i.e. SA Shigan Trust and GA Shigan Trust) for the following:

### **Nomination of the Chairman and the Board of Directors.**

- 1) The two Trusts viz. SA Shigan Trust and GA Shigan Trust will have the right to nominate upto two Directors each. At present there are no nominee Directors on Board.
- 2) The two Trusts - SA Shigan Trust and GA Shigan Trust – will have the right to recommend / nominate any Director of the Company for the position of “The Chairman of the Board of Directors” for Shigan Quantum Technologies Limited. However, the two Trusts viz. SA Shigan Trust and GA Shigan Trust can recommend a director for the position of Chairman of the Board of Directors only if they are in agreement with each other. If the two Trusts are not agreeable on one name, then the Board of Directors will have the right to appoint the Chairman of the Board of Directors without the recommendation from the two Trusts.
- 3) The Chairman of the Board of Directors will have a casting vote / second vote only in case there is a tie among the Board of Directors.

There is no tag along rights involved.

## **AGREEMENTS WITH KEY MANAGERIAL PERSONNEL OR A DIRECTOR OR PROMOTERS OR ANY OTHER EMPLOYEE OF THE COMPANY**

There are no agreements entered into by Key Managerial Personnel or a Director or Promoters or any other employee of the Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

## **MATERIAL AGREEMENTS**

As on the date of this Prospectus, our Company has not entered into any material agreements other than in the ordinary course of business carried on by our Company. For details on business agreements of our Company, please refer to the section titled ‘*Our Business*’ beginning on page 71 of this Prospectus.

## **COLLABORATION AGREEMENTS:**

As on date of this Prospectus, Our Company is not a party to any collaboration agreements.

## **STRATEGIC PARTNERS**

As of the date of this Prospectus, our Company does not have any Strategic Partners.

## **FINANCIAL PARTNERS**

As of the date of this Prospectus, our Company does not have any Financial Partners.

## OUR MANAGEMENT

## BOARD OF DIRECTORS

Under Articles of Association of our Company, the number of directors shall not be less than 3 (three) and not be more than 15 (Fifteen), subject to the applicable provisions of the Companies Act, 2013.

As on the date of this Prospectus, there are 5 (five) directors, out of which there are 2 (two) Executive Directors and 3 (three) Independent Directors.

Set forth below are details regarding the Board of Directors as on the date of this Prospectus:

<b>Name, Father's/ Husband Name, Age, Designation Address, Occupation, Nationality, DIN and Term</b>	<b>Date of Appointment/ Reappointment</b>	<b>Other Directorships</b>
<b>Name:</b> Shishir Agrawal  <b>Father's Name:</b> Umesh Chandra Agrawal  <b>Designation:</b> Managing Director  <b>Date of Birth:</b> 31.05.1966  <b>Age:</b> 55 years  <b>Address:</b> 183-A, Shyam Kunj, Western Avenue, Sainik Farms, Pushpa Bhawan, New Delhi-110062  <b>Nationality:</b> Indian  <b>Occupation:</b> Business  <b>DIN:</b> 00054871  <b>PAN:</b> AEQPA9549C  <b>Passport No.:</b> Z3932516  <b>Term:</b> 5 years with effect from October 06, 2021	Appointed as Director with effect from October 20, 2008  Re-designated as Managing Director with effect from October 6, 2021	<b>Indian Public Limited Company</b> • Shigan Evoltz Limited  <b>Indian Private Limited Company</b> • CLH Gaseous Fuel Applications Private Limited • Girdhari Sales Private Limited • Shigan Export Private Limited • Moonview Sales Private Limited • Intent Vincom Private Limited • Orient Ecomev Logistics Solutions Private Limited • Shigan Autotronics Private Limited • Shigan Telematics Private Limited • Shigan Financial Services Private Limited • Arieon Technology Private Limited • Shigan Fuel Systems Solutions Private Limited • Rudramala Impex Private Limited  <b>Indian Company Limited by Guarantee</b> • Nil  <b>Indian Limited Liability Partnership</b> • Shigan Nexgen Technologies LLP  <b>Foreign Companies:</b> • Autotronics Worldwide Pte Ltd
<b>Name:</b> Gagan Agrawal  <b>Father's Name:</b> Umesh Chandra Agrawal  <b>Designation:</b> Joint Managing Director  <b>Date of Birth:</b> 19.04.1973  <b>Age:</b> 48 years  <b>Address:</b> 183-A, Shyam Kunj, Western Avenue, Sainik Farms, Pushpa Bhawan, New Delhi-110062  <b>Nationality:</b> Indian	Appointed as Director with effect from October 20, 2008  Re-designated as Joint Managing Director with effect from October 6, 2021	<b>Indian Public Limited Company</b> • Shigan Evoltz Limited  <b>Indian Private Limited Company</b> • CLH Gaseous Fuel Applications Private Limited • Girdhari Sales Private Limited • Shigan Export Private Limited • Moonview Sales Private Limited • Intent Vincom Private Limited • Orient Ecomev Logistics Solutions Private Limited • Shigan Autotronics Private Limited • Shigan Telematics Private Limited • Shigan Financial Services Private Limited • Arieon Technology Private Limited

<b>Occupation:</b> Business  <b>DIN:</b> 00054879  <b>PAN:</b> AAMPA7060L  <b>Passport No.:</b> Z3586316  <b>Term:</b> 5 years with effect from October 06, 2021		<ul style="list-style-type: none"> <li>• Shigan Fuel Systems Solutions Private Limited</li> <li>• Rudramala Impex Private Limited</li> </ul> <b>Indian Company Limited by Guarantee</b> <ul style="list-style-type: none"> <li>• Nil</li> </ul> <b>Indian Limited Liability Partnership</b> <ul style="list-style-type: none"> <li>• Shigan Nexgen Technologies LLP</li> </ul> <b>Foreign Companies:</b> <ul style="list-style-type: none"> <li>• Autotronics Worldwide Pte Ltd</li> <li>• E-Mobility Exim Pte Ltd</li> </ul>
<b>Name:</b> Vijay Lal Toshavda  <b>Father's Name:</b> Mool Chand Toshavda  <b>Designation:</b> Independent Director  <b>Date of Birth:</b> December 19, 1958  <b>Age:</b> 62 years  <b>Address:</b> Flat No. 40-D, Pocket-A-3, Everest Apartments, Kalkaji Extn, New Delhi – 110019  <b>Nationality:</b> Indian  <b>Occupation:</b> Consultant  <b>DIN:</b> 09307539  <b>PAN:</b> AACPT7942E  <b>Passport No.:</b> R5622828  <b>Term:</b> 5 years with effect from October 6, 2021	Appointed as Independent Director with effect from October 6, 2021	None
<b>Name:</b> Balraj Bhanot  <b>Father's Name:</b> Ram Rakha Bhanot  <b>Designation:</b> Independent Director  <b>Date of Birth:</b> September 20, 1943  <b>Age:</b> 78 years  <b>Address:</b> D-35 Hauz Khas, New Delhi- 110016  <b>Nationality:</b> Indian  <b>Occupation:</b> Consultant  <b>DIN:</b> 00993431  <b>PAN:</b> AAAPB4630P  <b>Passport No.:</b> T8901001	Appointed as Independent Director with effect from October 6, 2021	<b>Indian Companies</b> <ul style="list-style-type: none"> <li>• Jay Ushin Limited (Listed)</li> <li>• Renesense Fragrances Private Limited</li> <li>• JNS Instruments Limited</li> </ul>



<b>Term:</b> 5 years with effect from October 6, 2021		
<b>Name:</b> Shubhangi Agarwal <b>Father's Name:</b> Rajeev Kumar Garg <b>Designation:</b> Independent Director <b>Date of Birth:</b> June 23, 1990 <b>Age:</b> 31 years <b>Address:</b> D- 742, 1st Floor, VTC: Saraswati Vihar, Delhi- 110034 <b>Nationality:</b> Indian <b>Occupation:</b> Professional <b>DIN:</b> 08135535 <b>PAN:</b> AMJPA2396L <b>Passport No.:</b> Z4574685 <b>Term:</b> 5 years with effect from September 10, 2021	Appointed as Independent Director with effect from September 10, 2021	<b>Indian Companies</b> <ul style="list-style-type: none"> <li>Oracle Credit Limited (Listed)</li> </ul> <b>Indian LLP</b> <ul style="list-style-type: none"> <li>Shehad Veda LLP</li> </ul>

#### **BRIEF PROFILE OF OUR DIRECTORS**

1. **Shishir Agrawal**, aged 55 years, is the Managing Director of our Company. He was appointed on the Board of our Company upon incorporation i.e., October 20, 2008. He is a professionally qualified Chartered Accountant. He is the brain behind the financial strength of our Company. He guides the Board of Directors of our Company in all decisions related to the financial affairs of our Company. He has an experience and exposure of around 25 years in the automobile industry.
2. **Gagan Agrawal**, aged 48 years, is the Joint Managing Director of our Company. He was appointed on the Board of our Company upon incorporation i.e., October 20, 2008. He has a degree in Mechanical Engineering from Bangalore University in the year 1995. He carries rich experience in designing and integrating alternate fuel systems. He is entrusted with the responsibility of looking after the overall management and operations of our Company. He looks after the overall administration of our Company with the support of professional executives.
3. **Vijay Lal Toshavda**, aged 62 years, is an Independent Director of our Company. He holds a diploma in Engineering from Board of Technical Education, Delhi. He joined Punjab & National Bank (PNB) in 1981 as an Officer (Industry) and retired as Senior Manager (Industry). In a career spanning over three decades, Mr. Toshavda has also served as Pension Trustee on the Board of PNB. He is presently serving as Empanelled Retired Officer (ERO) in PNB.
4. **Balraj Bhanot**, aged 78 years, is an Independent Director of our Company. He is a double graduate in Engineering besides Post Graduate Diploma in Industrial Management & MBA from FMS Delhi. He was the Chairman Transport Engg. Divisional Council (i.e., TEDC) of BIS, the national body which frames Indian Standards in the field of Automobile, Shipping and Air Craft, Metro etc. He is presently engaged in setting up 10 Vehicle Inspection and Fitness centres for commercial vehicles, a project of MORTH and is also a consultant to DIMTS (Delhi Integrated Multi-Modal Transit System Ltd) for drawing specifications for low and standard floor buses. He has been awarded Life Time Achievement Award in 2015, by SAE India Foundation
5. **Shubhangi Agarwal**, aged 31 years, is an Independent Women Director of our Company. She has completed Bachelors in Commerce from University of Delhi in the year 2011 and is a qualified Company Secretary from Institute of Company Secretaries of India. She is a consultant and advisor in Corporate Laws with more than six years of work experience inclusive of two years of corporate exposure as a Company Secretary in employment as well. She possesses the strength to understand the management concern in respect of the business and then advising the compliance of the laws.

**CONFIRMATION**

- Except as stated below, none of the Directors of our Company are related to each other as per Section 2(77) of the Companies Act, 2013.

S. No	Name of Director	Name of the Director	Relationship
1.	Shishir Agrawal	Gagan Agrawal	Brothers

- There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or member of senior management.
- There are no service contracts entered into by the Directors with our Company providing for benefits upon termination of employment.
- As on the date of Prospectus, none of our Directors are on the RBI List of wilful defaulters or a fraudulent borrower.
- As on the date of the Prospectus, none of our Directors are a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.
- As on the date of the Prospectus, none of our Director is or was a director of any listed company during the last 5 (five) years preceding, whose shares have been or were suspended from being traded on the Stock Exchange(s), during the term of their directorship in such Company.
- As on the date of the Prospectus, none of our Director is or was a director of any listed company which has been or was delisted from any stock exchange during the term of their directorship in such Company.
- As on the date of the Prospectus, none of the Promoters, persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoters, director or person in control of any other Company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.
- No proceedings / investigations have been initiated by SEBI against any company, the Board of Directors of which also comprises any of the Directors of our Company.

**TERMS AND CONDITIONS OF EMPLOYMENT OF OUR DIRECTOR****Mr. Shishir Agrawal**

The compensation package payable to him as resolved in the Extra-Ordinary General Meeting held on October 06, 2021 is stated hereunder:

**Salary:** The total remuneration payable to Mr. Shishir Agrawal, Managing Director, shall be a sum of up to Rs. 42,00,000 per annum (inclusive of all salary, perquisites, benefits, incentives and allowances)

**Mr. Gagan Agrawal**

The compensation package payable to him as resolved in the Extra-Ordinary General Meeting held on October 06, 2021 is stated hereunder:

**Salary:** The total remuneration payable to Mr. Gagan Agrawal, Joint Managing Director, shall be a sum of up to Rs. 42,00,000 per annum (inclusive of all salary, perquisites, benefits, incentives and allowances)

**SITTING FEES**

The payment of sitting fees to the Independent Directors of our Company for attending the meeting of the Board of Directors and meetings of the Committees of the Board of Directors in following manner:

S. No.	Name of Director	Fees for attending the meeting	
		Board Meeting	Committee Meeting
1.	Shubhangi Agarwal	Rs.10,000/- per meeting	Rs.10,000/- per meeting
2.	Balraj Bhanot	Rs.10,000/- per meeting	Rs.10,000/- per meeting
3.	Vijay Lal Toshavda	Rs.10,000/- per meeting	Rs.10,000/- per meeting

### **REMUNERATION/ COMPENSATION OF OUR DIRECTORS**

The compensation payable to our Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Section 2(54), Section 2(94), Section 188, Section 196, Section 197, Section 198 and Section 203 and any other applicable provisions, if any of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 2013, for the time being in force).

- The remuneration paid by our Company to our Directors i.e., Shishir Agrawal and Gagan Agrawal for the financial year ended March 31, 2021 was in the form of consultancy charges of Rs. 98.00 lakhs each.

For details of the abovementioned consultancy charges please refer “**Related Party Transactions**” under chapter titled “**Restated Financial Statements**” on page 139.

- The remuneration that will be paid by our Company to our Directors i.e., Shishir Agrawal and Gagan Agrawal upon their appointment as Managing Director and Joint Managing Director is Rs. 42.00 lakhs each per annum.

### **BORROWING POWER OF OUR BOARD**

Our Articles of Association, subject to applicable law, authorize our Board to raise or borrow money or secure the payment of any sum of money for the purposes of our Company. Pursuant to a resolution passed by our shareholders at their Extra Ordinary General Meeting held on October 18, 2021, our shareholders have authorized our Board to borrow any sum of money from time to time notwithstanding that the sum or sums so borrowed together with the monies, if any, already borrowed by the Company (apart from temporary loans obtained from our Company’s bankers in the ordinary course of business) exceed the paid up capital and free reserves of our Company provided such amount does not exceed ₹250 Crores in excess of its paid up share capital and free reserves which may have not been set apart for any purpose.

### **SHAREHOLDING OF DIRECTORS IN OUR COMPANY**

Our Articles of Association do not require our Directors to hold qualification shares.

As on date of this Prospectus, our Directors hold the following number of Equity Shares of our Company:

S. No.	Name of Directors	No. of Equity Shares	% of Pre-Issue Capital
1.	Mr. Shishir Agrawal	1,74,975	1.38
2.	Mr. Gagan Agrawal	74,975	0.59

### **INTEREST OF OUR DIRECTORS**

#### ***Interest as Directors of Our Company***

Our Managing Director and Other Executive Directors may be interested to the extent of remuneration paid to them, respectively for services rendered as a Director of our Company and reimbursement of expenses payable to them. Further, all our Independent Directors may be interested to the extent of fees payable to them and / or the commission payable to them and / or sitting fees for attending meetings of the Board of Directors or a committee thereof. The Independent Directors also entitled to reimbursement of other expenses payable to them as per their terms of appointment.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or allotted to the companies in which they are interested as Directors, Members, and Promoters, pursuant to this Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

#### ***Interest in promotion and formation of our Company***

Mr. Shishir Agrawal and Mr. Gagan Agrawal are our Founders and were initial subscribers to our MoA. None of our other Directors have any interest in the promotion and formation of our Company other than in the ordinary course of business

#### ***Interest in the property of our Company***

Except as stated in the heading titled “**Properties**” under the chapter titled “**Our Business**”, beginning on page 71 of this Prospectus, none of our Directors have interest in any property acquired or proposed to be acquired by our Company.

#### ***Interest as Member of our Company***

Except as stated in this chapter titled “**Our Management**”, heading titled “**Related Party Transactions**” under chapter titled “**Restated Financial Statements**”, the Chapter “**Capital Structure**” and the chapter “**Our Business**” on page nos. 94, 139, 47 and 71 of this Prospectus respectively, our Directors do not have any other interest in our business, except to the extent of their respective shareholding and the dividend declared and other distributions, if any, by our Company.

**Interest as Creditor of our Company**

Except as stated in the chapter titled “*Statement of Financial Indebtedness*” and heading titled “*Related Party Transactions*” under chapter titled “*Restated Financial Statements*”, on page no. 144 and 139 respectively, our Company has not availed any loans from Directors of our Company.

**PAYMENT OF BENEFITS**

Except to the extent of remuneration payable to the Managing Director and Other Executive Directors for services rendered to our Company and to the extent of other reimbursement of expenses payable to them as per their terms of appointment, our Company has not paid in the last 2 (two) years preceding the date of this Prospectus, and does not intend to pay, any amount or benefits to our Directors.

**APPOINTMENT OF RELATIVES OF DIRECTORS TO ANY OFFICE OR PLACE OR PROFIT**

Except as disclosed in this Prospectus, none of the relatives of our Directors currently hold any office or place of profit in our Company.

**BONUS OR PROFIT-SHARING PLAN FOR OUR DIRECTORS**

None of our Directors are a party to any bonus or profit-sharing plan.

**POLICIES ADOPTED BY OUR COMPANY**

Our Company has adopted the following policies:

1. Policy on Preservation of Documents
2. Policy on Corporate Social Responsibility
3. Policy on Familiarization Programme for Independent Directors
4. Policy on Code of Fair Disclosure
5. Policy on Materiality of Event
6. Policy on Nomination and Remuneration Committee
7. Policy on Whistle-Blower Mechanism

**CHANGES IN OUR BOARD DURING THE LAST THREE YEARS**

Except as disclosed below, there have been no changes in our Board during the last 3 (three) years.

Sr. No	Name of the Directors	Date of Appointment/ Change in designation	Reason for Change/appointment
1.	Shishir Agrawal	Appointed as Managing Director w.e.f. 06 October, 2021	Appointment as Managing Director
2.	Gagan Agrawal	Appointed as Joint Managing Director w.e.f. 06 October, 2021	Appointment as Joint Managing Director
3	Balraj Bhanot	Appointed as Independent Director w.e.f. 06 October, 2021	To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance
4	Vijay Lal Toshavda	Appointed as Independent Director w.e.f. 06 October, 2021	To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance
5	Shubhangi Agarwal	Appointed as Independent Director w.e.f. 10 September, 2021	To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance

**CORPORATE GOVERNANCE**

In addition to the applicable provisions of the Companies Act, 2013 with respect to Corporate Governance, provisions of the SEBI (LODR) Regulation, 2015 will also be complied with the extent applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

Our Company stands committed to good Corporate Governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting. We have complied with the requirements of the applicable regulations, in respect of corporate governance including constitution of the Board and Committees thereof.

The Corporate Governance framework is based on an effective Independent Board, the Board’s Supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Board functions either as a full board or through the various committees constituted to oversee specific operational areas. As on the date of this Prospectus, there are 5 (five) directors, out of which there are 2 (two) Executive Directors and 3 (three) Independent Directors. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013, particularly, in relation to appointment of Independent Directors to our Board and constitution of Board-level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI (LODR) Regulation, 2015 and the Companies Act, 2013.

### **COMMITTEES OF OUR BOARD**

**The following committees have been constituted in terms of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013:**

- a. Audit Committee
- b. Stakeholders' Relationship Committee
- c. Nomination and Remuneration Committee
- d. Corporate Social Responsibility Committee

### **Audit Committee**

Our Company has constituted an Audit Committee, as per Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulation, 2015; vide resolution passed at the meeting of the Board of Directors held on October 16, 2021. The terms of reference of Audit Committee adheres to the requirements of Regulation 18 of the SEBI (LODR) Regulation, 2015, proposed to be entered into with the Stock Exchange in due course.

The committee presently comprises of the following directors:

<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Vijay Lal Toshavda	Chairman	Independent Director
Balraj Bhanot	Member	Independent Director
Shubhangi Agarwal	Member	Independent Director
Shishir Agrawal	Member	Managing Director
Gagan Agrawal	Member	Joint Managing Director
Nathu Singh Tawar	Member	CFO

The Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Audit Committee.

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (LODR) Regulation, 2015.

### **Meetings of Audit Committee and Quorum**

As required under Regulation 18 of the SEBI (LODR) Regulation, 2015, the Audit Committee shall meet at least 4 (four) times in a year, and not more than 120 (one hundred twenty) days shall elapse between two meetings. The quorum shall be two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent members present.

### **Powers of Audit Committee**

The Audit Committee shall have powers, including the following:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

### **Role of Audit Committee**

The role of the Audit Committee shall include the following:

- oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
- matters required to be included in the director's responsibility statement to be included in the board's report in terms of Section 134(3)(c) of the Companies Act, 2013;



- changes, if any, in accounting policies and practices and reasons for the same;
- major accounting entries involving estimates based on the exercise of judgment by management;
- significant adjustments made in the financial statements arising out of audit findings;
- compliance with listing and other legal requirements relating to financial statements;
- disclosure of any related party transactions;
- modified opinion(s) in the draft audit report;
- reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the issue document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- approval or any subsequent modification of transactions of the listed entity with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the listed entity, wherever it is necessary; evaluation of internal financial controls and risk management systems;
- reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- discussion with internal auditors of any significant findings and follow up there on;
- reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- to review the functioning of the whistle blower mechanism;
- approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- carrying out any other function as is mentioned in the terms of reference of the audit committee.

Further, the Audit Committee shall mandatorily review the following information:

- management discussion and analysis of financial condition and results of operations;
- statement of significant related party transactions (as defined by the audit committee), submitted by management;
- management letters / letters of internal control weaknesses issued by the statutory auditors;
- internal audit reports relating to internal control weaknesses; and
- the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1); (b) annual statement of funds utilized for purposes other than those stated in the issue document/prospectus/notice in terms of Regulation 32(7).

### **Stakeholders' Relationship Committee**

Our Company has constituted Stakeholders' Relationship Committee" as per Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI (LODR) Regulation, 2015; vide resolution passed at the meeting of the Board of Directors held on October 16, 2021.

The Stakeholders' Relationship Committee comprises:

<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Balraj Bhanot	Chairman	Independent Director
Shishir Agrawal	Member	Managing Director
Gagan Agrawal	Member	Joint Managing Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary to the Stakeholders' Relationship Committee.

The Stakeholders Relationship Committee shall oversee all matters or redress complaints pertaining to investors or shareholders of our Company. The scope and function of the Stakeholders' Relationship Committee and its terms of reference shall include the following:

#### ***Tenure***

The Stakeholder's Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder's Relationship Committee as approved by the Board.

#### ***Meetings***

The Stakeholder's Relationship Committee shall meet at least 1 (one) time in a year. The Chairperson of the Stakeholders Relationship Committee shall be present at the annual general meetings to answer queries of the security holders.

#### ***Role of the Stakeholders' Relationship Committee***

The Committee shall consider and resolve grievances of security holders, including but not limited to:

1. Efficient transfer of shares including review of cases for refusal of transfer / transmission of shares and debentures;
2. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
4. Allotment and listing of shares in future;
5. Review of cases for refusal of transfer / transmission of shares and debentures;
6. Reference to statutory and regulatory authorities regarding investor grievances;
7. Ensure proper and timely attendance and redressal of investor queries and grievances; and
8. To do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

#### **Nomination and Remuneration Committee**

Our Company has constituted a Nomination and Remuneration Committee in accordance Section 178 of Companies Act, 2013 and Regulation 19 of the SEBI (LODR) Regulation, 2015. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on October 16, 2021.

The Nomination and Remuneration Committee comprises the following Directors:

<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Balraj Bhanot	Chairperson	Independent Director
Vijay Lal Toshavda	Member	Independent Director
Shubhangi Agarwal	Member	Independent Director
Shishir Agrawal	Member	Managing Director

The Company Secretary & Compliance Officer of our Company shall act as the Secretary of the Nomination and Remuneration Committee.

The scope and function of the Committee and its terms of reference shall include the following:

#### ***Tenure***

The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

#### ***Meetings***

The committee shall meet as and when the need arises for review of Managerial Remuneration. The quorum for a meeting of the nomination and remuneration committee shall be either two members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance.

#### ***Role of the Nomination and Remuneration Committee not limited to but includes:***

1. Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulating of criteria for evaluation of performance of independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors of our Company and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal. Our Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report of our Company;
5. Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

6. Analysing, monitoring and reviewing various human resource and compensation matters;
7. Determining our Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
8. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), usually consisting of a fixed and variable component;
9. Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
10. Performing such functions as are required to be performed by the compensation committee under the SEBI (Share Based Employee Benefits) Regulations, 2014;
11. Framing suitable policies, procedures and systems to ensure that there is no violation, by and employee id any applicable laws in India or Overseas, including:
  1. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  2. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, our Company and its employees, as applicable.
12. Performing such other activities as may be delegated by the Board of Directors and/or specified/ provided under the Companies Act, 2013 or SEBI Listing Regulations or by any other regulatory authority.

#### **Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee was first constituted, as per Section 135 of Companies Act, 2013 pursuant to a resolution of our Board dated October 16, 2021 & currently comprises:

<b>Name of Director</b>	<b>Status in Committee</b>	<b>Nature of Directorship</b>
Shishir Agrawal	Chairman	Managing Director
Gagan Agrawal	Member	Joint Managing Director
Vijay Lal Toshavda	Member	Independent Director

The Company Secretary of our Company shall act as the Secretary of the Corporate Social Responsibility Committee.

Set forth below are the terms of reference of the Corporate Social Responsibility Committee.

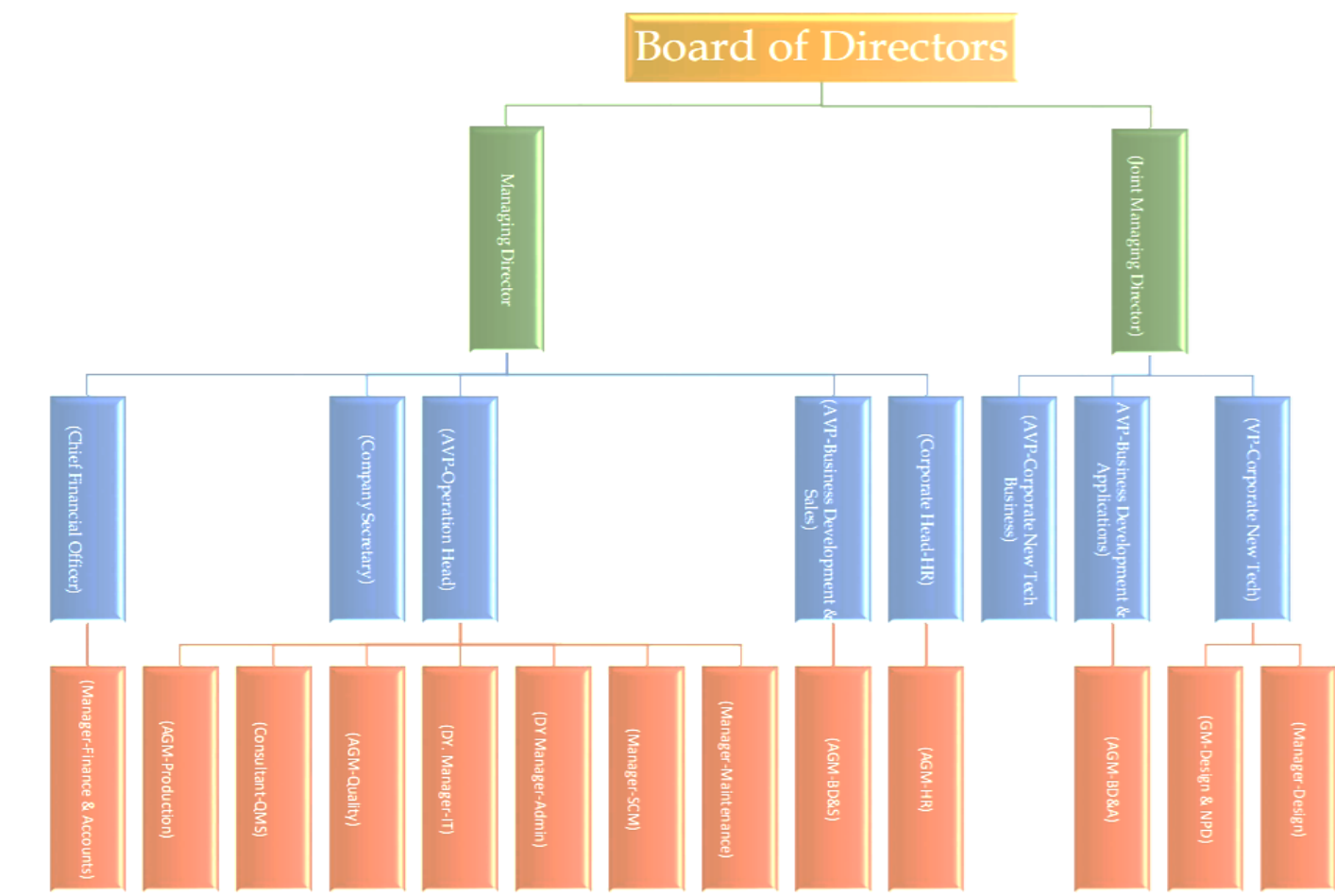
- (a) formulate and recommend to the Board, a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken either by our Company or through implementing agency as specified in Schedule VII to the Companies Act, 2013 as amended from time to time;
- (b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a);
- (c) monitor the Corporate Social Responsibility (CSR) Policy of our Company from time to time; and
- (d) such other functions / activities as may be assigned / delegated from time to time by the Board of Directors of our Company and/or pursuant to the provisions of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (as amended) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent applicable from time to time to our Company.

#### **POLICY ON DISCLOSURE AND INTERNAL PROCEDURE FOR PREVENTION OF INSIDER TRADING**

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI PIT Regulations") will be applicable to our Company immediately upon the listing of its Equity Shares on the EMERGE Platform of National Stock Exchange of India Limited. We shall comply with the requirements of the SEBI (PIT) Regulations on listing of Equity Shares on stock exchanges. Further, Board of Directors have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

The Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

## ORGANISATION STRUCTURE



## OUR KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Given below are the details of the Key Managerial Personnel of our Company as prescribed under the Companies Act, 2013:

**Mr. Shishir Agrawal**- Please refer to section *“Brief Profile of our Directors”* in the chapter titled *“Our Management”* beginning on page 94 of this Prospectus for details.

**Mr. Gagan Agrawal** Please refer to section *“Brief Profile of our Directors”* in the chapter titled *“Our Management”* beginning on page 94 of this Prospectus for details.

**Mr. Nathu Singh Tawar**, is the Chief Financial Officer of our Company. He has completed his graduation in Bachelors of Commerce from Dibrugarh University. He has cleared CA from Institute of Chartered Accountants of India. He is a results-oriented, strategic thinker and planner. He is a qualified Chartered Accountants having 11+ Years of working experience in corporate finance. He has handled various portfolios within finance and Compliance of different corporates and has also worked as Finance Head before becoming CFO. His core competencies are in Accountancy, Corporate Laws, Taxation, GST, Corporate Finance and International Tax. He is a member of the Institute of Chartered Accountants of India (ICAI) since 2010

**Ms. Gunjan Gupta** is the Company Secretary of our Company. She was appointed as Company Secretary of our company at the meeting of the Board of Directors with effect from February 2, 2021. She has completed her graduation in Bachelors of Commerce from Delhi University. She holds a degree from the Institute of Company Secretaries of India and completed her Masters of Business Law (Distance Education Programme) from National Law University, Bangalore. She is a Professional with over 4.5 years of post-qualification experience with a Listed Company in performing corporate compliances, legal and secretarial functions viz. conducting meetings, drafting documents, handling Stock Exchange compliances, corporate law compliances, due diligence, SEBI requirements, LLPs, etc. She is well-versed in dealing with and managing correspondence with Regulatory and other Governmental Authorities in connection with the Company’s business.

**STATUS OF KEY MANAGERIAL PERSONNEL**

All our Key Managerial Personnel are permanent employees of our Company.

**RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL (KMPs)**

Except as stated below, none of the aforementioned KMPs are related to each other. There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to any of the Key Managerial Personnel were selected as members of our senior management.

S. No	Name of KMP	Name of KMP	Relationship
1.	Shishir Agrawal	Gagan Agrawal	Brothers

**RELATIONSHIP OF DIRECTORS / PROMOTERS WITH KEY MANAGERIAL PERSONNEL (KMPs)**

Except as stated below, none of the above-mentioned key managerial personnel are related to each other and neither are they related to our Promoters or Directors. There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Key Managerial Personnel were selected as members of our senior management.

S. No	Name of KMP	Name of the Director	Relationship
1.	Shishir Agrawal	Gagan Agrawal	Brothers

**REMUNERATION/ COMPENSATION TO OUR KMPs**

- Set forth below is the remuneration paid by our Company to our KMPs for the financial year ended March 31, 2021:
  - i. Shishir Agrawal and Gagan Agrawal were paid a consultancy charge of Rs. 98.00 lakhs each
  - ii. Gunjan Gupta was paid salary amounting to Rs. 1.17 lakhs.

For details of the above remuneration please refer “*Related Party Transactions*” under chapter titled “*Restated Financial Statements*” on page 139.

- Set forth below is the remuneration paid by our Company to our KMPs as per the terms and conditions of their appointment:
  - i. Shishir Agrawal and Gagan Agrawal are entitled to a gross remuneration of Rs. 42.00 lakhs each per annum.
  - ii. Gunjan Gupta is entitled to a salary of Rs. 6.88 lakhs per annum as per appointment letter dated February 02, 2021
  - iii. Nathu Singh Tawar is entitled to a salary of Rs. 24.00 lakhs per annum vide board resolution dated October 06, 2021.

**SERVICE CONTRACTS WITH KEY MANAGERIAL PERSONNEL**

Our Key Managerial Personnel have not entered into any service contracts with our Company which provide for any benefits upon termination of their employment in our Company.

**BONUS OR PROFIT-SHARING PLAN FOR OUR KEY MANAGERIAL PERSONNEL**

As on the date of this Prospectus our Company does not have any performance linked bonus or profit-sharing plan with any of our Key Managerial Personnel.

**CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL**

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

**LOANS TO KEY MANAGERIAL PERSONNEL**

There is no outstanding loan against our Key Managerial Personnel as on the date of this Prospectus.

**INTEREST OF KEY MANAGERIAL PERSONNEL**

None of our Key Management Personnel has any interest in our Company except to the extent of their remuneration, benefits, reimbursement of expenses incurred by them in the ordinary course of business. Our Key Managerial Personnel may also be interested to the extent of Equity Shares, if any, held by them and any dividend payable to them and other distributions in respect of such Equity Shares.



**CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS**

Set forth below are the changes in our Key Managerial Personnel in the last 3 (three) years immediately preceding the date of this Prospectus:

<b>Name</b>	<b>Designation</b>	<b>Reasons</b>	<b>Date of Appointment/ Change in designation</b>
Shishir Agrawal	Managing Director	Re-designation	October 06, 2021
Gagan Agrawal	Joint Managing Director	Re-designation	October 06, 2021
Nathu Singh Tawar	Chief Financial Officer	To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance	October 06, 2021
Gunjan Gupta	Company Secretary	To comply with the provisions of Companies Act 2013 and to ensure better Corporate Governance	February 02, 2021

**EMPLOYEES STOCK OPTION SCHEME/ EMPLOYEE STOCK PURCHASE SCHEME**

Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme as on the date of filing of this Prospectus.

**PAYMENT OR BENEFIT TO OUR KEY MANAGERIAL PERSONNEL**

Except as stated in this Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company's officers except remuneration of services rendered as Directors, officers or employees of our Company.

Except as stated in the chapter titled "***Restated Financial Statements***" beginning on page 118 of this Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to our Company, our Directors, Our Key Managerial Personnel or our Promoters.

**ARRANGEMENT OR UNDERSTANDING WITH MAJOR SHAREHOLDERS/ CUSTOMERS/ SUPPLIERS**

None of our Key Managerial Personnel or Directors has been appointed pursuant to any arrangement or understanding with our major shareholders, customers, suppliers or others. For more information, please refer chapter titled "***History and Certain Other Corporate Matters***" beginning on page 87 of this Prospectus.

## OUR PROMOTERS AND PROMOTER GROUP

### OUR PROMOTERS

The Promoters of our Company are Mr. Shishir Agrawal, Mr. Gagan Agrawal, Shigan Autotronics Private Limited (*formerly Known as Saptasagar Shipping Pvt. Ltd.*), SA Shigan Trust and GA Shigan Trust. As on the date of this Prospectus, Our Promoters together holds 38,49,950 Equity Shares, representing 30.37% of the pre-Issue issued, subscribed and paid-up Equity Share capital of our Company.

### Details of our Promoters:

#### 1. MR. SHISHIR AGRAWAL



Mr. Shishir Agrawal, aged 55 years, is the Promoter and Managing Director of our Company. He was appointed on the Board of our Company upon incorporation i.e., October 20, 2008. He is a qualified Chartered Accountant from the Institute of Chartered Accountants of India. He guides the Board of Directors in all the decisions related to the financial affairs of Our Company. He is also having an experience and exposure of around 25 years in automobile industry.

**Date of Birth:** May 31, 1966

**PAN:** AEQPA9549C

**Passport No:** Z3932516

**Aadhar Card Number:** XXXX XXXX 4311

**Driving License:** P03092005467970

**Residential Address:** 183-A, Shyam Kunj, Ekta Marg, Western Avenue, Sainik Farms, Pushpa Bhawan S.O South Delhi, Delhi-110062, India.

**Name of Bank:** Punjab National Bank

**Bank Account No.:** 4542000400003316

**Other Interest:**

**Indian Public Limited Company**

- Shigan Evoltz Limited

**Indian Private Limited Company**

- CLH Gaseous Fuel Applications Private Limited.
- Giridhari Sales Private Limited
- Shigan Export Private Limited
- Moonview Sales Private Limited
- Intent Vincom Private Limited
- Orient Ecomev Logistics Solutions Private Limited.
- Shigan Autotronics Private Limited
- Shigan Telematics Private Limited
- Shigan Financial Services Private Limited
- Arieon Technology Private Limited
- Shigan Fuel Systems Solutions Private Limited
- Rudramala Impex Private Limited

**Indian Limited Liability Partnership**

- Shigan Nexgen Technologies LLP

**Partnership Firm**

- Orient Transport Agency

	<p><b>Foreign Companies:</b></p> <ul style="list-style-type: none"> <li>• Autotronics Worldwide Pte. Ltd.</li> </ul> <p><b>AOP</b></p> <ul style="list-style-type: none"> <li>• Shigan Holdings</li> </ul> <p><b>HUF</b></p> <ul style="list-style-type: none"> <li>• Umesh Chandra Agrawal (HUF)</li> <li>• Shishir Agrawal HUF</li> </ul> <p><b>Trusts:</b></p> <ul style="list-style-type: none"> <li>• SA Shigan Trust</li> <li>• SA Family Trust</li> </ul>
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## 2. MR GAGAN AGRAWAL



Mr. Gagan Agrawal, aged 48 years is the Promoter and Joint Managing Director of our Company. He was appointed on the Board of our Company upon incorporation i.e., October 20, 2008. He has a degree in Mechanical Engineering.

He is having an experience and exposure of around 25 years in automobile industry. He is entrusted with the responsibility of looking after the overall management, administration and operations with support of professional executives of our Company.

**Date of Birth:** April 19, 1973

**PAN:** AAMPA7060L

**Passport No:** Z3586316

**Aadhar Card Number:** XXXX XXXX 3412

**Driving License:** P03102006472419

**Residential Address:** 183-A, Shyam Kunj, Ekta Marg, Western Avenue, Sainik Farms, Pushpa Bhawan S.O South Delhi, Delhi-110062, India.

**Name of Bank:** Punjab National Bank

**Bank Account No.:** 4542000400004670

**Other Interest:**

**Indian Public Limited Company**

- Shigan Evoltz Limited

**Indian Private Limited Company**

- CLH Gaseous Fuel Applications Private Limited.
- Giridhari Sales Private Limited
- Shigan Export Private Limited
- Moonview Sales Private Limited
- Intent Vincom Private Limited
- Orient Ecomev Logistics Solutions Private Limited.
- Shigan Autotronics Private Limited
- Shigan Telematics Private Limited
- Shigan Financial Services Private Limited
- Arieon Technology Private Limited
- Shigan Fuel Systems Solutions Private Limited
- Rudramala Impex Private Limited

	<p><b>Indian Limited Liability Partnership</b></p> <ul style="list-style-type: none"> <li>Shigan Nexgen Technologies LLP</li> </ul> <p><b>Partnership Firm</b></p> <ul style="list-style-type: none"> <li>Orient Transport Agency</li> </ul> <p><b>Foreign Companies:</b></p> <ul style="list-style-type: none"> <li>Autotronics Worldwide Pte. Ltd.</li> <li>E Mobility Exim Pte Ltd.</li> </ul> <p><b>AOP</b></p> <ul style="list-style-type: none"> <li>Shigan Holdings</li> </ul> <p><b>HUF</b></p> <ul style="list-style-type: none"> <li>Gagan Agrawal HUF</li> </ul> <p><b>Trusts:</b></p> <ul style="list-style-type: none"> <li>GA Shigan Trust</li> <li>GA Family Trust</li> </ul>
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For the complete profile of our Promoters - educational qualifications, professional experience, position/posts held in the past, directorships held, special achievements and business and financial activities, see “*Our Management*” on page 94 of this Prospectus.

### 3. SHIGAN AUTOTRONICS PRIVATE LIMITED

#### Corporate Information

Shigan Autotronics Private Limited was originally incorporated on February 07, 1996 as a Private Limited company under the Companies Act, 1956. The name of the company was changed to Shigan Autotronics Private Limited from Saptasagar Shipping Private Limited pursuant to a fresh certificate of incorporation dated September 11, 2017. The registered office is situated at Flat No.5, Gandhi Complex, Kalyan Nagar, Phase-III, Erragadda, Hyderabad- 500038. The Corporate Identification number of the Company is U61100TG1996PTC023148.

Shigan Autotronics Private Limited is in the business of manufacturing of pressure sensors for automotive sector.

#### Board of Directors

The Board of Directors of Shigan Autotronics Private Limited comprises:

- Shishir Agrawal
- Gagan Agrawal.

#### Shareholding Pattern as on the date of Prospectus

The authorized share capital of Shigan Autotronics Private Limited is Rs. 5,00,00,000 divided into 50,00,000 Equity Shares on Rs. 10 each.

Sr. No.	Name of Shareholder	Number of Equity Shares	Percentage (%)
1.	Shishir Agrawal	6,36,500	50
2.	Gagan Agrawal	6,36,500	50
<b>Total</b>		<b>12,73,000</b>	<b>100</b>

#### Changes in the Management and Control

There has been no change in the Management and Control of Shigan Autotronics Private Limited in the last 5 years immediately preceding the date of this Prospectus

The current Promoters of Shigan Autotronics Private Limited are:

- Shishir Agrawal
- Gagan Agrawal

Our Company confirms that the permanent account number, Bank account number, the Company’s registration number and registered office address of Shigan Autotronics Private Limited shall be submitted to Stock Exchange at the time of filing of Prospectus.

#### 4. SA SHIGAN TRUST

SA Shigan Trust was formed pursuant to Trust Deed dated October 18, 2021 (the “Trust Deed”). The Trustees of Trust are Mr. Shishir Agrawal, Ms. Ankita Agrawal and Mr. Alok Kumar Agarwal.

The office of the trust is situated at KH No. 23/2 S/F, 183-A-88, Vill Deoli, Western Avenue, Ekta Marg, New Delhi, 110062-India. The objective of the SA Shigan Trust is for the benefit of beneficiaries in the manner provided in the Trust Deed.

Shishir Agrawal is the Settlor of SA Shigan Trust. The Beneficiaries of the Trust are Mr. Shishir Agrawal, Ms. Ankita Agrawal (wife of Shishir Agrawal), Ms. Pallavi Agrawal (daughter of Shishir Agrawal), Ms. Chitvan Agrawal (daughter of Shishir Agrawal), Lineal descendants of Shishir Agrawal and SA Family Trust

#### 5. GA SHIGAN TRUST

GA Shigan Trust was formed pursuant to Trust Deed dated October 18, 2021 (the “Trust Deed”). The trustees of GA Shigan Trust are Mr. Gagan Agrawal, Ms. Ruchi Agrawal and Mr. Alok Kumar Agarwal.

The office of the Trust is situated at KH No. 23/2 S/F, 183-A-88, Vill Deoli, Western Avenue, Ekta Marg, New Delhi, 110062-India. The objective of the GA Shigan Trust is for the benefit of beneficiaries in the manner provided in the Trust Deed.

Gagan Agrawal is the Settlor of GA Shigan Trust. The Beneficiaries of the Trust are Ms. Santosh Agrawal (mother of Gagan Agrawal), Gagan Agrawal, Ruchi Agrawal (wife of Gagan Agrawal), Aryaman Agrawal (son of Gagan Agrawal), Ananya Agrawal (daughter of Gagan Agrawal), Lineal descendants of Gagan Agrawal and GA Family Trust.

#### **Change in control of our Corporate Promoter**

There has been no change in the control of our Corporate Promoter in the last three years preceding the date of this Prospectus.

#### **Change in Control of our Company**

There has not been any change in the control of our Company in the five years immediately preceding the date of this Prospectus.

#### **Experience of our Promoter in the Business of our Company**

For details in relation to experience of our Individual Promoters in the business of our Company, please refer the chapter “*Our Management*” beginning on page 94 of this Prospectus.

#### **DECLARATION**

We declare and confirm that the details of the permanent account number, passport number and bank account number of our Promoter will be submitted to the Stock Exchange where the Equity Shares are proposed to be listed at the time of filing this Prospectus.

#### **INTEREST OF OUR PROMOTER**

##### **Interest of Promoters**

Our Promoters does not have any interest in our Company except to the extent of compensation payable / paid, rents on properties owned by him or his relatives but used by our company and reimbursement of expenses (if applicable) and to the extent of any equity shares held by him or his relatives and associates or held by the companies, firms and trusts in which he is interested as director, member, partner, and / or trustee, and to the extent of benefits arising out of such shareholding. (For further details please see the chapters titled “*Capital Structure*”, “*Restated Financial Statements*” and “*Our Management*” beginning on page 47, 118 and 94 respectively of this Prospectus).

Except as stated otherwise in this Prospectus, we have not entered into any contract, agreements or arrangements in which our Promoters is directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company and development rights entered into by our Company other than in the normal course of business. (For further details, please refer “*Related Party Transactions*” under chapter titled “*Restated Financial Statements*” on page no. 118 of this Prospectus).

##### **Interest in promotion of our Company**

Our Company is currently promoted by the Promoters in order to carry on its present business. Our Promoters are interested in our Company to the extent of their shareholding and directorship in our Company and the dividend declared, if any, by our Company.



**Interest in the property, land, construction of building, supply of machinery, etc.**

Except as mentioned in the chapter titled '*Our Business*' beginning on page 71 of this Prospectus, our Promoters do not have any other interest in any property acquired or proposed to be acquired by our Company in a period of 3 (three) years before filing of this Prospectus or in any transaction by our Company for acquisition of land, Construction of building or supply of machinery or any other contract, agreement or arrangement entered into by our Company and no payments have been made or are proposed to be made in respect of these contracts, agreements or arrangements.

**Payment or Benefit to the Promoters or Promoter Group in the last 2 (two) years**

Except as stated above in "*Our Management*" and "*Restated Financial Statements*" beginning on pages 94 and 118 respectively of this Prospectus, there has been no amount or benefit paid or given during the preceding 2 (two) years of filing Prospectus or intended to be paid or given to any Promoters or member of our Promoter Group and no consideration for payment of giving of the benefit.

**MATERIAL GUARANTEES GIVEN TO THIRD PARTIES**

Except as stated in the "Restated Financial Information" beginning on page 118 of this Prospectus, our Promoters have not given material guarantees to the third party(ies) with respect to the specified securities of our Company.

**LITIGATION INVOLVING OUR PROMOTERS**

For details relating to legal proceedings involving the Promoters, please refer "*Outstanding Litigation and Material Developments*" beginning on page 152 of this Prospectus.

**COMPANIES WITH WHICH OUR PROMOTERS HAVE DISASSOCIATED IN THE PRECEDING THREE YEARS**

Our Promoters have not disassociated themselves from any companies, firms or entities during the last three years preceding the date of this Prospectus.

## OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 is as under:

### A. Natural Persons who form part of our Promoter Group:

Relationship with the Promoter	Shishir Agrawal	Gagan Agrawal
Spouse	Mrs. Ankita Agrawal	Mrs. Ruchi Agrawal
Mother	Mrs. Santosh Agrawal	Mrs. Santosh Agrawal
Father	Late Mr. Umesh Chandra Agrawal	Late Mr. Umesh Chandra Agrawal
Brother	Mr. Gagan Agrawal	Mr. Shishir Agrawal
Sister	Mrs. Shilpa Beriwal	Mrs. Shilpa Beriwal
Son	-	Mr. Aryaman Agrawal
Daughter	Ms. Pallavi Agrawal Ms. Chitvan Agrawal	Ms. Ananya Agrawal
Spouse's Mother	Mrs. Prakasho Devi Saria	Late Mrs. Rama Rani Jakhodia
Spouse's Father	Mr. Satya Narain Saria	Late Mr. Sunder Lal Jakhodia
Spouse's Brother	Mr. Radhe Shyam Saria	Mr. Sandeep Jakhodia Mr. Shashikant Jakhodia
Spouse's Sister	Mrs. Sonika Agarwal Mrs. Seema Agarwal Mrs. Minal Saria Mrs. Sunita Gupta Mrs. Sadhana Khemka Mrs. Suman Agarwal	Mrs. Renu Agarwal

### B. Entities forming part of the Promoter Group:

#### Limited Company

- Shigan Evoltz Limited

#### Private Limited Company

- Arieon Technology Private Limited
- Shigan Telematics Private Limited
- Shigan Fuel Systems Solutions Private Limited
- Shigan Export Private Limited
- Intent Vincom Private Limited
- Moonview Sales Private Limited
- Shigan Financial Services Private Limited
- Orient Ecomov Logistics Solutions Private Limited
- CLH Gaseous Fuel Applications Private Limited
- Giridhari Sales Private Limited
- Rudramala Impex Private Limited

#### Foreign Company

- Autotronics Worldwide Pte. Limited.
- E Mobility Exim Pte Limited.

#### Limited Liability Partnership

- Shigan Nexgen Technologies LLP

#### AOP

- Shigan Holdings

#### Partnership Firm:

- Orient Transport Agency

#### HUF

- Umesh Chandra Agrawal (HUF)
- Shishir Agrawal HUF
- Gagan Agrawal HUF

#### Trust

- SA Family Trust
- GA Family Trust

## OUR GROUP COMPANIES

In terms of the SEBI ICDR Regulations and pursuant to the resolution passed by our Board at its meeting held on October 16, 2021, the term “group companies”, includes (i) such companies (other than subsidiaries, if any) with which there were related party transactions during the period for which financial information is disclosed, as covered under applicable accounting standards, and (ii) any other companies considered material by the board of directors of the relevant issuer company.

According to the materiality policy adopted in the abovementioned resolution, a company shall be considered as a Group Company if the Company is member of the Promoter Group and our Company has entered into one or more transactions with such company in last restated financial statements exceeding 10% of total revenue of our Company for the last Restated Financial Statements.

Therefore, the following are our Group Companies in terms of the related party transactions and policy adopted by our Board of Directors:

1. Shigan Evoltz Limited
2. Arieon Technology Private Limited
3. Giridhari Sales Private Limited
4. Rudramala Impex Private Limited
5. CLH Gaseous Fuel Applications Private Limited
6. Shigan Telematics Private Limited

The details of our Group Companies are provided below:

### 1. Shigan Evoltz Limited (“SEL”)

SEL was incorporated as Shigan Evoltz Limited on September 19, 2017, under the Companies Act, 2013 bearing Registration No. 323864 and having its Registered Office at 183A/3, Western Avenue Sainik Farm, Opposite Gardian Pharmacy Delhi-110062, India. The CIN of SEL is U35999DL2017PLC323864.

#### ***Audited Financial Information***

The details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the audited financial statements of SEL for financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 in terms of the SEBI ICDR Regulations are available on its website at <https://www.shigan-quantum.com/view/group/#>

### 2. Arieon Technology Private Limited (“ATPL”)

ATPL was incorporated as Arieon Technology Private Limited on June 5, 2007, under the Companies Act, 1956 bearing Registration No. 164392 and having its Registered Office in at Shyam Kunj, 183A, Sainik Farms Western Avenue New Delhi-110062, India. The CIN of ATPL is U72300DL2007PTC164392.

#### ***Audited Financial Information***

The details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the audited financial statements of ATPL for financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 in terms of the SEBI ICDR Regulations are available on its website at <https://www.shigan-quantum.com/view/group/#>

### 3. Giridhari Sales Private Limited (“GSPL”)

GSPL was incorporated as Giridhari Sales Private Limited on February 2, 2007, under the Companies Act, 1956, bearing Registration No. 112983 and having its Registered Office at City Mall 1st Floor, Sevoke Road Siliguri, West Bengal 734001 India. The CIN of GSPL is U51109WB2007PTC112983. Applications have been filed before National Company Law Tribunal, Kolkata Bench for Amalgamation of Rudramala Impex Private Limited, Moonview Sales Private Limited, Intent Vincom Private Limited and Giridhari Sales Private Limited. The application is still pending.

#### ***Audited Financial Information***

The details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the audited financial statements of GSPL for financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 in terms of the SEBI ICDR Regulations are available on its website at <https://www.shigan-quantum.com/view/group/#>.

#### **4. Rudramala Impex Private Limited (“RIPL”)**

RIPL was incorporated as Rudramala Impex Private Limited on January 12, 2012, under the Companies Act, 1956, bearing Registration No. 172111 and having its Registered Office at 49A, Ram Dulal Sarkar Street, Kolkata, West Bengal-700006, India. The CIN of RIPL is U74999WB2012PTC172111. Applications have been filed before National Company Law Tribunal, Kolkata Bench for Amalgamation of Rudramala Impex Private Limited, Moonview Sales Private Limited, Intent Vincom Private Limited and Giridhari Sales Private Limited. The application is still pending.

##### ***Audited Financial Information***

The details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the audited financial statements of RIPL for financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 in terms of the SEBI ICDR Regulations are available on its website at <https://www.shigan-quantum.com/view/group/#>.

#### **5. CLH Gaseous Fuel Applications Private Limited (“CLH”)**

CLH was incorporated as CLH Gaseous Fuel Applications Private Limited on December 22, 2005, under the Companies Act, 1956, bearing Registration No. 143992 and having its Registered Office at Shyam Kunj, 183A, Sainik Farms, Western Avenue, New Delhi-110062, India. The CIN of CLH is U40200DL2005PTC143992.

##### ***Audited Financial Information***

The details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the audited financial statements of CLH for financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 in terms of the SEBI ICDR Regulations are available on its website at <https://www.shigan-quantum.com/view/group/#>.

#### **6. Shigan Telematics Private Limited (“STPL”)**

STPL was incorporated as Nilgiri Clearing & Forwarding Private Limited on November 21, 1997, under the Companies Act, 1956, bearing Registration No. 028142 and having its Registered Office at Flat No.5, Gandhi Complex, Kalyan Nagar, Phase-III, Erragadda, Hyderabad, Telangana-500038, India. Subsequently, a fresh Certificate of Incorporation consequent to change of name from Nilgiri Clearing & Forwarding Private Limited to Shigan Telematics Private Limited was issued on March 13, 2007 by the Registrar of Companies, Hyderabad, Andhra Pradesh. The CIN of STPL is U63011TG1997PTC028412.

##### ***Audited Financial Information***

The details of the reserves (excluding revaluation reserves), sales, profit/(loss) after tax, basic earnings per share, diluted earnings per share and net asset value per share derived from the audited financial statements of STPL for financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 in terms of the SEBI ICDR Regulations are available on its website at <https://www.shigan-quantum.com/view/group/#>.

Other Group Entities of our Company include:

1. Shigan Nexgen Technologies LLP
2. Orient Transport Agency (Partnership Firm)

#### **INTEREST OF GROUP ENTITIES**

##### **In the promotion of our Company**

None of our Group Companies have any interest in the promotion or any business interest in the promotion or any business interest or other interest in our Company.

##### **In the properties acquired or proposed to be acquired by our Company in the past two years before filing of the Prospectus.**

None of our Group Companies have any interest in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of this Prospectus or proposed to be acquired by it.

##### **In transactions for acquisition of land, construction of building and supply of machinery.**

None of our Group Companies are interested in any transactions for the acquisition of land, construction of building or supply of machinery.

## **COMMON PURSUITS AMONG GROUP ENTITIES WITH OUR COMPANY**

Our Group Company i.e., CLH Gaseous Fuel Applications Private Limited deals in manufacturing of some of the products that are similar to our Company's products. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company and in circumstances where our respective interests diverge.

## **RELATED BUSINESS TRANSACTION WITHIN THE GROUP ENTITIES AND SIGNIFICANCE ON FINANCIAL PERFORMANCE**

For details pertaining to business transactions, of our Company with our Group Companies, please refer "*Annexure XXXIII – Related Party Transactions*" beginning on page no. 139 of this Prospectus.

## **BUSINESS INTEREST OF GROUP COMPANIES**

Except as disclosed in "*Restated Financial Statements*" under "*Annexure XXXIII - Related Party Transactions*" beginning on page no. 139 of this Prospectus, our Group Companies do not have any business interest in our Company.

## **LITIGATION / DEFAULTS**

There has been no material litigation in the group companies, which may directly or indirectly affect our Company.

## **CONFIRMATION**

None of our Group Companies is listed on any Stock Exchange. Further, none of our Group Companies has made any public or rights issue (as defined under the SEBI ICDR Regulations) of securities in the three years preceding the date of this Prospectus.

Further, neither have any of the securities of our Company or our Group Companies been refused listing by any stock exchange in India or abroad, nor has our Company or our Group Companies failed to meet the listing requirements of any stock exchange in India or abroad



## **RELATED PARTY TRANSACTIONS**

For details of related party transactions of our Company, please refer to Annexure XXXIII of section titled “*Restated Financials Statements*” beginning on page 139 of this Prospectus.

## **DIVIDEND POLICY**

Under the Companies Act, 2013, an Indian Company pays dividends upon a recommendation by its Board of Directors and approval by majority of the Shareholders. Under the Companies Act, 2013, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both. Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not paid any dividend for the last three years.

Dividends are payable within thirty days of approval by the Equity Shareholders at the annual general meeting of our Company and in case of interim dividend within thirty days of declaration by the Board of Directors. When dividend is declared, all the Equity Shareholders whose name appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity shareholders who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

**SECTION VI: FINANCIAL INFORMATION**  
**Restated Financial Statements**

To,  
The Board of Directors  
Shigan Quantum Technologies Limited  
(Formerly known as Shigan Quantum Technologies Private Limited)  
183A, Sainik Farms, Western Avenue,  
New Delhi, - 110062

1. We, M/s. Saria Gupta & Co., Chartered Accountants have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI which is valid till April 30, 2023. We have examined the attached restated financial information of **Shigan Quantum Technologies Limited (Formerly known as Shigan Quantum Technologies Private Limited)** (hereinafter referred to as “**the Company**”) comprising the restated statement of assets and liabilities as at August 31, 2021 and March 31, 2021, 2020 and 2019, restated statement of profit and loss and restated cash flow statement for the financial period/year ended on August 31, 2021, March 31, 2021, 2020 and 2019 and the summary statement of significant accounting policies and other explanatory information (collectively referred to as the “**restated financial information**” or “**restated financial statements**”) annexed to this report and initialed by us for identification purposes. These Restated Financial Statements have been prepared by the management of the Company and approved by the board of directors at their meeting in connection with the proposed Initial Public Offering on NSE Emerge (“**IPO**” or “**SME IPO**”) of National Stock Exchange of India Limited (“**NSE**”) of the company.
2. These restated summary statements have been prepared in accordance with the requirements of:
  - (i) Section 26 of Part – I of Chapter III of Companies Act, 2013 (the “**Act**”) read with Companies (Prospectus and Allotment of Securities) Rules 2014;
  - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018 (“**ICDR Regulations**”) and related amendments / clarifications from time to time issued by the Securities and Exchange Board of India (“**SEBI**”);
  - (iii) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“**Guidance Note**”)
3. The Company’s Board of Directors is responsible for the preparation of the Restated Financial Statements for inclusion in the Draft Prospectus/Prospectus to be filed with NSE, Securities and Exchange Board of India (“**SEBI**”), and Registrar of Companies (Delhi) in connection with the proposed IPO. The Restated Financial Statements have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Financial Statements. The responsibility of the board of directors of the Company includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The board of directors are also responsible for identifying and ensuring that the Company complies with the Act, ICDR Regulations and the Guidance Note.
4. We have examined such Restated Financial Statements taking into consideration:
  - (i) The terms of reference and terms of our engagement letter requesting us to carry out the assignment, in connection with the proposed SME IPO;
  - (ii) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - (iii) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements;
  - (iv) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
5. The Restated Financial Statements of the Company have been compiled by the management from audited financial statements for the period/year ended on August 31, 2021 and March 31, 2021, 2020 and 2019.
6. Audit for the financial period/year ended on August 31, 2021 and March 31, 2021, 2020 and 2019 was conducted by us. There are no audit qualifications in the audit reports issued by us which would require adjustments in the Restated

Financial Statements of the Company. The financial report included for these period/years is based solely on the report submitted by us.

7. Based on our examination and according to information and explanations given to us, we are of the opinion that the Restated Financial Statements:
  - a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping / reclassifications retrospectively in the financial period/year ended on August 31, 2021 and March 31, 2021, 2020 and 2019.
  - b) do not require any adjustment for modification as there is no modification in the underlying audit reports;
  - c) there are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
  - d) have been prepared in accordance with the Act, ICDR Regulations and Guidance Note.
8. In accordance with the requirements of the Act including the rules made there under, ICDR Regulations, Guidance Note and engagement letter, we report that:
  - (i) The “**restated statement of asset and liabilities**” of the Company as at August 31, 2021 and March 31, 2021, 2020 and 2019 examined by us, as set out in **Annexure I** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
  - (ii) The “**restated statement of profit and loss**” of the Company for the financial period/year ended on at August 31, 2021 and March 31, 2021, 2020 and 2019 examined by us, as set out in **Annexure II** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to the restated summary statements to this report.
  - (iii) The “**restated statement of cash flows**” of the Company for the financial period/year ended on at August 31, 2021 and March 31, 2021, 2020 and 2019 examined by us, as set out in **Annexure III** to this report read with significant accounting policies in **Annexure IV** has been arrived at after making such adjustments and regroupings to the audited financial statements of the Company, as in our opinion were appropriate and more fully described in notes to restated summary statements to this report.
9. We have also examined the following other financial information relating to the Company prepared by the management and as approved by the board of directors of the Company and annexed to this report relating to the Company for the financial period/year ended as on August 31, 2021 and March 31, 2021, 2020 and 2019 proposed to be included in the Draft Prospectus / Prospectus (“**Offer Document**”).

**Annexure to Restated Financial Statements of the Company: -**

- i) Summary statement of assets and liabilities, as restated as appearing in ANNEXURE I;
- ii) Summary statement of profit and loss, as restated as appearing in ANNEXURE II;
- iii) Summary statement of cash flows as restated as appearing in ANNEXURE III;
- iv) Corporate Information, Significant accounting policies as restated and Notes to reconciliation of restated profits and networth as appearing in ANNEXURE IV;
- v) Details of share capital as restated as appearing in ANNEXURE V to this report;
- vi) Details of reserves and surplus as restated as appearing in ANNEXURE VI to this report;
- vii) Details of long-term borrowings as restated as appearing in ANNEXURE VII to this report;
- viii) Details of long-term provisions as restated as appearing in ANNEXURE VIII to this report;
- ix) Details of short-term borrowings as restated as appearing in ANNEXURE IX to this report;
- x) Details of trade payables as restated as appearing in ANNEXURE X to this report;
- xi) Details of other current liabilities as restated as appearing in ANNEXURE XI to this report;
- xii) Details of short-term provisions as restated as appearing in ANNEXURE XII to this report;
- xiii) Details of property, plant & equipment as restated as appearing in ANNEXURE XIII to this report;
- xiv) Details of deferred tax assets (net) as restated as appearing in ANNEXURE XIV to this report;
- xv) Details of long-term loans and advances as restated as appearing in ANNEXURE XV to this report;
- xvi) Details of inventories as restated as appearing in ANNEXURE XVI to this report;
- xvii) Details of trade receivables as restated as appearing in ANNEXURE XVII to this report;
- xviii) Details of cash and cash equivalents as restated as appearing in ANNEXURE XVIII to this report;

- xix) Details of short-term loans and advances as restated as appearing in ANNEXURE XIX to this report;
  - xx) Details of other current assets as restated as appearing in ANNEXURE XX to this report;
  - xxi) Details of revenue from operations as restated as appearing in ANNEXURE XXI to this report;
  - xxii) Details of other income as restated as appearing in ANNEXURE XXII to this report;
  - xxiii) Details of cost of materials consumed as restated as appearing in ANNEXURE XXIII to this report;
  - xxiv) Details of manufacturing expenses as restated as appearing in ANNEXURE XXIV to this report;
  - xxv) Details of changes in inventories of finished goods as restated as appearing in ANNEXURE XXV to this report;
  - xxvi) Details of employee benefit expenses as restated as appearing in ANNEXURE XXVI to this report;
  - xxvii) Details of finance costs as restated as appearing in ANNEXURE XXVII to this report;
  - xxviii) Details of depreciation and amortization expense as restated as appearing in ANNEXURE XXVIII to this report;
  - xxix) Details of other expenses as restated as appearing in ANNEXURE XXIX to this report;
  - xxx) Details of bifurcative other income as restated as appearing in ANNEXURE XXX to this report;
  - xxxi) Details of contingent liabilities and commitments as restated as appearing in ANNEXURE XXXI to this report;
  - xxxii) Disclosure for gratuity and leave encashment under AS-15 as restated as appearing in ANNEXURE XXXII to this report;
  - xxxiii) Details of related party transactions as restated as appearing in ANNEXURE XXXIII to this report;
  - xxxiv) Summary of significant accounting ratios as restated as appearing in ANNEXURE XXXIV to this report;
  - xxxv) Statement of tax shelters as restated as appearing in ANNEXURE XXXV to this report;
  - xxxvi) Capitalisation statement as at March 31, 2021 as restated as appearing in ANNEXURE XXXVI to this report;
10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the board of directors for inclusion in the offer document to be filed with NSE, SEBI, and Registrar of Companies (Delhi) in connection with the proposed SME IPO. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

**For Saria Gupta & Co.**  
**Chartered Accountants**  
**(Firm's Registration Number - 003168N)**

**Sd/-**  
**(CA Sachin Singhal)**  
**Partner**  
**Membership No. - 550213**  
**(UDIN -22550213AAAABJ8250)**

**Place: New Delhi**  
**Date: January 31, 2022**

## ANNEXURE I

## RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lakhs)

Sr. No.	Particulars	Annexure No.	As at August 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
	<b>EQUITY AND LIABILITIES</b>					
1)	<b><u>Shareholders' Funds</u></b>					
	a. Share Capital	V	253.52	253.52	253.52	200.00
	b. Reserves & Surplus	VI	1,721.41	1,432.12	1,080.78	620.13
2)	<b><u>Non - Current Liabilities</u></b>					
	a. Long-term Borrowings	VII	108.20	114.87	11.80	10.62
	b. Long-term Provisions	VIII	53.59	49.34	60.63	35.74
3)	<b><u>Current Liabilities</u></b>					
	a. Short Term Borrowings	IX	68.46	762.39	674.57	678.18
	b. Trade Payables	X	1,789.71	1,499.57	267.98	537.22
	c. Other Current liabilities	XI	590.52	317.36	109.43	122.89
	d. Short Term Provisions	XII	93.76	100.40	14.77	0.87
	<b>TOTAL</b>		<b>4,679.17</b>	<b>4,529.57</b>	<b>2,473.48</b>	<b>2,205.65</b>
	<b>ASSETS</b>					
1)	<b><u>Non-Current Assets</u></b>					
	a. Property, Plant & Equipment					
	- Tangible Assets	XIII	303.52	307.50	210.04	154.64
	- Intangible Assets		233.19	257.98	4.20	6.12
	- Capital Work-in-Progress		-	-	344.15	-
	b. Deferred Tax Assets (net)	XIV	26.62	23.66	24.33	15.16
	c. Long-term Loans & Advances	XV	5.43	65.43	4.43	8.63
2)	<b><u>Current Assets</u></b>					
	a. Inventories	XVI	1,402.05	1,209.75	1,311.66	1,414.35
	b. Trade Receivables	XVII	766.97	1,118.93	431.18	482.92
	c. Cash and Cash Equivalents	XVIII	184.27	217.20	22.23	14.79
	d. short term loan and advances	XIX	1,757.05	1,329.10	121.24	109.02
	e. Other current assets	XX	0.02	0.02	0.02	0.02
	<b>TOTAL</b>		<b>4,679.17</b>	<b>4,529.57</b>	<b>2,473.48</b>	<b>2,205.65</b>



## ANNEXURE II

## RESTATED STATEMENT OF PROFIT AND LOSS

(Rs. in Lakhs)

Sr. No.	Particulars	Annexure No.	For the period ended August 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>A</b>	<b>INCOME</b>					
	Revenue from Operations	XXI	6,439.03	9,565.96	7,277.59	6,907.06
	Other income	XXII	0.73	36.30	1.19	1.36
	<b>Total Income (A)</b>		<b>6,439.76</b>	<b>9,602.26</b>	<b>7,278.78</b>	<b>6,908.42</b>
<b>B</b>	<b>EXPENDITURE</b>					
	Cost of Materials Consumed	XXIII	4,994.64	6,404.92	5,103.69	4,702.28
	Manufacturing Expenses	XXIV	777.73	1,471.40	753.46	1,008.97
	Changes in inventories of finished goods	XXV	(279.28)	9.99	57.99	(111.35)
	Employee benefits expense	XXVI	173.25	313.88	352.10	250.94
	Finance costs	XXVII	65.85	133.81	109.01	149.07
	Depreciation and amortization expense	XXVIII	48.52	156.86	54.90	47.17
	Other expenses	XXIX	271.22	639.48	454.26	485.33
	<b>Total Expenses (B)</b>		<b>6,051.93</b>	<b>9,130.34</b>	<b>6,885.41</b>	<b>6,532.41</b>
<b>C</b>	<b>Profit before tax (A-B)</b>		387.83	471.92	393.37	376.01
<b>D</b>	<b>Tax Expense:</b>					
	(i) Current tax	XXXV	101.50	119.91	110.47	112.31
	(ii) Deferred tax	XIV	(2.96)	0.67	(9.17)	(2.37)
	(iii) Excess/(Short) Provision for earlier years		-	-	-	-
	<b>Total Tax Expenses (E)</b>		<b>98.54</b>	<b>120.58</b>	<b>101.30</b>	<b>109.94</b>
<b>E</b>	<b>Profit for the year (C-D)</b>		<b>289.29</b>	<b>351.34</b>	<b>292.07</b>	<b>266.07</b>
<b>F</b>	<b>Earnings per share (Face value of ₹ 10/- each):</b>	XXXIV				
	<b>i. Basic</b>		<b>11.41</b>	<b>13.86</b>	<b>11.85</b>	<b>13.30</b>
	<b>ii. Diluted</b>		<b>11.41</b>	<b>13.86</b>	<b>11.85</b>	<b>13.30</b>

**ANNEXURE III**  
**RESTATED STATEMENT OF CASH FLOWS**

(Rs. in Lakhs)

Particulars	For the period ended August 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Cash Flow from Operating Activities:</b>				
Net Profit before tax as per Profit and Loss A/c	387.83	471.92	393.37	376.01
<b>Adjustments for:</b>				
Finance Cost Paid	65.85	133.81	109.01	149.07
Depreciation and Amortization	48.52	156.86	54.90	47.17
Interest Income	(0.73)	(2.16)	(1.19)	(1.36)
Repair & Maintenance Expenses for earlier periods	-	-	-	(3.22)
Amount written-off	-	100.20	-	-
<b>Operating Profit Before Working Capital Changes</b>	<b>501.47</b>	<b>860.63</b>	<b>556.09</b>	<b>567.67</b>
Adjusted for (Increase)/Decrease in operating assets				
Long-Term Loans and advances	60.00	(61.00)	-	-
Inventories	(192.30)	101.91	102.69	(641.43)
Trade Receivables	351.96	(687.75)	51.74	318.03
Short Term Loans and advances	(427.95)	(1,207.86)	(12.22)	24.09
Adjusted for Increase/(Decrease) in operating liabilities:				
Trade Payables	290.14	1,131.39	(269.24)	(6.97)
Other Current Liabilities	269.47	206.63	(14.89)	(35.55)
Provisions	4.79	(11.11)	25.81	0.22
<b>Cash Generated from Operations Before Extra-Ordinary Items</b>	<b>857.58</b>	<b>332.84</b>	<b>439.98</b>	<b>226.06</b>
Net Income Tax paid/ refunded	(108.68)	(34.46)	(93.29)	(87.44)
<b>Net Cash Flow from/ (used in) Operating Activities: (A)</b>	<b>748.90</b>	<b>298.38</b>	<b>346.69</b>	<b>138.62</b>
Purchase of Fixed Assets (Including Capital WIP)	(19.75)	(163.95)	(452.53)	(30.11)
Interest Income	0.73	2.16	1.19	1.36
<b>Net Cash Flow from/ (used in) Investing Activities: (B)</b>	<b>(19.02)</b>	<b>(161.79)</b>	<b>(451.34)</b>	<b>(28.75)</b>
<b>Cash Flow from Financing Activities:</b>				
Proceeds from Issue of Equity Shares	-	-	222.10	-
Net Increase/(Decrease) in Borrowings	(700.60)	190.89	(2.43)	43.81
Finance cost paid	(62.21)	(132.51)	(107.58)	(146.38)
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>(762.81)</b>	<b>58.38</b>	<b>112.09</b>	<b>(102.57)</b>
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(32.93)	194.97	7.44	7.30
Cash & Cash Equivalents as At Beginning of the Year	217.20	22.23	14.79	7.49
Cash & Cash Equivalents as At End of the Year	<b>184.27</b>	<b>217.20</b>	<b>22.23</b>	<b>14.79</b>

## **ANNEXURE IV: CORPORATE INFORMATION, SIGNIFICANT ACCOUNTING POLICIES, RECONCILIATION OF NET PROFIT/(LOSS) AND RECONCILIATION OF NETWORTH**

### **A) CORPORATE INFORMATION:**

Shigan Quantum Technologies Limited (formerly known as “Shigan Quantum Technologies Private Limited”) is a company incorporated on 20<sup>th</sup> October, 2008.

The corporate identification number of the company is U72200DL2008PTL184341.

The company has been converted from Private Company to Public Company vide resolution dt. September 29, 2021.

The company is a manufacturer and service provider of Alternate Fuel System Components for CNG and LPG mainly used by the OEM suppliers to auto industries.

### **B) RESTATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:**

#### **I. Basis of preparation of Financial Statements:**

The restated summary statement of assets and liabilities of the Company as at August 31, 2021, March 31, 2021, 2020 & 2019 and the related restated summary statement of profits and loss and cash flows for the period/year ended August 31, 2021, March 31, 2021, 2020 & 2019 (herein collectively referred to as (“**Restated Summary Statements**”)) have been compiled by the management from the audited Financial Statements for the period/year ended on March 31, 2021, March 31, 2020 & 2019. Restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 (the “**Act**”) read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“**ICDR Regulations**”) issued by SEBI and Guidance note on Reports in Companies Prospectuses (Revised 2019) (“**Guidance Note**”). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the NSE Emerge in connection with its proposed IPO. The Company’s management has recast the Financial Statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of restated Summary Statements.

The Restated Financial Statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014.

All assets and liabilities have been classified as current and non-current as per normal operating cycle of the Company and other criteria set out in the Schedule III of the Companies Act, 2013.

#### **II. Use of Estimates:**

The preparation of the Financial Statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the period/year. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

#### **III. Property, Plant & Equipment:**

Fixed assets are stated at historical cost less accumulated depreciation and impairment losses.

Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

#### **IV. Depreciation:**

##### **Tangible Assets:**

Depreciation on Fixed Assets has been provided on 'Written-Down Value Method' based on the useful life of the assets and in the manner prescribed in the Schedule II of the Companies Act, 2013.

Intangible Assets:

Computer Software is amortised using 'Written-Down Value Method' based on the tenure for right to use such softwares.

Technical Know-how is amortised using 'Written-Down Value Method' at an economic life of 10 years.

**V. Impairment of Assets:**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life. Net selling price is the amount obtainable from sale of the asset in an arm's length transaction between knowledgeable, willing parties, less the costs of disposal. An impairment loss is charged to the Statement of Profit and Loss in the period/year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of the recoverable value.

**VI. Provisions and Contingent Liabilities:**

Provision involving substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the Financial Statements.

**VII. Cash and Cash Equivalents:**

Cash and cash equivalents comprises Cash-in-Hand, Short-term Deposits and Balance in Current Accounts with Banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**VIII. Inventories:**

Inventories comprises of Raw Material and Finished Goods.

Closing Stock is valued at Cost or Net Realisable Value whichever is lower. Cost of Raw Material and Finished Goods comprises of cost of purchase and other costs incurred in bringing them to their respective present location and condition.

**IX. Revenue Recognition:**

Revenue from sale of goods net of returns is recognized on dispatch or appropriation of goods in accordance with the terms of sale and is inclusive of excise duty as and when applicable, Price escalation claims are recognized to the extent there is reasonable certainty of its realization.

**X. Other Income:**

Interest income is accounted on accrual basis. Income other than interest income is accounted for when right to receive such income is established.

**XI. Employee Benefits:**

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed period/year of service without any monetary limit. Vesting occurs upon completion of five period/years of service.

The Company has also provided for leave encashment to the employees at their retirement.

Provision for gratuity and leave encashment has been made in the books as per actuarial valuation done as at the end of the period/year.

**XII. Earning Per Share**

Basic earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity share outstanding during the period. Diluted earning per share is computed by dividing the profit/ (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

**XIII. Taxation & Deferred Tax**

Income taxes are accounted for in accordance with Accounting Standard (AS-22) – “Accounting for taxes on income”, notified under Companies (Accounting Standard) Rules, 2014. Income tax comprises of both current and deferred tax.

Current tax is measured on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using substantially enacted tax rates and tax regulations as of the Balance Sheet date.

Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization.

**XIV. Research & Development Expenditure:**

Research and Development expenditure of capital nature are capitalized and those of revenue nature are charged to Profit & Loss account in the year in which these are incurred.

**XV. Foreign Exchange Transaction:**

Foreign Currency transactions are booked at the rate prevailing at the time of transaction and any Gain/loss arising out of fluctuations in exchange rate is accounted for at the year end as per AS-11 issued by the Institute of Chartered Accountants of India.

**XVI. Segment Reporting:**

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under “unallocated revenue / expenses / assets / liabilities”

**C) NOTES ON RECONCILIATION OF RESTATED PROFITS**

Reconciliation of Restated Profits is stated as follows:

(₹ In Lakhs)

Particulars	For the period ended August 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Net Profit/(Loss) after Tax as per Audited/Unaudited Profit & Loss Account	292.43	367.13	290.55	269.72
<b>Adjustments for:</b>				
Prior Period Expenses	-	-	3.61	3.22
Repair & Maintenance Expenses	-	-	-	(3.61)
Development Cost Reversal	-	68.84	-	-
Depreciation & Amortization Expenses	-	(88.45)	0.43	0.73
Insurance Expenses	1.51	-	-	-
Short Provision for Income Tax	-	5.90	4.66	2.60
Interest on Delayed Payment of Taxes	(3.69)	(7.19)	(6.10)	(2.69)
Income Tax Expense	1.96	4.33	0.01	(2.06)
Deferred tax	(2.90)	0.78	(1.09)	(1.84)
<b>Net Profit/ (Loss) After Tax as Restated</b>	<b>289.31</b>	<b>351.34</b>	<b>292.07</b>	<b>266.07</b>

**Explanatory notes to the above restatements to profits made in the audited Standalone Financial Statements of the Company for the respective years:**

- I. Prior Period Expenses and Repairs & Maintenance Expenses:** Prior Period Expenses related to Repairs & Maintenance for FY 2018-19 & FY 2017-18 has been debited to Profit & Loss A/c and Opening Reserves respectively.
- II. Development Cost Reversal and Depreciation & Amortisation Expenses:**
  - i. The Company has considered Technical Know-How as Intangible Asset under Development and has debited amortization cost of such asset as Development Cost. Further, the company has amortised such asset for 5 years and which has now been restated and recalculated for 10 years in line with the similar intangible assets. Also, amortization cost as debited to development cost has been reversed and debited to Depreciation & Amortisation Expenses with restated figures.
  - ii. The Company has considered 12 years as useful life for amortising Technical Know-How which has been restated using 10 years as useful life.
  - iii. The Company has considered 10 years as useful life for news cars purchases after April 1, 2019 and which has now been corrected and considered for 8 years as per Schedule II of Companies Act, 2013.
- III. Insurance Expenses:** The Company has not expensed out insurance expense pertaining to the stub period out of prepaid expenses and hence, now corrected and restated.
- IV. Short Provision for Income Tax and Interest on Delayed Payment of Taxes:** The Company has considered interest on delayed payment of income tax under section 234A/B/C under short payment of income tax. The said amount has now been reclassified to finance cost and opening reserves as follows:
  - i. Interest under section 234C: Such interest presented under Finance Cost of the year to which it pertains. Further, interest for the period before April 1, 2018 has been utilised from opening reserves.
  - ii. Interest under section 234A/B: Such interest presented under Finance Cost of the year in which it became payable.
- V. Income Tax Expenses:** Due to above restatement impacts, income tax expenses has been restated accordingly and presented.
- VI. Deferred Tax:** Due to above restatement impacts and using correct income tax enacted rates, deferred tax expenses has been restated accordingly and presented.

**D) NOTES ON RECONCILIATION OF RESTATED NETWORTH**

Reconciliation of Restated Networth is stated as follows:

(₹ In Lakhs)

Particulars	As at August 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Networth as audited	2,005.13	1,712.70	1,345.57	832.92
<b><u>Adjustments for:</u></b>				
Opening Balance of Adjustments	(27.06)	(11.27)	(12.79)	-
Less: Repair & Maintenance Expenses for earlier periods	-	-	-	(3.22)
Less: Short Provision of Taxes for earlier periods	-	-	-	(2.60)
Less: Amortization Expense for earlier periods	-	-	-	(4.65)
Add: Deferred Tax Assets on Depreciation and Amortization Expense as above	-	-	-	1.33
Change in Profit/(Loss)	(3.21)	(15.79)	1.52	(3.65)
Closing Balance of Adjustments	(30.18)	(27.06)	(11.27)	(12.79)
<b>Networth as restated</b>	<b>1,974.95</b>	<b>1,685.64</b>	<b>1,334.30</b>	<b>820.13</b>

**Explanatory notes to the above restatements to networth made in the audited Standalone Financial Statements of the Company for the respective years:**

- I. Repair & Maintenance Expenses for earlier periods:** Prior Period Expenses related to Repairs & Maintenance for FY 2017-18 was debited to Profit & Loss A/c and which has now been debited to opening reserves.
- II. Short Provision of Taxes for earlier periods:** The Company has debited short provision of taxes in FY 2018-19 pertaining to period on or before March 31, 2018 and which has now been debited to opening reserves.



- III. Amortization Expense for earlier periods:** The Company has not amortised the balance WDV of software after the expiry of the same and which has now been amortised and debited to opening reserves. Further, the Company has considered 12 years as useful life for amortising Technical Know-How which has been restated using 10 years as useful life.
- IV. Deferred Tax Assets on Amortization Expense:** Deferred Tax Asset has been created on amortization expenses as Pt. III above.
- V. Change in Profit/(Loss):** Refer Note C above.

**E) ADJUSTMENTS HAVING NO IMPACT ON NETWORTH AND PROFIT:**

**Material Regrouping:**

Appropriate regroupings have been made in the Restated Summary Statements, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited Standalone Financial Statements of the Company, prepared in accordance with Schedule III and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018 (as amended).

**DETAILS OF SHARE CAPITAL AS RESTATED**

**ANNEXURE - V**  
(₹ In Lakhs)

Particulars	As at August 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>EQUITY SHARE CAPITAL:</b>				
<b>AUTHORISED:</b>				
Equity Shares of ₹ 10 each	1,500.00	500.00	500.00	500.00
	<b>1,500.00</b>	<b>500.00</b>	<b>500.00</b>	<b>500.00</b>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>				
Equity Shares of ₹ 10 each	253.52	253.52	253.52	200.00
	<b>253.52</b>	<b>253.52</b>	<b>253.52</b>	<b>200.00</b>
<b>TOTAL</b>	<b>253.52</b>	<b>253.52</b>	<b>253.52</b>	<b>200.00</b>

**Reconciliation of number of shares outstanding at the end of the year:**

Particulars	As at August 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Equity Shares at the beginning of the year	25,35,180	25,35,180	20,00,000	20,00,000
Add: Shares issued during the year	-	-	5,35,180	-
Equity Shares at the end of the year	<b>25,35,180</b>	<b>25,35,180</b>	<b>25,35,180</b>	<b>20,00,000</b>

Note:

1) *Terms/Rights attached to Equity Shares:* The company has only one class of Equity Shares having a par value of ₹10/- per share. Each holder of Equity share is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity share will be entitled to receive remaining Assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the Shareholders.

2) *The equity shares are not repayable except in the case of a buy back, reduction of capital or winding up in terms of the provisions of the Companies Act, 2013.*

3) *Every member of the company holding equity shares has a right to attend the General Meeting of the Company and has a right to speak and on a show of hands, has one vote if he is present in person and on a poll shall have the right to vote in proportion to his share of the paid-up capital of the company.*

**Details of Shareholders holding more than 5% of the aggregate shares of the company:**

Name of Shareholders	As at August 31, 2021		As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
<b>Equity Share Holders</b>								
Shigan Autotronics Private Limited	4,90,000	19.33%	4,90,000	19.33%	4,90,000	19.33%	4,90,000	24.50%
ASC(S) Consulting Pte Ltd	-	0.00%	2,50,000	9.86%	2,50,000	9.86%	2,50,000	12.50%
Autotronics Worldwide Pte.Ltd	2,50,000	9.86%	-	0.00%	-	0.00%	-	0.00%
Shishir Agarwal	1,05,000	4.14%	1,05,000	4.14%	1,05,000	4.14%	1,05,000	5.25%
Gagan Agarwal	1,25,000	4.93%	1,25,000	4.93%	1,25,000	4.93%	1,25,000	6.25%
Giridhari Sales Pvt Ltd	9,80,000	38.66%	9,80,000	38.66%	9,80,000	38.66%	9,80,000	49.00%
Rudramala Impex Pvt Ltd	5,35,180	21.11%	5,35,180	21.11%	5,35,180	21.11%	-	0.00%

**DETAILS OF RESERVES AND SURPLUS AS RESTATED****ANNEXURE - VI**  
(₹ In Lakhs)

Particulars	As at August 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>Securities Premium</b>				
Opening Balance	168.58	168.58	-	-
Add: Received during the year/period	-	-	168.58	-
<b>Closing Balance</b>	<b>168.58</b>	<b>168.58</b>	<b>168.58</b>	<b>-</b>
<b>Balance in Profit &amp; Loss A/c</b>				
Opening Balance	1,263.54	912.20	620.13	363.20
Add: Net Profit / (Loss) after Tax for the year	289.29	351.34	292.07	266.07
Less: Repair & Maintenance Expenses for earlier periods	-	-	-	(3.22)
Less: Short Provision of Taxes for earlier periods	-	-	-	(2.60)
Less: Amortization Expense for earlier periods	-	-	-	(4.65)
Add: Deferred Tax Credit on Depreciation and Amortization Expenses as above				1.33
<b>Closing Balance</b>	<b>1,552.83</b>	<b>1,263.54</b>	<b>912.20</b>	<b>620.13</b>
<b>TOTAL</b>	<b>1,721.41</b>	<b>1,432.12</b>	<b>1,080.78</b>	<b>620.13</b>

**DETAILS OF LONG-TERM BORROWINGS AS RESTATED****ANNEXURE - VII**  
(₹ In Lakhs)

Particulars	As at August 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>Secured</b>				
Vehicle Loan from Banks	13.37	14.46	11.80	10.62
Term Loan (Emergency Credit Line) from Banks	94.83	100.41	-	-
<b>TOTAL</b>	<b>108.20</b>	<b>114.87</b>	<b>11.80</b>	<b>10.62</b>
<b>Nature of Security</b>	<b>Terms of Repayment</b>			
Secured Loan of ₹ 5.09 Lakhs from ICICI Bank is secured by hypothecation of Maruti EECO Car	Loan is repayable in 60 Equated Monthly Instalments			
Secured Loan of ₹ 8 Lakhs from HDFC Bank is secured by hypothecation of Honda Jazz Car	Loan is repayable in 60 Equated Monthly Instalments			
Secured Loan of ₹ 15.05 Lakhs from ICICI Bank is secured by hypothecation of Mahindra Car	Loan is repayable in 62 Equated Monthly Instalments			
Secured Loan of ₹ 44 Lakhs from HDFC Bank is secured by hypothecation of Audi Car	Loan is repayable in 36 Equated Monthly Instalments			
Secured Loan of ₹ 10.20 Lakhs from PNB Bank is secured by hypothecation of Honda City	Loan is repayable in 36 Equated Monthly Instalments			

Secured ECLGS Loan of ₹ 100.41 Lakhs from ICICI Bank is secured by hypothecation of current and moveable assets including inventories and receivables of the Company

Loan is repayable in 48 Equated Monthly Instalments

**DETAILS OF LONG-TERM PROVISIONS AS RESTATED**

**ANNEXURE - VIII**  
(₹ In Lakhs)

Particulars	As at August 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Provision for Gratuity	38.41	35.25	32.80	22.55
Provision for Leave Encashment	13.77	12.68	26.60	10.37
Provision for LTA	1.41	1.41	1.23	2.82
<b>TOTAL</b>	<b>53.59</b>	<b>49.34</b>	<b>60.63</b>	<b>35.74</b>

**DETAILS OF SHORT-TERM BORROWINGS AS RESTATED**

**ANNEXURE - IX**  
(₹ In Lakhs)

Particulars	As at August 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>Secured</b>				
Cash Credit from Banks	64.39	527.07	617.90	529.88
(Secured primarily against inventories and debtors and further secured by personal guarantee of directors)				
Current Maturities of Long-term Borrowings	4.07	5.32	13.93	19.68
<b>Unsecured</b>				
-Term Loan from Related Parties	-	-	42.74	128.62
-Term Loan from Others	-	230.00	-	-
<b>TOTAL</b>	<b>68.46</b>	<b>762.39</b>	<b>674.57</b>	<b>678.18</b>

**DETAILS OF TRADE PAYABLES AS RESTATED**

**ANNEXURE - X**  
(₹ In Lakhs)

Particulars	As at August 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Due to Micro, Small and Medium Enterprises	-	163.65	7.70	287.72
Due to others	1,789.71	1,335.92	260.28	249.50
<b>TOTAL</b>	<b>1,789.71</b>	<b>1,499.57</b>	<b>267.98</b>	<b>537.22</b>

**DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED**

**ANNEXURE - XI**  
(₹ In Lakhs)

Particulars	As at August 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Statutory Dues payable	221.74	181.08	20.00	49.85
Advance From Customers	301.52	79.87	-	-
Salary Expenses payable	58.15	50.99	23.64	15.87
Current Maturities of Long-term Debt	-	-	-	-
HDFC Audi Car Loan	-	-	-	-
Honda Jazz Car Loan	-	-	-	-
PNB Honda City Car Loan	-	-	-	-
ICICI Mahindra Car Loan	-	-	-	-
Maruti ECCO Car Loan	-	-	-	-
Volva Eicher Commercial Vehicle (Localization Advance)	-	-	61.67	54.48
Expenses Payable	-	-	-	-
Audit fees Payable	-	-	-	-
Interest on Income Tax Payable	9.11	5.42	4.12	2.69
<b>TOTAL</b>	<b>590.52</b>	<b>317.36</b>	<b>109.43</b>	<b>122.89</b>

## DETAILS OF SHORT-TERM PROVISIONS AS RESTATED

ANNEXURE - XII  
(₹ In Lakhs)

Particulars	As at August 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Provision for Gratuity	1.83	1.33	0.74	0.53
Provision for Leave Encashment	0.68	0.64	1.05	0.34
Provision for Taxation	91.25	98.43	12.98	-
<b>TOTAL</b>	<b>93.76</b>	<b>100.40</b>	<b>14.77</b>	<b>0.87</b>

DETAILS OF PROPERTY, PLANT & EQUIPMENT AS RESTATED									ANNEXURE-	XIII
									(₹ In Lakhs)	
Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.20 21	ADDITIO NS	DEDUC TIONS	AS AT 31.08.20 21	UPTO 01.04.20 21	FOR THE YEA R	DEDUC TIONS	UPTO 31.08.20 21	AS AT 31.08.20 21	AS AT 31.03.20 21
<b>Tangible Assets</b>										
Plant & Machinery	299.80	0.69	-	300.49	146.72	9.32	-	156.04	144.45	153.08
Tools & Dies	144.54	14.45	-	158.99	49.06	6.41	-	55.47	103.52	95.48
Furnitures & Fixtures	11.59	-	-	11.59	3.90	0.66	-	4.56	7.03	7.69
Vehicles	114.47	-	-	114.47	77.92	3.78	-	81.70	32.77	36.55
Office Equipment	11.51	0.45	-	11.96	9.52	0.35	-	9.87	2.09	1.99
Computers	50.23	4.16	-	54.39	37.52	3.21	-	40.73	13.66	12.71
<b>Intangible Assets</b>										
Computer Software	5.72	-	-	5.72	5.43	-	-	5.43	0.29	0.29
Technical Know-How	391.80	-	-	391.80	134.11	24.79	-	158.90	232.90	257.69
<b>Grand Total</b>	<b>1,029.66</b>	<b>19.75</b>	<b>-</b>	<b>1,049.41</b>	<b>464.18</b>	<b>48.52</b>	<b>-</b>	<b>512.70</b>	<b>536.71</b>	<b>565.48</b>
Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.20 20	ADDITIO NS	DEDUCTIO NS	AS AT 31.03.20 21	UPTO 01.04.20 20	FOR THE YEA R	DEDUCTIO NS	UPTO 31.03.20 21	AS AT 31.03.20 21	AS AT 31.03.20 20
<b>Tangible Assets</b>										
Plant & Machinery	228.95	70.85	-	299.80	120.43	26.29	-	146.72	153.08	108.52
Tools & Dies	71.45	73.09	-	144.54	35.38	13.68	-	49.06	95.48	36.07
Furnitures & Fixtures	5.83	5.76	-	11.59	2.13	1.77	-	3.90	7.69	3.70
Vehicles	108.91	5.56	-	114.47	63.33	14.59	-	77.92	36.55	45.58
Office Equipment	11.41	0.10	-	11.51	7.99	1.53	-	9.52	1.99	3.42
Computers	41.64	8.59	-	50.23	28.89	8.63	-	37.52	12.71	12.75
<b>Intangible Assets</b>										
Computer Software	5.72	-	-	5.72	5.43	-	-	5.43	0.29	0.29
Technical Know-How	47.65	344.15	-	391.80	43.74	90.37	-	134.11	257.69	3.91
<b>Grand Total</b>	<b>521.56</b>	<b>508.10</b>	<b>-</b>	<b>1,029.66</b>	<b>307.32</b>	<b>156.86</b>	<b>-</b>	<b>464.18</b>	<b>565.48</b>	<b>214.24</b>
Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.20 19	ADDITIO NS	DEDUCTIO NS	AS AT 31.03.20 20	UPTO 01.04.20 19	FOR THE YEA R	DEDUCTIO NS	UPTO 31.03.20 20	AS AT 31.03.20 20	AS AT 31.03.20 19
<b>Tangible Assets</b>										
Plant & Machinery	175.29	53.66	-	228.95	100.41	20.02	-	120.43	108.52	74.88
Tools & Dies	57.01	14.44	-	71.45	28.83	6.55	-	35.38	36.07	28.18
Furnitures & Fixtures	5.83	-	-	5.83	0.83	1.30	-	2.13	3.70	5.00
Vehicles	89.22	19.69	-	108.91	49.39	13.94	-	63.33	45.58	39.83
Office Equipment	9.75	1.66	-	11.41	5.33	2.66	-	7.99	3.42	4.42
Computers	22.71	18.93	-	41.64	20.38	8.51	-	28.89	12.75	2.33
<b>Intangible Assets</b>										
Computer Software	5.72	-	-	5.72	5.43	-	-	5.43	0.29	0.29

Technical Know-How	47.65	-	-	47.65	41.82	1.92	-	43.74	3.91	5.83
<b>Grand Total</b>	<b>413.18</b>	<b>108.38</b>	<b>-</b>	<b>521.56</b>	<b>252.42</b>	<b>54.90</b>	<b>-</b>	<b>307.32</b>	<b>214.24</b>	<b>160.76</b>
Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.20 18	ADDITIO NS	DEDUCTIO NS	AS AT 31.03.20 19	UPTO 01.04.20 18	FOR THE YEA R	DEDUCTIO NS	UPTO 31.03.20 19	AS AT 31.03.20 19	AS AT 31.03.20 18
<b>Tangible Assets</b>										
Plant & Machinery	162.43	12.86	-	175.29	85.32	15.09	-	100.41	74.88	77.11
Tools & Dies	45.52	11.49	-	57.01	24.93	3.90	-	28.83	28.18	20.59
Furnitures & Fixtures	0.92	4.91	-	5.83	0.79	0.04	-	0.83	5.00	0.13
Vehicles	89.22	-	-	89.22	31.15	18.24	-	49.39	39.83	58.07
Office Equipment	8.94	0.81	-	9.75	2.30	3.03	-	5.33	4.42	6.64
Computers	22.67	0.04	-	22.71	16.39	3.99	-	20.38	2.33	6.28
<b>Intangible Assets</b>										
Computer Software	5.72	-	-	5.72	5.43	-	-	5.43	0.29	0.29
Technical Know-How	47.65	-	-	47.65	38.94	2.88	-	41.82	5.83	8.71
<b>Grand Total</b>	<b>383.07</b>	<b>30.11</b>	<b>-</b>	<b>413.18</b>	<b>205.25</b>	<b>47.17</b>	<b>-</b>	<b>252.42</b>	<b>160.76</b>	<b>177.82</b>

## DETAILS OF DEFERRED TAX ASSETS (NET) AS RESTATED

ANNEXURE - XIV  
(₹ In Lakhs)

Particulars	As at August 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>Opening Balance</b>	23.66	24.33	15.16	11.46
Add: Deferred Tax Credit/(Expense) for earlier period	-	-	-	1.33
Add: Deferred Tax Credit/(Expense) for the year	2.96	(0.67)	9.17	2.37
<b>TOTAL</b>	<b>26.62</b>	<b>23.66</b>	<b>24.33</b>	<b>15.16</b>

## DETAILS OF LONG-TERM LOANS &amp; ADVANCES AS RESTATED

ANNEXURE - XV  
(₹ In Lakhs)

Particulars	As at August 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Security Deposit	5.43	4.43	4.43	4.43
Advance Tax & TDS	-	-	-	4.20
Security given to Related Party	-	61.00	-	-
	<b>5.43</b>	<b>65.43</b>	<b>4.43</b>	<b>8.63</b>

## DETAILS OF INVENTORIES AS RESTATED

ANNEXURE - XVI  
(₹ In Lakhs)

Particulars	As at August 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
- Raw Materials	961.32	1,048.30	1,140.22	1,184.92
- Finished Goods	440.73	161.45	171.44	229.43
	<b>1,402.05</b>	<b>1,209.75</b>	<b>1,311.66</b>	<b>1,414.35</b>

## DETAILS OF TRADE RECEIVABLES AS RESTATED

ANNEXURE - XVII  
(₹ In Lakhs)

Particulars	As at August 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Trade Receivable More than Six Months	-	-	30.85	17.07
Trade Receivable Less than Six Months	766.97	1,118.93	400.33	465.85
<b>TOTAL</b>	<b>766.97</b>	<b>1,118.93</b>	<b>431.18</b>	<b>482.92</b>

**DETAILS OF CASH & CASH EQUIVALENTS AS RESTATED**ANNEXURE - XVIII  
(₹ In Lakhs)

Particulars	As at August 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Cash-in-Hand	1.16	5.63	0.36	1.21
Balance in Current Accounts	8.75	29.40	18.04	11.49
Balance in EEFC Current Accounts	14.85	0.11	1.78	0.17
Fixed Deposits with Bank	159.51	182.06	2.05	1.92
<b>TOTAL</b>	<b>184.27</b>	<b>217.20</b>	<b>22.23</b>	<b>14.79</b>

**DETAILS OF SHORT-TERM LOAN AND ADVANCES AS RESTATED**ANNEXURE - XIX  
(₹ In Lakhs)

Particulars	As at August 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Staff Advances	16.17	12.48	10.87	1.61
Prepaid Expenses	1.51	3.74	0.98	6.44
Balance with Government Authorities	49.35	44.26	109.39	100.97
Advance to Vendors	1,688.60	1,267.20	-	-
HDFC Audi Loan Amount Recoverable	1.42	1.42	-	-
<b>TOTAL</b>	<b>1,757.05</b>	<b>1,329.10</b>	<b>121.24</b>	<b>109.02</b>

**DETAILS OF OTHER CURRENT ASSETS AS RESTATED**ANNEXURE - XX  
(₹ In Lakhs)

Particulars	As at August 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Interest receivable on fixed Deposit	0.02	0.02	0.02	0.02
<b>TOTAL</b>	<b>0.02</b>	<b>0.02</b>	<b>0.02</b>	<b>0.02</b>

**DETAILS OF REVENUE FROM OPERATIONS AS RESTATED**ANNEXURE XXI  
(₹ In Lakhs)

Particulars	For the period ended August 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Sale of Goods				
-Domestic Sales	6,377.85	9,372.74	7,086.57	6,784.46
-Export Sales	61.18	5.01	53.25	48.35
Development Fees received	-	-	116.31	74.25
Service Charges Received	-	188.21	21.46	-
<b>TOTAL</b>	<b>6,439.03</b>	<b>9,565.96</b>	<b>7,277.59</b>	<b>6,907.06</b>

**DETAILS OF OTHER INCOME AS RESTATED**ANNEXURE - XXII  
(₹ In Lakhs)

Particulars	For the period ended August 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest Income	-	-	0.52	-
Interest on Fixed Deposit	0.73	2.16	0.67	0.12
Scrap Sale	-	11.60	-	-
Exchange Gain	-	13.78	-	-
Reversal of Leave Encashment Provision	-	8.76	-	-
Interest on Income Tax Refund	-	-	-	1.24
<b>TOTAL</b>	<b>0.73</b>	<b>36.30</b>	<b>1.19</b>	<b>1.36</b>



**DETAILS OF COST OF MATERIALS CONSUMED AS RESTATED****ANNEXURE -**XXIII  
(₹ In Lakhs)

Particulars	For the period ended August 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening Stock	1,048.30	1,140.22	1,184.92	654.84
Add: Material Purchases	4,907.66	6,313.00	5,058.99	5,232.36
Less: Closing Stock	(961.32)	(1,048.30)	(1,140.22)	(1,184.92)
<b>TOTAL</b>	<b>4,994.64</b>	<b>6,404.92</b>	<b>5,103.69</b>	<b>4,702.28</b>

**DETAILS OF MANUFACTURING EXPENSES AS RESTATED****ANNEXURE -**XXIV  
(₹ In Lakhs)

Particulars	For the period ended August 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Freight Cartage Inward	96.38	119.68	50.60	42.54
Job work Expenses	3.73	74.62	70.56	90.81
Wages Salary	140.67	160.37	161.44	132.39
Royalty and Technical fees paid	457.34	564.27	99.11	86.10
Development Cost	65.27	511.26	356.34	652.72
Testing Expenses	14.34	41.20	15.41	4.41
<b>TOTAL</b>	<b>777.73</b>	<b>1,471.40</b>	<b>753.46</b>	<b>1,008.97</b>

**DETAILS OF CHANGES IN INVENTORIES OF FINISHED GOODS AS RESTATED****ANNEXURE -**XXV  
(₹ In Lakhs)

Particulars	For the period ended August 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Opening Stock	161.45	171.44	229.43	118.08
Less: Closing Stock	440.73	161.45	171.44	229.43
<b>TOTAL</b>	<b>(279.28)</b>	<b>9.99</b>	<b>57.99</b>	<b>-111.35</b>

**DETAILS OF EMPLOYEE BENEFITS EXPENSE AS RESTATED****ANNEXURE -**XXVI  
(₹ In Lakhs)

Particulars	For the period ended August 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries and Allowances	157.85	293.68	291.58	231.92
Gratuity	3.66	4.31	10.47	0.30
Leave Encashment	1.13	-	19.63	2.16
Employer Contribution to Employees' State Insurance Scheme	0.37	0.73	1.24	1.22
Employer Contribution to Employees' Provident Fund	6.81	12.02	16.42	12.74
Staff Welfare Expenses	3.43	3.14	12.76	2.60
<b>TOTAL</b>	<b>173.25</b>	<b>313.88</b>	<b>352.10</b>	<b>250.94</b>

**DETAILS OF FINANCE COST AS RESTATED****ANNEXURE -**XXVII  
(₹ In Lakhs)

Particulars	For the period ended August 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Bank Charges	34.82	57.25	42.72	76.49
Interest Expenses on:				
-Cash Credit Limit	17.17	58.07	43.18	37.93
-Term Loan	4.15	1.54	2.32	5.86
-Delayed Payment of Taxes	3.69	7.19	6.10	2.69
-Others	6.02	9.76	14.69	26.10

<b>TOTAL</b>	<b>65.85</b>	<b>133.81</b>	<b>109.01</b>	<b>149.07</b>
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**DETAILS OF DEPRECIATION AND AMORTIZATION EXPENSE AS RESTATED****ANNEXURE - XXVIII**

(₹ In Lakhs)

Particulars	For the period ended August 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation and Amortization Expenses	48.52	156.86	54.90	47.17
<b>TOTAL</b>	<b>48.52</b>	<b>156.86</b>	<b>54.90</b>	<b>47.17</b>

**DETAILS OF OTHER EXPENSES AS RESTATED****ANNEXURE - XXIX**

(₹ In Lakhs)

Particulars	For the period ended August 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Auditor's Remuneration	0.25	1.00	1.00	1.00
Consultancy Fees	93.89	155.96	105.95	108.57
Conveyance Expenses	5.60	9.03	16.56	11.83
Computer Expenses	12.75	6.51	1.47	1.51
Commission Expenses	-	27.95	-	-
Entertainment Expenses	7.31	16.43	8.36	6.94
Filing Fees	9.26	1.22	0.21	0.37
Foreign Exchange Loss	7.16	-	20.76	11.25
Insurance Expenses	28.42	49.54	24.29	19.50
Legal & Professional Charges	10.27	5.46	15.15	22.60
Miscellaneous Expenses	0.47	4.33	6.02	0.58
Postage & Telegram Charges	1.50	3.53	1.18	1.18
Printing & Stationery	0.32	0.17	0.40	0.07
Rent, Rates & Taxes	25.06	60.49	60.00	64.55
Repairs & Maintenance expenses	24.14	11.50	21.78	30.10
Security Charges	1.73	4.75	4.72	4.25
Freight and Cartage Outward Charges	14.37	47.69	47.33	21.85
Rate Differences	-	77.03	1.76	53.77
Amount Written-off	-	100.20	-	-
Sales Promotion	0.05	4.92	4.90	24.63
Service Charges	3.48	5.63	-	-
Telephone Expenses	0.03	1.52	3.34	0.81
Travelling Expenses	25.16	34.45	52.32	34.29
Travelling Expenses- Foreign	-	10.17	56.76	65.68
<b>TOTAL</b>	<b>271.22</b>	<b>639.48</b>	<b>454.26</b>	<b>485.33</b>

**DETAILS OF OTHER INCOME AS RESTATED****ANNEXURE - XXX**

(₹ In Lakhs)

Particulars	For the period ended August 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019	Nature
Other Income	0.73	36.30	1.19	1.36	
Net Profit Before Tax as Restated	387.83	471.92	393.37	376.01	
<b>Percentage</b>	<b>0.19%</b>	<b>7.69%</b>	<b>0.30%</b>	<b>0.36%</b>	
<b>Source of Income</b>					
Interest Income	-	-	0.52	-	Non-Recurring and not related to Business Activity
Interest on Fixed Deposit	0.73	2.16	0.67	0.12	Recurring and related to Business Activity

Scrap Sale	-	11.60	-	-	Non-Recurring and related to Business Activity
Exchange Gain	-	13.78	-	-	Non-Recurring and not related to Business Activity
Reversal of Leave Encashment Provision	-	8.76	-	-	Non-Recurring and related to Business Activity
Interest on Income Tax Refund	-	-	-	1.24	Non-Recurring and not related to Business Activity
<b>Total Other income</b>	<b>0.73</b>	<b>36.30</b>	<b>1.19</b>	<b>1.36</b>	

**DETAILS OF CONTINGENT LIABILITIES & COMMITMENTS AS RESTATED****ANNEXURE -**XXXI  
(₹ In Lakhs)

Particulars	As at August 31, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>I. Contingent Liabilities</b>				
(a) claims against the company not acknowledged as debt;	-	-	-	-
(b) guarantees excluding financial guarantees; and	-	-	-	-
(c) other money for which the company is contingently liable.	-	-	-	-
<b>II. Commitments-</b>				
(a) estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	-	-
(b) uncalled liability on shares and other investments partly paid	-	-	-	-
(c) other commitments	-	-	-	-

*Note: The above details should be read with the significant accounting policies and notes to restated summary, statement of assets & liabilities, profits and losses and cash flows appearing in Annexure I - III.*

**DISCLOSURE UNDER AS-15 AS RESTATED****ANNEXURE - XXXII**

A. Provision is made for gratuity (unfunded) based upon actuarial valuation done at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Commitments are actuarially determined using the 'Projected Unit Credit' method. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

<b>I. ASSUMPTIONS:</b>	<b>For the period ended August 31, 2021</b>	<b>For the year ended March 31, 2021</b>	<b>For the year ended March 31, 2020</b>	<b>For the year ended March 31, 2019</b>
Discount rate	6.80%	6.80%	6.80%	7.70%
Expected rate of salary increase	7.00%	7.00%	7.00%	7.00%
Attrition Rate				
-at younger age	5.00%	5.00%	5.00%	5.00%
-at older age	1.00%	1.00%	1.00%	1.00%
Mortality Table (LIC)	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Retirement	58 years	58 years	58 years	58 years

<b>II. CHANGE IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATION:</b>	<b>For the period ended August 31, 2021</b>	<b>For the year ended March 31, 2021</b>	<b>For the year ended March 31, 2020</b>	<b>For the year ended March 31, 2019</b>
	₹	₹	₹	₹
Defined Benefit Obligation at beginning of the year	36.58	33.54	23.08	22.78
Current Service Cost	7.24	6.27	6.85	4.76
Interest cost	1.04	2.28	1.57	1.75
Benefits Paid	-	(1.27)	-	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	-	-	3.72	-
Actuarial (Gains)/Losses on Obligations - Due to Experience	(4.63)	(4.24)	(1.68)	(6.21)
<b>Defined Benefit Obligation as at end of the year</b>	<b>40.23</b>	<b>36.58</b>	<b>33.54</b>	<b>23.08</b>
<b>III. AMOUNT RECOGNIZED IN THE BALANCE SHEET:</b>	<b>For the period ended August 31, 2021</b>	<b>For the year ended March 31, 2021</b>	<b>For the year ended March 31, 2020</b>	<b>For the year ended March 31, 2019</b>
	₹	₹	₹	₹
Net liability as at beginning of the year	33.54	33.54	23.08	22.78
Net expense recognized in the Statement of Profit and Loss	3.65	4.31	10.46	0.30
Benefits Paid	-	(1.27)	-	-
Net Liability/(Asset) Transfer In	-	-	-	-
<b>Net liability as at end of the year</b>	<b>37.19</b>	<b>36.58</b>	<b>33.54</b>	<b>23.08</b>
<b>IV. EXPENSES RECOGNISED</b>	<b>For the period ended August 31, 2021</b>	<b>For the year ended March 31, 2021</b>	<b>For the year ended March 31, 2020</b>	<b>For the year ended March 31, 2019</b>
	₹	₹	₹	₹
Current Service Cost	7.24	6.27	6.85	4.76
Interest Cost	1.04	2.28	1.57	1.75
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	-	-	3.72	-
Actuarial (Gains)/Losses on Obligations - Due to Experience	(4.63)	(4.24)	(1.68)	(6.21)
<b>Expense charged to the Statement of Profit and Loss</b>	<b>3.65</b>	<b>4.31</b>	<b>10.46</b>	<b>0.30</b>
<b>V. BALANCE SHEET RECONCILIATION:</b>	<b>For the period ended August 31, 2021</b>	<b>For the year ended March 31, 2021</b>	<b>For the year ended March 31, 2020</b>	<b>For the year ended March 31, 2019</b>
	₹	₹	₹	₹
Opening net liability	36.58	33.54	23.08	22.78
Expense as above	3.65	4.31	10.46	0.30
Benefits Paid	-	(1.27)	-	-
Net Liability/(Asset) Transfer In	-	-	-	-
<b>Net liability/(asset) recognized in the balance sheet</b>	<b>40.23</b>	<b>36.58</b>	<b>33.54</b>	<b>23.08</b>
<b>VI. EXPERIENCE ADJUSTMENTS</b>	<b>For the period ended August 31, 2021</b>	<b>For the year ended March 31, 2021</b>	<b>For the year ended March 31, 2020</b>	<b>For the year ended March 31, 2019</b>
	₹	₹	₹	₹
On Plan Liability (Gains)/Losses	(4.63)	(4.24)	(1.68)	(6.21)

VII) The estimates of rate of salary increase considered in the actuarial valuation takes into account inflation, seniority, promotion and all other relevant factors including supply and demand in the employment market.

VIII) The company operates an unfunded gratuity plan wherein employees are entitled to the benefit as per scheme of the company for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service.

B. Provision is made for leave encashment (unfunded) based upon actuarial valuation done at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Commitments

are actuarially determined using the 'Projected Unit Credit' method. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

<b>I. ASSUMPTIONS:</b>	<b>For the period ended August 31, 2021</b>	<b>For the year ended March 31, 2021</b>	<b>For the year ended March 31, 2020</b>	<b>For the year ended March 31, 2019</b>
Discount rate	6.80%	6.80%	6.80%	7.70%
Expected rate of salary increase	7.00%	7.00%	7.00%	7.00%
Attrition Rate				
-at younger age	5.00%	5.00%	5.00%	5.00%
-at older age	1.00%	1.00%	1.00%	1.00%
Mortality Table (LIC)	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.
Retirement	58 years	58 years	58 years	58 years
<b>II. CHANGE IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATION:</b>	<b>For the period ended August 31, 2021</b>	<b>For the year ended March 31, 2021</b>	<b>For the year ended March 31, 2020</b>	<b>For the year ended March 31, 2019</b>
	₹	₹	₹	₹
Defined Benefit Obligation at beginning of the year	13.32	27.65	10.71	11.28
Current Service Cost	1.14	5.00	10.07	3.80
Interest cost	0.38	1.88	0.73	0.87
Benefits Paid	-	(5.57)	(2.69)	(2.73)
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	-	-	3.08	-
Actuarial (Gains)/Losses on Obligations - Due to Experience	(0.39)	(15.64)	5.75	(2.51)
<b>Defined Benefit Obligation as at end of the year</b>	<b>14.45</b>	<b>13.32</b>	<b>27.65</b>	<b>10.71</b>
<b>III. AMOUNT RECOGNIZED IN THE BALANCE SHEET:</b>	<b>For the period ended August 31, 2021</b>	<b>For the year ended March 31, 2021</b>	<b>For the year ended March 31, 2020</b>	<b>For the year ended March 31, 2019</b>
	₹	₹	₹	₹
Net liability as at beginning of the year	13.32	27.65	10.71	11.28
Net expense recognized in the Statement of Profit and Loss	1.13	(8.76)	19.63	2.16
Benefits Paid	-	(5.57)	(2.69)	(2.73)
Net Liability/(Asset) Transfer In	-	-	-	-
<b>Net liability as at end of the year</b>	<b>14.45</b>	<b>13.32</b>	<b>27.65</b>	<b>10.71</b>
<b>IV. EXPENSES RECOGNISED</b>	<b>For the period ended August 31, 2021</b>	<b>For the year ended March 31, 2021</b>	<b>For the year ended March 31, 2020</b>	<b>For the year ended March 31, 2019</b>
	₹	₹	₹	₹
Current Service Cost	1.14	5.00	10.07	3.80
Interest Cost	0.38	1.88	0.73	0.87
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	-	-	3.08	-
Actuarial (Gains)/Losses on Obligations - Due to Experience	(0.39)	(15.64)	5.75	(2.51)
<b>Expense charged to the Statement of Profit and Loss</b>	<b>1.13</b>	<b>(8.76)</b>	<b>19.63</b>	<b>2.16</b>
<b>V. BALANCE SHEET RECONCILIATION:</b>	<b>For the period ended August 31, 2021</b>	<b>For the year ended March 31, 2021</b>	<b>For the year ended March 31, 2020</b>	<b>For the year ended March 31, 2019</b>
	₹	₹	₹	₹
Opening net liability	13.32	27.65	10.71	11.28
Expense as above	1.13	(8.76)	19.63	2.16
Benefits Paid	-	(5.57)	(2.69)	(2.73)
Net Liability/(Asset) Transfer In	-	-	-	-

Net liability/(asset) recognized in the balance sheet	14.45	13.32	27.65	10.71
<b>VI. EXPERIENCE ADJUSTMENTS</b>	<b>For the period ended August 31, 2021</b>	<b>For the year ended March 31, 2021</b>	<b>For the year ended March 31, 2020</b>	<b>For the year ended March 31, 2019</b>
	₹	₹	₹	₹
On Plan Liability (Gains)/Losses	(0.39)	(15.64)	5.75	(2.51)

VII) The estimates of rate of salary increase considered in the actuarial valuation takes into account inflation, seniority, promotion and all other relevant factors including supply and demand in the employment market.

**DETAILS OF RELATED PARTY TRANSACTION AS RESTATED****ANNEXURE -**
 XXXIII  
 (₹ In Lakhs)

Name of Related Party	Nature of Relationship	Nature of Transaction	Amount of transaction during the year ended August 31, 2021	Amount outstanding as on August 31, 2021 (Payable)/ Receivable	Amount of transaction during the year ended March 31, 2021	Amount outstanding as on March 31, 2021 (Payable)/ Receivable	Amount of transaction during the year ended March 31, 2020	Amount outstanding as on March 31, 2020 (Payable)/ Receivable	Amount of transaction during the year ended March 31, 2019	Amount outstanding as on March 31, 2019 (Payable)/ Receivable
Shishir Agrawal	Promoter & Director	Consultancy Charges	40.00	-	98.00	-	44.50	-	42.00	-
Gagan Agrawal	Promoter & Director	Consultancy Charges	40.00	-	98.00	-	48.00	-	42.00	-
Gunjan Gupta	KMP	Salary	3.00	-	1.17					
Shigan Evoltz Ltd	Group Company	Development Charges	60.00	2.99	235.00	21.23	175.00	-	253.80	(75.37)
		Sales								
Arieon Technology Private Limited	Group Company	Consultancy Charges	-	-	-	-	-	-	1.00	(0.08)
Shigan Autotronics Private Limited (Formally Known as Saptasagar Shipping Pvt Ltd)	Promotor Company	Development Charges	-	-	-	-	10.12	(2.30)	10.37	(1.50)
		Professional Charges	-		-		-		9.72	
Giridhari Sales Private Limited	Associate/ Group Company	Interest Paid	-	-	2.91	61.00	5.65	(33.21)	0.32	(103.29)
		Loan Taken	-		-		35.00		105.00	
		Loan Repaid	-		35.83		106.76		2.00	
		Security Deposit Given	-		61.00		-		-	
Rudramala Impex Pvt Ltd	Associate/ Group Company	Interest Paid	-	-	-	-	6.67	(2.93)	0.37	(25.33)
		Loan Taken	-		-		114.10		25.00	
		Loan Repaid	-		2.93		142.51		-	



CLH Gaseous Fuel Applications Pvt Ltd	Group Company	Sales	146.57	922.70	63.57	(822.64)	394.83	(205.64)	303.99	(319.69)
		Purchase	922.70		1,354.18		1,918.45		2,408.06	
		Rent Paid	25.00		60.00		60.00		60.00	
Shigan Nexgen Technologies LLP	Group Entity	Sales	-	-	-	-	1.60	2.45	-	-
		Service Income	-		133.40		10.00		-	
Shigan Telematics Pvt Ltd	Group Company	Sales	0.88	1.12	0.72	-	0.79	(6.60)	-	-
		Loan Taken	-		-		67.00		-	
		Loan Repaid	-		7.25		61.12		-	
Orient Transport Agency	Group Entity	Freight Paid	-	-	35.11	(32.16)	26.10	(11.51)	-	-

**ANNEXURE XXXIV- DETAILS OF ACCOUNTING RATIOS AS RESTATED**

(Rs.in Lakhs)

Particulars	For the period ended August 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Restated Profit after Tax as per Profit & Loss Statement (A)	289.29	351.34	292.07	266.07
Tax Expense (B)	98.54	120.58	101.30	109.94
Depreciation and amortization expense (C)	48.52	156.86	54.90	47.17
Interest Cost (D)	31.03	76.56	66.29	72.58
Weighted Average Number of Equity Shares at the end of the Year (E)	25,35,180	25,35,180	24,64,414	20,00,000
Number of Equity Shares outstanding at the end of the Year (F)	25,35,180	25,35,180	25,35,180	20,00,000
Nominal Value per Equity share (₹) (G)	10.00	10.00	10.00	10.00
Restated Net Worth of Equity Share Holders as per Statement of Assets and Liabilities (H)	1,974.93	1,685.64	1,334.30	820.13
Current Assets (I)	4,110.36	3,875.00	1,886.33	2,021.10
Current Liabilities (J)	2,542.45	2,679.72	1,066.75	1,339.16
<b>Right Factor<sup>1</sup> (For Right Issues made) (K)</b>	-	-	1.00	1.00
<b>Earnings Per Share - Basic &amp; Diluted<sup>2</sup> (₹)</b>	<b>11.41</b>	<b>13.86</b>	<b>11.85</b>	<b>13.30</b>
<b>Earnings Per Share - Basic &amp; Diluted<sup>3</sup> (₹) (Restated for Right Issue)</b>	-	-	11.85	13.30
<b>Return on Net Worth<sup>2</sup> (%)</b>	<b>14.65%</b>	<b>20.84%</b>	<b>21.89%</b>	<b>32.44%</b>
<b>Net Asset Value Per Share<sup>2</sup> (₹)</b>	<b>77.90</b>	<b>66.49</b>	<b>52.63</b>	<b>41.01</b>
<b>Current Ratio<sup>2</sup></b>	<b>1.62</b>	<b>1.45</b>	<b>1.77</b>	<b>1.51</b>
<b>Earning before Interest, Tax and Depreciation and Amortization<sup>4</sup> (EBITDA)</b>	<b>467.38</b>	<b>705.34</b>	<b>514.56</b>	<b>495.76</b>

**Notes –**

- The Company has issued 535180 shares of ₹10 each at a premium of ₹31.50 per share via right issue to Rudramala Impex Pvt Ltd in July 2019 having fair value of ₹41.50 per share. Hence, Right Factor is calculated for calculating restated EPS.
2. Ratios have been calculated as below:

Earnings Per Share (₹) (EPS) :	A
	E
Return on Net Worth (%):	A
	H
Net Asset Value per equity share (₹):	H
	F
Current Ratio:	I
	J

3. Earnings Per Share-Basic & Diluted (₹): EPS x Right Factor  
(Restated for Right Issue)
4. Earning before Interest, Tax and Depreciation and Amortization (EBITDA): A + (B+C+D)

5. The above details should be read with the significant accounting policies and notes to restated summary, statement of assets & liabilities, profits and losses and cash flows appearing in Annexure I - III.

#### ANNEXURE XXXV- STATEMENT OF TAX SHELTERS

(Rs. in Lakhs)

Particulars	For the period ended August 31, 2021	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
Profit before tax as per books (A)	387.83	471.92	393.37	376.01
Income Tax Rate (%)	25.168%	25.168%	25.168%	28.600%
MAT Rate (%)	16.692%	16.692%	16.692%	20.587%
Tax at notional rate on profits	97.61	118.77	99.00	107.54
<b>Adjustments:</b>				
<b>Permanent Differences(B)</b>				
<u>Expenses disallowed under Income Tax Act, 1961</u>				
GST Penalty	-	-	3.01	-
Interest on Delayed Payment of Taxes	3.69	7.19	6.10	2.69
<b>Total Permanent Differences(B)</b>	<b>3.69</b>	<b>7.19</b>	<b>9.11</b>	<b>2.69</b>
<b>Income considered separately (C)</b>				
Interest Income	(0.72)	(2.16)	(1.19)	(1.36)
<b>Total Income considered separately (C)</b>	<b>(0.72)</b>	<b>(2.16)</b>	<b>(1.19)</b>	<b>(1.36)</b>
<b>Timing Differences (D)</b>				
Gratuity Provision	3.66	4.31	10.47	0.30
Leave Encashment Provision/(Reversal)	1.13	(8.76)	19.63	2.16
Gratuity Paid	-	(1.27)	-	-
Leave Encashment Paid	-	(5.57)	(2.69)	(2.73)
Difference between tax depreciation and book depreciation	6.98	8.62	9.05	14.26
<b>Total Timing Differences (D)</b>	<b>11.77</b>	<b>(2.67)</b>	<b>36.46</b>	<b>13.99</b>
<b>Net Adjustments E = (B+C+D)</b>	<b>14.74</b>	<b>2.36</b>	<b>44.38</b>	<b>15.32</b>
<b>Tax expense / (saving) thereon</b>	<b>3.71</b>	<b>0.59</b>	<b>11.17</b>	<b>4.38</b>
<b>Income from Other Sources</b>				
Interest Income	0.72	2.16	1.19	1.36
<b>Income from Other Sources (F)</b>	<b>0.72</b>	<b>2.16</b>	<b>1.19</b>	<b>1.36</b>
<b>Set-off from Brought Forward Losses</b>	-	-	-	-
<b>Taxable Income/(Loss) as per Income Tax (A+E+F)</b>	<b>403.29</b>	<b>476.44</b>	<b>438.94</b>	<b>392.69</b>
<b>Taxable Income/(Loss) as per MAT</b>	387.83	471.92	393.37	376.01
<b>Income Tax as returned/computed</b>	101.50	119.91	110.47	112.31
<b>Tax paid as per normal or MAT</b>	Normal	Normal	Normal	Normal

## ANNEXURE XXXVI- CAPITALISATION STATEMENT AS AT AUGUST 31, 2021

(Rs. in Lakhs)

Particulars	Pre Issue	Post Issue
<b>Borrowings</b>		
Short term debt (A)	68.46	68.46
Long Term Debt (B)	108.20	108.20
<b>Total debts (C)</b>	<b>176.66</b>	<b>176.66</b>
<b>Shareholders' funds</b>		
Share capital	253.52	1,721.49
Reserve and surplus - as Restated	1,721.41	2,522.94
<b>Total shareholders' funds</b>	<b>1,974.93</b>	<b>4,244.43</b>
<b>Long term debt / shareholders funds</b>	0.05	0.03
<b>Total debt / shareholders funds</b>	0.09	0.04

**OTHER FINANCIAL INFORMATION**

The audited financial statements of our Company as at and for the period ended August 31, 2021 and for the year ended March 31, 2021, March 31, 2020, and March 31, 2019 and their respective Audit reports thereon (Audited Financial Statements) are available at [www.shigan-quantum.com](http://www.shigan-quantum.com).

Our Company is providing a link to this website solely to comply with the requirements specified in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. The Audited Financial Statements do not constitute, (i) a part of this Draft Prospectus; or (ii) prospectus, a statement in lieu of a prospectus, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, 2013, the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018, or any other applicable law in India or elsewhere in the world. The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company and should not be relied upon or used as a basis for any investment decision. Neither our Company, nor LM, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

2. The accounting ratios required under Clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:-

Particulars	For the period ended August 31, 2021	For the year ended March 31,		
		2021	2020	2019
Basic & Diluted Earnings per Share based on Weighted Average Number of Shares (in Rs)	11.41	13.86	11.85	13.30
Return on Net Worth (%)	14.65%	20.84%	21.89%	32.44%
Net Asset Value Per Share (in Rs) (based on actual number of shares)	77.90	66.49	52.63	41.01
Earnings before interest, tax, depreciation and amortization (EBITDA)(Rs. in Lakhs)	467.38	705.34	514.55	495.76

**STATEMENT OF FINANCIAL INDEBTEDNESS**

To,  
**The Board of Directors,**  
**Shigan Quantum Technologies Limited**  
 Shyam Kunj, 183a, Sainik Farms, Western Avenue,  
 New Delhi, Delhi- 110062

Dear Sirs,

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of Shigan Quantum Technologies Limited and further explanations and information provided by the management of the Company, which we believe to be true and correct to the best of our information and belief, the sanction amount of financial indebtedness, principal terms of security for loan and other related details are mentioned as below:

**A. SECURED LOANS****Statement of Principal Terms of Secured Loans and Assets Charged as Security**

(Rs. in Lakhs)

Name of Lender	Purpose	Loan/Agreement A/c No. /Ref. No.	Sanctioned Amount (Rs. In Lakhs)	Rate of interest/Commission	Primary & Collateral Security	Re-Payment Schedule	Moratorium	Outstanding amount as on 31.08.2021 as per Books (Rs. in Lakhs)
ICICI Bank Ltd	Cash Credit (Fund Based)	CAL1042585450151 Dated November 09, 2020	600.00	8.40% p.a.	<b>Primary Security:</b> - Exclusive charge on current assets and fixed movable assets of the company, present and future <b>Collateral Security:</b> -	As per sanction Letter	Not Applicable	64.39
	Sub limit- Working Capital Demand Loan		480.00					
	Bank Guarantee /Letter of Credit (Non-Fund Based)		400.00	1% p.a.	Industrial Property comprising G+1 Storied Industrial Building built on Land area of 9535.33 sq. mtr., the detail of the property is as follows:	As per sanction Letter	Not Applicable	150.00
	Derivative (Non-Fund Based)		48.00	-	Khasra No. 62/16/2, 15/3/2, 17/3/1, 24/2/2, 25/1, 64/51/2, Village- Bhangrola, Gurgaon, Haryana- 122505	As per sanction Letter	Not Applicable	-
	Term Loan (Fund Based)		200.00	8.30% p.a.	Owner of Property: CLH Gaseous Fuel Applications Pvt Ltd Relationship- Group Company  Personal Guarantee given of: 1) Shishir Agrawal 2) Gagan Agrawal  Corporate Guarantee given of: 1) Giridhari Sales Private Limited 2) Shigan Autotronics Pvt Ltd 3) CLH Gaseous Fuel Applications Pvt Ltd	As per sanction Letter	Not Applicable	-
ICICI Bank Ltd	New Car Loan (Fund Based)	LAGUR00041014171	15.05	9.10%	Secured by hypothecation of Mahindra Car	As per Repayment Schedule	Not Applicable	11.05

ICICI Bank Ltd	New Car Loan (Fund Based)	LAGUR00042322035	4.79	8.40%	secured by hypothecation of Maruti EECO Car	As per Repayment Schedule	Not Applicable	4.20
HDFC Bank Ltd	Auto Loan (Fund Based)	51244753	8.00	8.51%	secured by hypothecation of Honda Jazz Car	As per Repayment Schedule	Not Applicable	2.18
ICICI Bank Ltd	ECLGS Loan (Fund Based)	002155000006	100.41	8.25%	secured by hypothecation of current and moveable assets including inventories and receivables of the Company	As per Repayment Schedule	Not Applicable	94.83
<b>Total (Fund Based)</b>			<b>928.25</b>					
<b>Total (Non-Fund Based)</b>			<b>448.00</b>					
<b>Grand Total (Fund &amp; Non-Fund Based)</b>			<b>1376.25</b>					

**Cash Credit: -**

Uniform margin of 25% against all components of Inventory. 25% margin on Book Debts upto 90 days. Receivables from Group companies to be excluded while calculating drawing power. Creditors would be reduced from the total of inventory and receivable to arrive at the drawing power.

**BG Limit: -**

BG Limit may be issued for purchase of raw materials. However, amount of BG issued for purchase of raw material shall be removed from drawing power.

**Submission of financials:**

- Provisional: within three months from the close of the Accounting Year
- Audited: within seven months from the close of Accounting Year

**Insurance to be taken.:**

The Borrower shall ensure comprehensive insurance to cover all risks, for the value of the security offered for the facilities, at all times during the currency of the facilities.

**Stock Statements:**

Company shall furnish on or before 15<sup>th</sup> day of the month, details of stock and book debts in the prescribed format.

**Specific Conditions:**

- Unit inspection will be conducted at yearly intervals by ICICI Bank.
- The Bank in consultation with the company will arrange for stock and receivables audit once in a year by an outside agency. The terms of reference will be finalized by the bank at its sole discretion.
- OFI to be submitted in the stipulated format on quarterly basis within 45 days of close of quarter.
- The company shall create security stipulated by the Bank in a form and manner satisfactory to the Bank. The Company shall file particulars of charges with the Registrar of Companies within the period prescribed by law.

**Other Conditions:**

As per sanction letter as mentioned above.

*Please note: That Company has availed Credit facilities of Rs.1400.00 Lakhs (which include fund based of Rs 1000 Lakhs and non-fund based of Rs 400 Lakhs) from HDFC Bank Limited pursuant to sanction letter dated October 12, 2021.*

The above details are in agreement with the books of accounts, Sanction Letter and other details and documents produced before us.

**FOR SARIA GUPTA & CO.**  
**CHARTERED ACCOUNTANTS**

S/d-  
**CA SACHIN SINGHAL**  
PARTNER  
M.NO.550213  
FRN.003168N

DATE: 08.02.2022  
PLACE: NEW DELHI  
UDIN: - 22550213AAVUGN8025



## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

*You should read the following discussion in conjunction with our restated financial statements attached in the chapter titled "Restated Financial Statements" beginning on page 118. You should also read the section titled "Risk Factors" on page 20 and the section titled "Forward Looking Statements" on page 14 of this Prospectus, which discusses a number of factors and contingencies that could affect our financial condition and results of operations. The following discussion relates to us, and, unless otherwise stated or the context requires otherwise, is based on our Restated financial Statements.*

*Our financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditor dated January 31, 2022 for the period ended March 31, 2021, March 31, 2020 and March 31, 2019 and for the period ended August 31, 2021 which is included in the Prospectus under "Restated Financial Statements". The Restated Financial Information has been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.*

### OVERVIEW

Our Company is engaged in the business of designing, developing and manufacturing of varieties of Alternate Fuel Systems including CNG, LNG, Hydrogen Fuel Kit systems to OEMs and others. We manufacture Alternate Fuel Systems for heavy duty vehicles, light duty vehicles and off- highway applications.

Our Company was incorporated in the year 2008 with an object to manufacture for alternate fuel systems in India. Subsequently, we have gained expertise in various products in the alternate fuel systems, especially in CNG and LNG fuel kits within automotive industry through our in-house expertise and technical assistance. Since April 2020, our Company has also ventured into manufacturing of Fire Detection & Alarm System and Fire Detection & Suppression System (FDAS & FDSS). The turnover from this newly ventured business activity as on August 31, 2021 is Rs. 85.21 lakhs and March 31, 2021 is Rs. 139.61 lakhs. The installed capacity of manufacturing of FDAS & FDSS is 36,000 nos. per annum, however our Company has manufactured 671 nos. of FDAS & FDSS as on March 31, 2021. For detail information on business of the Company please refer chapter titled "**Our Business**" on page 71 of this Prospectus.

### STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

For Significant accounting policies please refer chapter titled "**Restated Financial Statements**" beginning on page no 118 of the Prospectus.

### Factors Affecting our Results of Operations

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "**Risk Factors**" beginning on page 20 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

1. General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
2. Changes in consumer demand;
3. Failure to successfully upgrade our product portfolio, from time to time;
4. Any change in government policies resulting in increases in taxes payable by us;
5. Our ability to retain our key managements persons and other employees;
6. Changes in laws and regulations that apply to the industries in which we operate.
7. Our failure to keep pace with rapid changes in technology;
8. Our ability to grow our business;
9. Our ability to make interest and principal payments on our existing debt obligations and satisfy the other covenants contained in our existing debt agreements;
10. General economic, political and other risks that are out of our control;
11. Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
12. Company's ability to successfully implement its growth strategy and expansion plans ;
13. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
14. Inability to successfully obtain registrations in a timely manner or at all;
15. Occurrence of Environmental Problems & Uninsured Losses;
16. Conflicts of interest with affiliated companies, the promoter group and other related parties;
17. Any adverse outcome in the legal proceedings in which we are involved; and
18. Concentration of ownership among our Promoters.
19. The performance of the financial markets in India and globally.
20. Impact of covid-19 on our business and operations.

**Discussion on Result of Operations**

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the period ended August 31, 2021 and for the FY ended March 31, 2021, March 31, 2020 and March 31, 2019.

(Rs. in Lakhs)

Particulars	For the Period ended August 31, 2021	% of Total Income	For the year ended March 31					
			2021	% of Total Income	2020	% of Total Income	2019	% of Total Income
<b>REVENUE: -</b>								
Revenue from Operations	6439.03	99.99	9565.96	99.62	7277.60	99.98	6907.06	99.98
Other income	0.73	0.01	36.30	0.38	1.19	0.02	1.36	0.02
<b>Total Income</b>	<b>6439.76</b>	<b>100.00</b>	<b>9,602.26</b>	<b>100.00</b>	<b>7,278.79</b>	<b>100.00</b>	<b>6,908.42</b>	<b>100.00</b>
<b>EXPENSES: -</b>								
Cost of materials consumed	4994.64	77.56	6,404.92	66.70	5,103.69	70.12	4,702.28	68.07
Manufacturing Expenses	777.73	12.08	1,471.40	15.32	753.46	10.35	1,008.97	14.60
Changes in inventories of finished goods	-279.28	-4.34	9.99	0.10	57.99	0.80	-111.35	-1.61
Employee benefits expense	173.25	2.69	313.88	3.27	352.12	4.84	250.94	3.63
Finance costs	65.85	1.02	133.81	1.39	109.01	1.50	149.07	2.16
Depreciation and amortization expense	48.52	0.75	156.86	1.63	54.9	0.75	47.17	0.68
Other expenses	271.22	4.21	639.48	6.66	454.26	6.24	485.33	7.03
<b>Total Expenses</b>	<b>6051.93</b>	<b>93.98</b>	<b>9,130.34</b>	<b>95.09</b>	<b>6,885.43</b>	<b>94.60</b>	<b>6,532.41</b>	<b>94.56</b>
<b>Profit Before Tax</b>	<b>387.83</b>	<b>6.02</b>	<b>471.92</b>	<b>4.91</b>	<b>393.36</b>	<b>5.40</b>	<b>376.01</b>	<b>5.44</b>
<b>Tax Expense: -</b>								
Current tax	101.50	1.58	119.91	1.25	110.47	1.52	112.31	1.63
Deferred Tax	-2.96	-0.05	0.67	0.01	-9.18	-0.13	-2.37	-0.03
<b>Total Tax Expense</b>	<b>98.54</b>	<b>1.53</b>	<b>120.58</b>	<b>1.26</b>	<b>101.29</b>	<b>1.39</b>	<b>109.94</b>	<b>1.59</b>
<b>Profit / (Loss) for the Year/Period</b>	<b>289.28</b>	<b>4.49</b>	<b>351.34</b>	<b>3.66</b>	<b>292.07</b>	<b>4.01</b>	<b>266.07</b>	<b>3.85</b>

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements for the period ended August 31, 2021 and for the FY ended March 31, 2021, March 31, 2020 and March 31, 2019.

**Key Components of Our Profit and Loss Statement:****Revenue from operations:**

Revenue from operations mainly consists of revenue from sale of goods, development fees and service charges.

**Other Income:**

Our other income primarily comprises of interest income, interest on fixed deposit, scrap sale, exchange gain, interest on income tax refund, reversal of leave encashment provision etc.

**Expenses:**

Company's expenses consist of cost of Materials Consumed, Purchase of Stock in Trade, (Increase) / decrease in cost of Material consumed, manufacturing expenses, inventories of finished goods, Employee benefits expense, Other Expenses, finance costs, depreciation and amortization expenses.

**Manufacturing expense:**

Our Manufacturing expense includes freight cartage inward, job work expenses, wages salary, development cost, testing expenses etc.

**Employee benefits expense:**

Our employee benefits expense primarily comprises of Salaries and Allowances, Gratuity, Leave encashment, Contribution to Employees state insurance scheme, Contribution to Provident, welfare Expense etc.

**Finance Costs:**

Our finance cost includes Bank interest on cash credit limit, term loan, delayed payment of taxes, Bank charges etc.

**Depreciation and Amortization Expenses:**

Depreciation includes depreciation on Plant & Machinery, Tool & Dies, Furniture & Fixtures, Vehicles, Office Equipment, Computer, etc.

**Other Expenses:**

Other expenses include expenses on auditor's remuneration, consultancy fees, conveyance expenses, filing fees, insurance expenses, legal & professional charges, rent, rates & taxes, repairs & maintenance expenses, travelling expenses, printing & stationery etc.

**Financial Performance for the Four months period ended August 31, 2021**

**Revenue from Operations:**

During the period ended August 31, 2021 our Revenue from Operations (net) is Rs. 6439.03 Lakhs comprising of sales of goods, which is 99.99% of Total Income.

**Other Income:**

During the period ended August 31, 2021 our other Income is Rs. 0.73 Lakhs comprising of interest income which is 0.01% of Total income.

**Total Expenses:**

The total expenditure for the period ended August 31, 2021 is Rs. 6051.93 Lakhs which is about 93.98% of the Total income.

**Cost of Materials Consumed:**

Our Company has incurred Rs. 4994.64 Lakhs for Cost of materials consumed expense during the period ended August 31, 2021 which is about 77.56% of the Total income.

**Manufacturing Expenses:**

Our Company has incurred Rs. 777.73 Lakhs for manufacturing expense during the period ended August 31, 2021 which is about 12.08% of the Total income.

**Employee benefits expense:**

Our Company has incurred Rs. 173.25 Lakhs as employee benefit expenses during the period ended August 31, 2021 consisting of Salary expenses, remuneration, etc. which comprises of 2.69% of the Total Income.

**Finance costs:**

These Costs were Rs. 65.85 Lakhs for the period ended August 31, 2021 comprising of Interest Expense, bank charges, etc. which is about 1.02% of the Total Income.

**Depreciation and Amortization Expenses:**

Depreciation for the Period ended August 31, 2021 is Rs. 48.52 Lakhs which is about 0.75% of the Total income.

**Other Expenses:**

Our Company has incurred Rs. 271.22 lakhs for the period ended August 31, 2021 on other expenses comprising of auditor's remuneration, consultancy fees, Legal & Professional Charges, Printing & Stationery, Electricity expense, etc. which comprises of 4.21% of the Total Income.

**Restated Profit before tax:**

The profit before tax for the Period ended August 31, 2021 stood at Rs. 387.83 Lakhs which is 6.02% of the Total Income.

**Restated profit after tax:**

The profit after tax for the period ended August 31, 2021 stood at Rs. 289.29 Lakhs which is 4.49% of the Total Income.

Since the Results are for five months, Comparison with previous fiscal would not reflect actual performance of the Company, Comparison has not been provided.

### Financial Year 2021 Compared to Financial Year 2020 (Based on Restated Financial Statements)

**Total Income:**

Total income for the financial year 2020-21 stood at Rs. 9602.26 Lakhs, whereas in the Financial Year 2019-2020 the same stood at Rs. 7278.79 Lakhs, representing an increase of 31.92%.

**Revenue from Operations**

During the financial year 2020-21 the net revenue from operation of our Company increased to Rs. 9565.96 Lakhs as against Rs. 7277.60 Lakhs, in the Financial Year 2019-20 representing an increase of 31.44%. Such increase in revenue from operations was due to increase in the demand of Company's product.

**Other Income:**

During the financial year 2020-21 the other income of our Company increased to Rs. 36.30 Lakhs as against Rs. 1.19 lakhs in the Financial Year 2019-20 representing an increase of 2950.42 %. Such increase was primarily due to increase in interest on fixed deposit, sale of scrap, foreign exchange gain.

**Total Expenses:**

The Total Expenditure for the financial year 2020-21 increased to Rs. 9,130.34 Lakhs from Rs. 6,885.43 lakhs in the Financial Year 2019-20 representing an increase of 32.60%.

**Cost of Materials Consumed:**

The cost of materials consumed for the year 2020-21 increased to Rs. 6,404.92 Lakhs from Rs 5,103.69 Lakhs for the 2019-20, representing an increase of 25.50% to the previous year.

**Manufacturing Expenses:**

Our manufacturing expenses for the year 2020-21 increased to Rs. 1,471.40 Lakhs from Rs. 753.46 Lakhs for the 2019-20, representing an increase of 95.29% to the previous year.

**Employee benefits expense:**

Our Company has incurred Rs. 313.88 Lakhs as Employee benefits expense during the financial year 2020-21 as compared to Rs. 352.12 Lakhs in the financial year 2019-20.

**Finance costs:**

Finance costs for the financial Year 2020-21 increased to Rs. 133.81 Lakhs as against Rs 109.01 Lakhs during the financial year 2019-20.

**Depreciation and Amortization Expenses:**

Depreciation for the financial year 2020-21 stood at Rs. 156.86 Lakhs as against Rs. 54.90 Lakhs during the financial year 2019-20.

**Other Expenses:**

Our Company has incurred Rs. 639.48 Lakhs during the Financial Year 2020-21 on other expenses as against Rs. 454.26 Lakhs during the financial year 2019-20. The increase of 40.77% was mainly due to increase in consultancy fees, commission expenses, insurance expenses and amount written off.

**Restated Profit before tax:**

Net Profit before tax for the financial year 2020-21 increased to Rs. 471.92 Lakhs as compared to Rs. 393.36 Lakhs in the financial year 2019-20.

**Restated profit after tax:**

The Company reported Restated profit after tax for the financial year 2020-21 of Rs 351.34 Lakhs in comparison to Rs. 292.07 lakhs in the financial year 2019-20.

### Financial Year 2020 Compared to Financial Year 2019 (Based on Restated Financial Statements)

**Total Income:**

Total income for the financial year 2019-20 stood at Rs. 7,278.79 Lakhs whereas in Financial Year 2018-19 the same stood at Rs. 6,908.42 Lakhs representing an increase of 5.36%.

**Revenue from Operations**

During the financial year 2019-20 the net revenue from operation of our Company increased to Rs. 7277.60 Lakhs as against Rs. 6907.06 lakhs in the Financial Year 2018-19 representing an increase of 5.36%. Such increase was due to increase in the demand of Company's product.

**Other Income:**

During the financial year 2019-20 the other income of our Company decreased to Rs. 1.19 Lakhs as against Rs. 1.36 lakhs in the Financial Year 2018-19 representing a decrease of 12.50%.

**Total Expenses:**

The Total Expenditure for the financial year 2019-20 increased to Rs. 6,885.43 Lakhs from Rs. 6,532.41 lakhs in the Financial Year 2018-19 representing an increase of 5.40%.

**Cost of Materials Consumed**

The Cost of materials consumed for the year 2019-20 increased to Rs. 5,103.69 Lakhs from Rs 4,702.28 Lakhs for the Financial Year 2018-19, representing an increase of 8.54% to the previous year.

**Manufacturing Expenses:**

Our manufacturing expenses for the year 2019-20 decreased to Rs. 753.46 Lakhs from Rs. 1,008.97 Lakhs for the Financial Year 2018-19, representing a decrease of 25.32% to the previous year.

**Employee benefits expense:**

Our Company has incurred Rs. 352.12 Lakhs as Employee benefits expense during the financial year 2019-20 as compared to Rs. 250.94 Lakhs in the financial year 2018-19. The increase of 40.32% was due to increase in employee's expenses.

**Finance costs:**

These costs were for the financial Year 2019-20 decreased to Rs. 109.01 Lakhs as against Rs 149.07 Lakhs during the financial year 2018-19.

**Depreciation and Amortization Expenses:**

Depreciation for the financial year 2019-20 stood at Rs. 54.9 Lakhs as against Rs. 47.17Lakhs during the financial year 2018-19.

**Other Expenses:**

Our Company has incurred Rs. 454.26 Lakhs during the Financial Year 2019-20 on other expenses as against Rs. 485.33 Lakhs during the financial year 2018-19. The decrease of 6.40% was mainly due to decrease in repairs & maintenance expenses, sales promotion, and rate differences.

**Restated Profit before tax:**

Net profit before tax for the financial year 2019-20 was Rs. 393.36 Lakhs as compared to Net Profit before Tax of Rs. 376.01Lakhs during the financial year 2018-19.

**Restated profit after tax:**

The Restated Profit after tax for the financial year 2019-20 was Rs. 292.07 Lakhs as compared to Restated Profit after Tax of Rs. 266.07 lakhs during the financial year 2018-19.

**Information required as per Item (II) (C) (iv) of Part A of Schedule VI to the SEBI Regulations:**

**An analysis of reasons for the changes in significant items of income and expenditure is given hereunder:**

**1. Unusual or infrequent events or transactions**

Except as described in the Prospectus, there have been no events or transactions to our knowledge which may be described as "unusual" or "infrequent."

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

Except as disclosed in the Prospectus, there are no significant economic changes that may materially affect or likely to affect income from continuing operations.

**3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations.**

Except as disclosed in the Prospectus, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on the revenues or income of our Company from continuing operations.

**4. Future changes in relationship between costs and revenues**

Other than as described in the sections "**Risk Factors**", "**Our Business**" and "**Management's Discussion and Analysis of Financial Condition and Results of Operations**" on pages 20, 71 and 146 respectively, to our knowledge, no future relationship between expenditure and income is expected to have a material adverse impact on our operations and finances.

**5. Total turnover of each major industry segment in which our Company operates**

The Company is in the business of manufacturing of CNG Kit Components. Relevant industry data, as available, has been included in the chapter titled "**Industry Overview**" beginning on page 66 of this Prospectus.

**6. Increases in net sales or revenue and introduction of new products or services or increased sales prices**

Increases in revenues are by and large linked to increases in volume of our business.

**7. Status of any publicly announced New Products or Business Segment**

Except as disclosed in the Chapter "**Our Business**" and "**Object of the Issue**" on page no 71 and 57 respectively of the Prospectus, our Company has not announced any new product.

**8. Seasonality of business**

Demand for our products is seasonal. The sale volume of our products is generally higher in the month of October till March and we usually experience relatively weaker sales volume from April till September.

**9. Competitive conditions**

Competitive conditions are as described under the Chapters "**Industry Overview**" and "**Our Business**" beginning on pages 66 and 71 respectively of the Prospectus.

**10. Details of material developments after the date of last balance sheet i.e., August 31, 2021**

After the date of last Balance sheet i.e., August 31, 2021, the following material events have occurred after the last audited period –

The Offer has been authorized by the Board of Directors vide a resolution passed at its meeting held on January 27, 2022 and approved by the shareholders of our Company vide a special resolution at the Extra Ordinary General Meeting held on February 02, 2022 pursuant to section 62(1)(c) of the Companies Act.



## SECTION VII: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no:

(i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) disciplinary action including penalty imposed by SEBI or stock exchanges in the last five financial years including outstanding action; (iv) claims relating to direct and indirect taxes; and (v) Material Litigation (as defined below); involving our Company, Directors or Promoters.

Our Board, in its meeting held on October 16, 2021 determined that Outstanding Litigation involving our Company, its Directors, and Promoters shall be considered material if:

- i. the monetary amount of claim by or against the entity or person in any such pending matter exceeds 10% of Total Revenue (Total Revenue shall be based on the latest audited annual financial statements of the Company); and
- ii. the Board or any of its committees shall have power and authority to determine suitable materiality threshold for the subsequent financial year on the aforesaid basis or any basis as may be determined by the Board or any of its committees (“**Material Litigation**”).

Our Board, in its meeting held on October 16, 2021 determined that outstanding dues to the small-scale undertakings exceeding 5% of Trade Payable and other creditors exceeding 10% of Trade Payable (Trade Payable shall be based on the latest restated financial statements of the Company) shall be considered as material dues for the Company. (“**Material Dues**”).

Details of outstanding dues to creditors (including micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006) as required under the SEBI (ICDR) Regulations have been disclosed on our website at [www.shigan-quantum.com](http://www.shigan-quantum.com). Our Company, its Directors, and Promoters are not Wilful Defaulters or a fraudulent borrower and there have been no violations of securities laws in the past or pending against them.

### **LITIGATIONS INVOLVING OUR COMPANY**

#### ***LITIGATIONS AGAINST OUR COMPANY***

##### **CRIMINAL LITIGATIONS**

NIL

##### **ACTIONS BY REGULATORY OR STATUTORY AUTHORITIES**

NIL

##### **OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY:**

NIL

#### ***LITIGATIONS FILED BY OUR COMPANY***

##### **CRIMINAL LITIGATIONS**

NIL

##### **OTHER MATTERS BASED ON THE MATERIALITY POLICY OF THE COMPANY**

NIL

### **LITIGATIONS INVOLVING DIRECTORS OTHER THAN PROMOTERS OF OUR COMPANY**

#### ***LITIGATIONS AGAINST OUR DIRECTORS OTHER THAN PROMOTERS***

##### **CRIMINAL LITIGATIONS**

NIL

##### **ACTION BY REGULATORY OR STATUTORY AUTHORITIES**

NIL

**DISCIPLINARY ACTION INCLUDING PENALTY IMPOSED BY SEBI OR STOCK EXCHANGE AGAINST OUR PROMOTERS IN THE LAST FIVE FINANCIAL YEARS**

NIL

**OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY**

NIL

**LITIGATIONS FILED BY OUR DIRECTORS OTHER THAN PROMOTERS OF OUR COMPANY**
**CRIMINAL LITIGATIONS**

NIL

**OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY**

NIL

**LITIGATIONS INVOLVING PROMOTERS OF OUR COMPANY**
**LITIGATIONS AGAINST PROMOTERS OF OUR COMPANY**
**CRIMINAL LITIGATIONS**

NIL

**ACTION BY REGULATORY AND STATUTORY AUTHORITIES:**

NIL

**OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY**

NIL

**LITIGATIONS FILED BY PROMOTERS OF OUR COMPANY**
**CRIMINAL LITIGATIONS**

NIL

**OTHER MATTERS BASED ON MATERIALITY POLICY OF OUR COMPANY**
**LITIGATIONS INVOLVING OUR SUBSIDIARY COMPANY**

NIL

**TAX PROCEEDINGS**

Nature of Case	Number of Cases	Amount Involved
<b>Company</b>		
Direct Tax		
E-Proceedings	3	-
Outstanding Demand	1	49,630
TDS	5	4,33,320
Indirect Tax	NIL	NIL
<b>Directors other than Promoters</b>		
Direct Tax		
E-Proceedings	2	-
Outstanding Demand	NIL	NIL
TDS	NA	NA
Indirect Tax	NIL	NIL
<b>Promoters</b>		
Direct Tax		
E-Proceedings	5	-
Outstanding Demand	3	12,31,709
TDS	1	200
Indirect Tax	NIL	NIL

\*To the extent quantifiable excluding interest and penalty thereon# Directors excluding Promoters.

**MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET**

Except as mentioned under the chapter - “**Management Discussion and Analysis of Financial Condition and Result of Operation**” on page 146 of this Prospectus, there have been no material developments, since the date of the last audited balance sheet.

**OUTSTANDING DUES TO MICRO, SMALL & MEDIUM ENTERPRISES OR ANY OTHER CREDITORS**

Details of outstanding dues to creditors (including Micro, Small and Medium Enterprises Development Act 2006) as required under SEBI (ICDR) Regulations 2018 as amended have been disclosed on our website at <https://www.shigan-quantum.com/view/investors/creditors.php>

In accordance with our Company’s materiality policy dated October 16, 2021, below are the details of the Creditors where there are outstanding amounts as on August 31, 2021:

Sr. no.	Particulars	Amount (Rs. In Lakhs)
1.	Total Outstanding dues to Micro, Small & Medium Enterprises	Nil
2.	Total Outstanding dues to creditors other than Micro, Small & Medium Enterprises	1,789.71
<b>Total</b>		<b>1,789.71</b>

## GOVERNMENT AND OTHER APPROVALS

*Our Company has received the necessary licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. It must, however, be distinctly understood that in granting the approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf.*

*Following statements set out the details of licenses, permissions and approvals obtained by the Company under various central and state legislations for carrying out its business activities.*

The Company has its business located at the following locations:

**Registered Office:** Shyam Kunj, 183A, Sainik farms, Western Avenue, New Delhi - 110062, India.

**Corporate Office:** Hall No. 2, 3, 6, 7 & 8, Ground floor and First floor, Shyam Udyog Parisar, Khasra No. 25/1, 15/3/2 Alier Bhangrola Road, IMT Manesar, Gurgaon - 122505, Haryana

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

### **I. APPROVALS FOR THE ISSUE**

#### **Corporate Approvals**

The following approvals have been obtained or will be obtained in connection with the Issue:

- a. Our Board of Directors have pursuant to a resolution passed at its meeting held on January 27, 2022 authorized the Issue, subject to the approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013 and such other authorities as may be necessary.
- b. The Issue of Equity Shares has been authorized by a special resolution adopted pursuant to Section 62(1) (c) of the Companies Act, 2013 by Special Resolution in an Extra Ordinary General Meeting held on February 02, 2022.

#### **ISIN Number**

The Company's International Securities Identification Number ("ISIN") is INE03KJ01013.

#### **Lender Consent**

Our Company has received the consent letters from the following:

1. NOC dated October 29, 2021 from ICICI Bank Limited.
2. NOC dated November 02, 2021 from HDFC Bank Limited.
3. NOC dated November 20, 2021 from Emkey Commercial Company Limited.

#### **Stock Exchange**

In-Principal approval letter dated February 18, 2022 from NSE for the listing of equity shares issued by our Company pursuant to the Issue:

**II. APPROVALS OBTAINED BY OUR COMPANY**

S. No.	NATURE OF LICENSE/APPROVAL	REGISTRATION/ LICENSE NO.	ISSUING AUTHORITY	DATE OF GRANT	VALIDITY
1.	Certificate of Incorporation in the name of "Shigan Quantum Technologies Private Limited".	U72200DL2008PTC184341	National Capital Territory of Delhi and Haryana	October 20, 2008	One Time Registration
2.	Certificate of Incorporation in the name of "Shigan Quantum Technologies Limited"	U72200DL2008PLC184341	Registrar of Companies, Delhi	October 12, 2021	One Time Registration
<b>TAX RELATED APPROVALS</b>					
3.	Permanent Account Number ("PAN")	AAMCS5292H	Income Tax Department	October 20, 2008	One Time Registration
4.	*Tax Deduction Account Number ("TAN")	DELS39494A	Income Tax Department	NA	One Time Registration
5.	Certificate of Registration under Goods and Services Tax Act, 2017 for Gurgaon Office	06AAMCS5292HIZY	Government of Haryana and Government of India	Issued on – September 21, 2017 Valid from – July 01, 2017	One Time Registration
<b>BUSINESS RELATED APPROVALS</b>					
6.	*Udyog Aadhaar Registration Certificate	XXXX XXXX 2518	MSME (Ministry of Micro, Small & Medium Enterprises)	December 22, 2016	Valid till Canceled
7.	*Udyam Registration Certificate	UDYAM-DL-08-0004265	MSME (Ministry of Micro, Small & Medium Enterprises)	October 14, 2020	Valid till Canceled
8.	*Certificate of Importer Exporter Code (IEC)	0509046142	Ministry of Commerce and Industry, (Directorate General of Foreign Trade)	September 17, 2009	One Time Registration
9.	Renewal of Factory Licence	GGN-ONLINE-GGN-S-23	Directorate of Industrial Safety & Health, Labour Department, Haryana, Chandigarh, Chief Inspector of Factories, Haryana, Chandigarh	November 24, 2020	December 31, 2025
10.	Certificate of Registration under Delhi Shops & Establishment Act, 1954 for the address Shyam Kunj 183A, Sainik Farms, Western	2022058901	Department of Labour, Government of National Capital Territory of Delhi	February 16, 2022	--


S. No.	NATURE OF LICENSE/APPROVAL	REGISTRATION/ LICENSE NO.	ISSUING AUTHORITY	DATE OF GRANT	VALIDITY
	Avenue, New Delhi 110062				

\* All above mentioned approvals are in the previous name of the Company i.e. Shigan Quantum Technologies Private Limited. The Company is in the process of name change from Shigan Quantum Technologies Private Limited to Shigan Quantum Technologies Limited for all the approvals.

### III. CERTIFICATES

Sr. No.	Particulars/Description	Certificate/ Registration Number	Date of Registration	Expiry Date
1.	*Certificate of Registration for Quality Management System – IATF 16949:2016 by BSI, India	586257	September 4, 2018	July 21, 2024
2.	*Certificate of Registration for Environmental Management System in accordance with ISO 14001:2015 by the Certification Body of TUV SUD South Asia Private Limited	99 104 00204/02	June 10, 2021	April 21, 2023
3.	*Certificate of Registration for Occupational Health and Safety Management System in accordance with ISO 45001:2018 by the Certification Body of TUV SUD South Asia Private Limited	99 117 00426/02	November 21, 2020	November 20, 2023

### APPROVALS OBTAINED/APPLIED IN RELATION TO INTELLECTUAL PROPERTY RIGHTS:

Sr. No.	Trademark Image	Trademark applied for	Word/ Label Mark	Applicant	Application No.	Issuing Authority	Class	Status/ Validity
1		SQT	Device	Shigan Quantum Technologies Limited	5193426 dated 29/10/2021	Trademarks Registry, Mumbai	12^	Objected

^ The Logo is applied as “SQT” under category “Trademark” and Trade Mark Type “Device” for providing Manufacturing & Assembly of Gaseous Fuel Automotive Components, FDSS & FDAS components & related thereto under class 12.

### IV. THE DETAILS OF DOMAIN NAME REGISTERED ON THE NAME OF THE COMPANY:

Sr. No.	Domain Name and ID	IANA ID	Creation Date	Expiry Date
1.	SHIGAN-QUANTUM.COM	69	April 07, 2008	April 07, 2023

### V. PENDING APPROVALS: Nil



## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Issue has been authorised pursuant to the resolution passed by the Board of Directors at its meeting held on January 27, 2022 and by our Shareholders pursuant to a special resolution passed at their meeting held on February 02, 2022 under section 62(1)(c) of the Companies Act, 2013.

Our Company has obtained In-principle approval from the NSE Emerge for using its name in the Prospectus pursuant to an approval letter dated February 18, 2022 from National Stock Exchange of India Limited (NSE). NSE is the Designated Stock Exchange.

Our Board has approved the draft Prospectus through its resolution dated February 08, 2022

Our Board has approved the Prospectus through its resolution dated February 22, 2022

### PROHIBITION BY SEBI OR OTHER GOVERNMENTAL AUTHORITIES

Neither Company, nor our Directors, our Promoters or the relatives (as defined under the Companies Act, 2013) of Promoter and our Promoter Group have been declared as wilful defaulter(s) or a fraudulent borrower(s) by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoter, Promoter Group or Directors have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

- Neither our Promoter, nor any of our Directors or persons in control of our Company are / were associated as promoter, directors or persons in control of any other Company which is debarred from accessing or operating in the capital markets under any order or directions made by the SEBI or any other regulatory or Governmental Authorities.
- None of our Directors are associated with the securities market and there has been no action taken by the SEBI against the Directors or any other entity with which our Directors are associated as Promoter or director.
- Neither our Promoter nor any of our Directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoter, relatives (as defined under the Companies Act, 2013) of our Promoter nor our Directors, are Wilful Defaulters or a fraudulent borrower.

### PROHIBITION BY RBI

Neither our Company, nor our Promoter, our Directors, relatives (as per Companies Act, 2013) of Promoter or the person(s) in control of our Company have been identified as a wilful defaulter or a fraudulent borrower by the RBI or other governmental authority and there has been no violation of any securities law committed by any of them in the past and no such proceedings are pending against any of them except as details provided under chapter titled “*Outstanding Litigation and Material Developments*” beginning on page 152 of the Prospectus.

### COMPLIANCE WITH THE COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (“SBO Rules”), to the extent applicable, as on the date of the Prospectus.

### ELIGIBILITY FOR THE ISSUE

- ❖ Our Company is eligible in terms of Regulations 228 and 230(1) of SEBI (ICDR) Regulations, 2018 for this Issue.
- ❖ Our Company is an “*Unlisted Issuer*” in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an “*Initial Public Offer*” in terms of the SEBI (ICDR) Regulations, 2018.
- ❖ Our Company is eligible for the Issue in accordance with Regulation 229(2) of the SEBI (ICDR) Regulations, 2018 and other provisions of Chapter IX of the SEBI (ICDR) Regulations, 2018, as we are an Issuer whose post issue face value capital is more than 10 Crores but less than 25 Crores and we may hence, issue Equity Shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (in this case being the “SME Platform of the National Stock Exchange of India Limited (NSE Emerge).

**We confirm that:**

- In accordance with Regulation 260 of the SEBI (ICDR) Regulations, 2018, this Issue is 100% underwritten and that the Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size. *(For further details pertaining to said underwriting please refer to chapter titled “General Information” beginning on page 39 of the Prospectus).*
- In accordance with Regulation 261 of the SEBI (ICDR) Regulations 2018, we hereby confirm that we have entered into an agreement with the Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of Equity Shares in this issue on the NSE Emerge. *(For further details of the arrangement of market making please refer to chapter titled “General Information” beginning on page 39 and details of the Market Making Arrangements for this please refer to chapter titled “The Issue” beginning on page 35 of the Prospectus).*
- In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee’s in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
- In terms of Regulation 246 (1) of the SEBI (ICDR) Regulations, 2018, a copy of the prospectus will be filed with the SEBI through the Lead Manager immediately upon filing of the offer document with the Registrar of Companies.

However, as per Regulation 246 (2) of the SEBI (ICDR) Regulations, 2018, The SEBI shall not issue any observation on the offer document.

Further, in terms of Regulation 246 (3) of the SEBI (ICDR) Regulations, 2018 the lead manager will also submit a due diligence certificate as per format prescribed by SEBI along with the prospectus to SEBI.

Further, in terms of Regulation 246 (4) of the SEBI (ICDR) Regulations, 2018 the prospectus will be displayed from the date of filling in terms of sub-regulation (1) on the website of the SEBI, The Lead Manager and the EMERGE Platform of NSE.

Moreover, in terms of Regulation 246 (5) of the SEBI (ICDR) Regulations, 2018, a copy of this prospectus shall also be furnished to the SEBI in a soft copy.

***As per Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, our Company satisfies track record and/or other eligibility conditions of NSE Emerge in accordance with the Restated Financial Statements, prepared in accordance with the Companies Act, 2013 and restated in accordance with the SEBI ICDR Regulations as below:***

1. Our Company was incorporated on October 20, 2008, with the Registrar of Companies, National Capital Territory of Delhi and Haryana under the Companies Act, 1956 in India.
2. Our Company is engaged in the business of manufacturing of an alternate fuel system for automotive, locomotive and stationary engine applications. We also manufacture fire detection system for automotive application.
3. The pre issue paid-up capital of the Company is Rs. 12,67,59,000/- (Rupees Twelve Crores Sixty Seven Lakhs Fifty Nine Thousand) consisting of 1,26,75,900 (One Crore Twenty Six Lakhs Seventy Five Thousand Nine Hundred) Equity Shares
4. The post issue paid up capital of the Company will be ₹17,21,49,000 comprising 1,72,14,900 equity shares. So, the Company has fulfilled the criteria of post issue paid up capital shall not be more than ₹25 crores.
5. The Net worth and Earnings before Interest, Tax, Depreciation and Amortisation of the Company as per the restated financial statements for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 are as set forth below:

Particulars	For Financial year ended on March 31, (Rs. in lakhs)		
	2021	2020	2019
Net worth	1,685.64	1,334.30	820.13
Earnings before Interest, Tax, Depreciation and Amortisation	705.34	514.55	495.76

6. Our Company confirms that it has track record of more than 3 years.
7. Our Company has facilitated trading in demat securities and has entered into an agreement with both the depositories. Our Company has entered into an agreement with Central Depository Services Limited (CDSL) dated November 12, 2021 National Securities Depository Limited (NSDL) dated November 25, 2021 for dematerialisation of its Equity Shares already issued and proposed to be issued.
8. Our Company has not been referred to Board for Industrial and Financial Reconstruction.
9. Our Company has not been referred to National Company Law Tribunal (NCLT) under Insolvency and Bankruptcy Code, 2016
10. None of the Directors of our Company have been categorised as a Wilful Defaulter or a fraudulent borrower.
11. There is no winding up petition against our Company, which has been admitted by a court of competent jurisdiction or liquidator has not been appointed.
12. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against our Company.
13. The Company has a website [www.shigan-quantum.com](http://www.shigan-quantum.com)

We further confirm that we shall be complying with all other requirements as laid down for such Issue under Chapter IX of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange. We further confirm that we comply with all the above requirements / conditions so as to be eligible to be listed on the SME Platform of the National Stock Exchange of India Limited.

#### **COMPLIANCE WITH PART A OF SCHEDULE VI OF THE SEBI (ICDR) REGULATIONS**

Our Company is in compliance with the provisions specified in Part A of Schedule VI of the SEBI (ICDR) Regulations 2018. No exemption from eligibility norms has been sought under Regulation 300 of the SEBI (ICDR) Regulations 2018, with respect to the Issue.

#### **DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”)**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF ISSUE DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE ISSUE DOCUMENT. THE LEAD MANAGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE ISSUE DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE ISSUE DOCUMENT, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, FINSHORE MANAGEMENT SERVICES LIMITED HAS FURNISHED TO STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 22, 2022 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V(A) OF THE SEBI (ICDR) REGULATION 2018 WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER FILING THE PROSPECTUS WITH ROC AND BEFORE OPENING OF THE ISSUE IN ACCORDANCE WITH THE SEBI ICDR REGULATION, 2018.**

**THE FILING OF THIS ISSUE DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.**

All legal requirements pertaining to the Issue will be complied with at the time of filing of the Prospectus with the Registrar of Companies, Delhi in terms of Section 26 of the Companies Act, 2013.

#### **DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER**

Our Company and the Lead Manager accept no responsibility for statements made otherwise than those contained in the Prospectus or, in case of the Company, in any advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website [www.shigan-quantum.com](http://www.shigan-quantum.com) would be doing so at his or her own risk.

The Lead Manager to the Issue accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the Lead Manager and our Company on February 03, 2022 and the Underwriting Agreement dated February 03, 2022 entered into between the Underwriter and our Company and the Market Making Agreement dated February 03, 2022 entered into among our Company, Lead Manager and Market Maker.

All information shall be made available by our Company and the Lead Manager to the Issue to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at collection centres or elsewhere.

The Lead Manager to the Issue and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoters, or our affiliates or associates in the ordinary course of business and have engaged, or may in future engage, in commercial banking and investment banking transactions with our Company, our Promoters, and our affiliates or associates, for which they have received and may in future receive compensation.

#### **CAUTION**

Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not issue, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriter and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Issue.

#### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are majors, HUFs, companies, corporate bodies and societies registered under applicable laws in India and authorized to invest in shares, Indian mutual funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, AIFs state industrial development corporations, insurance companies registered with the Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with a minimum corpus of ₹2,500.00 Lakhs and pension funds with a minimum corpus of ₹2,500.00 Lakhs, and permitted non-residents including FIIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India provided that they are eligible under all applicable laws and regulations to hold Equity Shares of our Company. The Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform him or herself about, and to observe, any such restrictions.

Any dispute arising out of this Issue will be subject to jurisdiction of the competent court(s) in **New Delhi, India** only.

No action has been, or will be, taken to permit a public issuing in any jurisdiction where action would be required for that purpose, except that the Prospectus has been filed with SME Platform of NSE for its observations and NSE will give its observations in due course. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and the Prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of the Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

**DISCLAIMER CLAUSE OF THE EMERGE PLATFORM OF NSE**

**“As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: NSE/LIST/1524 dated February 18, 2022 permission to the Issuer to use the Exchange’s name in this Offer Document as one of the stock exchanges on which this Issuer’s securities are proposed to be listed. The Exchange has scrutinized this draft offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid 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 in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer’s securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer.**

**Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription /acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.”**

**DISCLAIMER CLAUSE UNDER RULE 144A OF THE U.S. SECURITIES ACT**

The Equity Shares have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be Issued or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be Issued or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

**FILING**

The Draft Prospectus is being filed with the SME Platform of NSE (NSE Emerge) at National Stock Exchange of India Limited, at Exchange Plaza, Plot no. C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai – 400051.

After getting in-principal approval from NSE, a copy of the prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for filing to the Registrar of Companies, Delhi situated at 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi- 110019.

A copy of this prospectus shall be furnished to SEBI in soft copy. A copy of the prospectus shall be filed with SEBI immediately upon filing of the Offer document with Registrar of Companies in term of Regulation 246 of the SEBI (ICDR) Regulations, 2018. However, SEBI shall not issue any observation on the prospectus.

**LISTING**

The Equity Shares of our Company are proposed to be listed on SME EMERGE Platform of NSE. Our Company has obtained In-principle approval from NSE by way of its letter dated February 18, 2022 for listing of equity shares on EMERGE Platform of NSE.

NSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Issue. If the permission to deal in and for an official quotation of the Equity Shares on the SME Platform is not granted by NSE, our Company shall



return through verifiable means the entire monies received within four (4) days of receipt of intimation from stock exchange rejecting the application for listing or trading without any interest.

If such money is not repaid within four (4) days from the date our Company becomes liable to repay it, then our Company and every Director of the Company who is officer in default shall, on and from expiry of four (4) days, be jointly and severally liable to repay such application money, with interest at the rate of fifteen per cent per annum (15% p.a.).

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the EMERGE Platform of NSE mentioned above are taken within Six (6) Working Days of the Issue Closing Date.

## IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of Section 38(1) of the Companies Act, 2013 which is reproduced below:

*Any person who-*

- *Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- *Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- *Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

*shall be liable to action under Section 447 of the Companies, Act 2013.*

## CONSENTS

Consents in writing of (a) Our Directors, Promoters, Company Secretary & Compliance Officer, Chief Financial Officer, Peer Review Auditor and Statutory Auditor, Key Managerial Personnel, Banker(s) to the Company; Advisor to the Company; (b) Lead Manager, Underwriter, Market Maker, Registrar to the Issue, Public Issue Banker and Legal Advisor to the Issue to act in their respective capacities shall be obtained as required as required under Section 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for filing with the ROC. Our Statutory Auditor holding Peer Reviewed Certificate has given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the ROC.

In accordance with the Companies Act, 2013 and the SEBI (ICDR) Regulations, 2018, *M/s. Saria Gupta & Co.*, Chartered Accountants, Peer Review Auditor and Statutory Auditors of the Company have agreed to provide their written consent to the inclusion of their respective reports on “*Statement of Possible Special Tax Benefits*” relating to the possible tax benefits and restated financial statements as included in the Prospectus in the form and context in which they appear therein and such consent and reports will not be withdrawn up to the time of delivery of the Prospectus.

## EXPERT TO THE ISSUE

Except as stated below, our Company has not obtained any expert opinions:

- Report of the Statement of Possible of Special Tax Benefits.
- Report of the Auditor on the Restated Financial Statements for the period ended August 31, 2021 and financial year ended on March 31, 2021, March 31, 2020 and March 31, 2019 of our Company.

However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

## EXPENSES TO THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “*Objects of the Issue*” beginning on page 57 of this Prospectus.

## DETAILS OF FEES PAYABLE

### Fees Payable to the Lead Manager

The total fees payable to the Lead Manager will be as per the Mandate Letter issued by our Company to the Lead Manager, the copy of which is available for inspection at our Registered/Corporate Office.

### Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated November 10, 2021 a copy of which is available for inspection at our Registered/Corporate Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, and stamp duty and



communication expenses. Adequate funds will be provided by our Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post / speed post / under certificate of posting.

**Fees Payable to Others**

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters if any.

**UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION**

The underwriting commission and the selling commission for the Issue are as set out in the Underwriting Agreement amongst our Company and Underwriter. The underwriting commission shall be paid as set out in the Underwriting Agreement based on the Issue price and the amount underwritten in the manner mentioned in accordance with Section 40 of the Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2013

**PREVIOUS RIGHTS AND PUBLIC ISSUES DURING THE LAST FIVE YEARS**

Except as stated under Section titled “*Capital Structure*” beginning on page no. 47 of this prospectus, we have not made any previous rights and / or public issues during the last five years and are an “*Unlisted Issuer*” in terms of the SEBI (ICDR) Regulations, 2018 and this Issue is an “*Initial Public Offering*” in terms of the SEBI (ICDR) Regulations, 2018.

**PREVIOUS ISSUES OF SHARES OTHER THAN FOR CASH**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 47 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

**COMMISSION AND BROKERAGE ON PREVIOUS ISSUES IN THE LAST FIVE YEARS**

Since this is the Initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

**CAPITAL ISSUES IN THE LAST THREE (3) YEARS BY LISTED GROUP COMPANIES / SUBSIDIARIES / ASSOCIATES**

None of our Group Companies and Associates are listed and have undertaken any public or rights issue in the three (3) years preceding the date of this Prospectus. We do not have any subsidiary as on date of this Prospectus.

**PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED SUBSIDIARIES/ASSOCIATES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 186 OF THE COMPANIES ACT, 2013 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS.**

Neither our Company nor any other companies under the same management within the meaning of Section 186 of the Companies Act, 2013, had made any public issue or rights issue during the last three year except as mentioned in this prospectus. This is the initial public Issuing of our Company’s Equity Shares.

**PERFORMANCE VIS-À-VIS OBJECTS****Issuer Company**

Except as stated under Section titled “*Capital Structure*” beginning on page no. 47 of this prospectus our Company has not undertaken any previous public or rights issue.

**Listed Subsidiaries / Promoter Company**

Our Promoter Company is not listed on any Stock Exchange and has not made any rights and public issues in the past five (5) years.

**OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY**

As on the date of this Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

**OPTION TO SUBSCRIBE**

Equity Shares being issued through the prospectus can be applied for in dematerialized form only.

**STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, 2018, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations, 2018. Thus, there is no stock market data available for the Equity Shares of our Company.

## LISTED SUBSIDIARIES / PROMOTER COMPANY

As on date of this Prospectus, we do not have any listed Subsidiary or listed Promoter Company.

## MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and our Company provides for retention of records with the Registrar for a period of at least three years from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

The Applicant should give full details such as name of the sole/first Applicant, Application Form number, Applicant DP ID, Client ID, Bank Account No./UPI ID, PAN, date of the Application Form, address of the Applicant, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Application Form was submitted by the Applicant. Further, the investor shall also enclose the Acknowledgement Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

## DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company has appointed “**KFin Technologies Private Limited**” as the Registrar to the Issue to handle the investor grievances in co-ordination with the Compliance Officer of our Company. All grievances relating to the present Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and name of bank and branch. Our Company would monitor the work of the Registrar to ensure that the investor grievances are settled expeditiously and satisfactorily.

The Registrar to the Issue will handle investor’s grievances pertaining to the Issue. A fortnightly status report of the complaints received and redressed by them would be forwarded to the Company. Our Company would also be co-ordinating with the Registrar to the Issue in attending to the grievances to the investor.

All grievances relating to the ASBA process may be addressed to the SCSBs, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant. We estimate that the average time required by us or the Registrar to the Issue or the SCSBs for the redressal of routine investor grievances will be (7) seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on October 16, 2021. (For further details, please refer to the chapter titled “**Our Management**” beginning on page 94 of this Prospectus).

Our Company has appointed “**Ms. Gunjan Gupta**” as Company Secretary & Compliance Officer and she may be contacted at the following address:

### **Ms. Gunjan Gupta**

*Company Secretary & Compliance Officer*

**Shigan Quantum Technologies Limited**

**Address:** Hall No. 2, 3, 6, 7 & 8, Ground floor and First floor,  
Shyam Udyog Parisar, Khasra No. 25/1, 15/3/2 Alier Bhangrola Road,  
IMT Manesar, Gurgaon - 122505, Haryana

**Contact No.:** +91 9818162569

**e-mail Id:** [cs@shigan.net](mailto:cs@shigan.net)

**Website:** [www.shigan-quantum.com](http://www.shigan-quantum.com)

Investors can contact the Company Secretary & Compliance Officer or the Registrar in case of any pre-Issue or post- Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, etc.

Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system “**SCORES**”. This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website [www.scores.gov.in](http://www.scores.gov.in).

#### **STATUS OF INVESTOR COMPLAINTS**

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

#### **CAPITALISATION OF RESERVES OR PROFITS**

Save and except as stated in the chapter titled “**Capital Structure**” beginning on page 47 of this Prospectus, our Company has not capitalized its reserves or profits during the last five years.

#### **REVALUATION OF ASSETS**

Our Company has not revalued its assets since incorporation.

#### **TAX IMPLICATIONS**

Investors who are allotted Equity Shares in the Issue will be subject to capital gains tax on any resale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such resale and whether the Equity Shares are sold on the Stock Exchanges. For details, please refer the section titled “**Statement of Possible Special Tax Benefits**” beginning on page 64 of this Prospectus.

#### **PURCHASE OF PROPERTY**

Other than as disclosed in this Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Prospectus.

Except as stated elsewhere in this Prospectus, our Company has not purchased any property in which the Promoters and / or Directors have any direct or indirect interest in any payment made there under.

#### **SERVICING BEHAVIOR**

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

#### **PAYMENT OR BENEFIT TO OFFICERS OF OUR COMPANY**

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation. Except as disclosed under sections titled “**Our Management**” and Related Party Transactions under the chapter titled “**Restated Financial Statements**” beginning on pages 94 and 139 respectively of this Prospectus none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of our Company.

**PRICE INFORMATION OF PAST ISSUES HANDLED BY THE LEAD MANAGER****Statement on Price Information of Last 10 (Ten) Issues handled by Finshore Management Services Limited:**

Sr. No.	Issue Name	Issue Size (₹ in Cr.)	Issue Price (In ₹)	Listing Date	Opening price on listing date (In ₹)	+/- % change in closing price, [+/- % change in closing benchmark] 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] – 180 <sup>th</sup> calendar days from listing
1	SK International Export Ltd.	3.96	20/-	15/07/2019	19.20	-16.00 [-4.98]	-9.75 [-1.98]	0.00 [6.95]
2	Alphalogic Techsys Ltd.	6.18	84/-	05/09/2019	83.00	7.86 [2.81]	1.07 [11.00]	16.67 [4.09]
3	Tranway Technologies Ltd.	4.24	10/-	05/02/2020	11.10	50.00 [-6.49]	1.00 [-22.91]	-21.90 [-8.59]
4	ICL Organic Dairy Products Ltd.	4.08	20/-	17/02/2020	20.80	-25.00 [-25.52]	-3.25 [-24.25]	9.75 [-7.74]
5	DJ Mediaprint & Logistics Ltd.	2.40	20/-	13/04/2020	20.60	165.00 [2.22]	64.50 [19.24]	105.00 [32.00]
6	Promax Power Ltd.	1.60	10/-	12/10/2021	11.00	54.00 [0.11]	126.00 [-0.85]	N. A.
7	Dynamic Services & Security Ltd.	24.13	51/-	13/10/2021	53.00	-13.73 [-0.80]	-20.00 [-0.87]	N. A.
8	Destiny Logistics & Infra Limited	5.39	20/-	13/10/2021	20.70	-27.00 [-0.80]	-41.75 [-0.87]	N. A.
9	Timescan Logistics (India) Limited	4.81	51/-	12/01/2022	82.00	78.43 [-3.33]	N. A.	N. A.
10	DJ Mediaprint & Logistics Ltd. (FPO)	15.00	125/-	31/01/2022	241.70	N. A.	N. A.	N. A.
11	Safa Systems & Technologies Ltd.	4.00	10/-	09/02/2022	16.55	N. A.	N. A.	N. A.

Status as on 21-02-2022

1. in case where the security is not being traded on 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day, the previous working day has been considered.
2. in case where 30<sup>th</sup>, 90<sup>th</sup> and 180<sup>th</sup> day is holiday, the previous working day has been considered for benchmark and security purpose.
3. the benchmark index is SENSEX where the securities have been listed in BSE SME and Nifty where securities have been listed in NSE Emerge.

**Summary statement of Disclosure for last 4 Years:**

Financial Year	Total no. of IPOs	Total Funds Raised (₹ in Cr.)	Nos. of IPOs trading at discount – 30 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at premium – 30 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at discount -180 <sup>th</sup> calendar day from listing day			Nos. of IPOs trading at premium – 180 <sup>th</sup> calendar day from listing day		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2018-19	8	57.68	1	1	2	1	N. A	3	3	1	2	1	N. A	1
2019-20	6	52.42	N. A	1	2	N. A	2	1	N. A	1	2	N. A	N. A	3
2020-21	1	2.40	N. A	N. A	N. A	1	N. A	N. A	N. A	N. A	N. A	1	N. A	N. A
2021-22	6	54.93	2	N. A	N. A	1	1	N. A	N. A	N. A	N. A	N. A	N. A	N. A

Status as on 21-02-2022

Including 1 FPO in FY 2021-22

**TRACK RECORD OF PAST ISSUES HANDLED BY FINSHORE MANAGEMENT SERVICES LIMITED**

For details regarding track record of LM to the Issue as specified in the Circular reference no. CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer the website of the LM at: [www.finshoregroup.com](http://www.finshoregroup.com).

## SECTION VIII: ISSUE RELATED INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being Issued are subject to the provisions of the Companies Act, 2013, SCRA, SCRR, ICDR Regulations, Listing Regulations, our MoA and AoA, the terms of this Prospectus, prospectus, the abridged prospectus, Application Form, CAN, the Revision Form, Allotment Advices, and other terms and conditions as may be incorporated in the documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the Issue of capital and listing and trading of securities issued from time to time by SEBI, the GoI, the Stock Exchanges, the RoC, the RBI and/ or other authorities, as in force on the date of the Issue and to the extent applicable.*

*Please note that in terms of Regulation 256 of the ICDR Regulations read with SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the Applicants applying in this Issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment i.e., just writing their bank account numbers and authorising the banks to make payment in case of Allotment by signing the Application Forms. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019, Retail Individual Investors applying in public Issue may use either Application Supported by Blocked Amount (ASBA) process or UPI payment mechanism by providing UPI-ID in the Application Form which is linked from bank account of the Applicant.*

#### Authority for the Present Issue

This Issue has been authorized by a resolution of our Board passed at their meeting held on January 27, 2022 subject to the approval of shareholders through a special resolution to be passed pursuant to Section 62(1)(c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62(1)(c) of the Companies Act, 2013 passed at the EGM of our Company held with shorter notice on February 02, 2022.

#### Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of the Companies Act, 2013 and our MoA and AoA and shall rank pari-passu in all respects with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees, upon Allotment of Equity Shares under this Issue, will be entitled to receive dividends and other corporate benefits, if any, declared by our Company after the date of Allotment. *(For further details, please refer to section titled, 'Main Provisions of Article of Association', beginning on page 196 of this Prospectus).*

#### Offer for sale

In the case of offer for sale, the dividend for the entire year shall be payable to the transferees and the company has to disclose the name of the entity bearing the cost of making offer for sale along with reasons. **However, the present issue does not include offer for sale and hence the said disclosure is not applicable to us.**

#### Mode of Payment of Dividend

Our Company shall pay dividend to the shareholders of our Company in accordance with the provisions of the Companies Act, 2013, as may be applicable, the AoA of our Company, the provisions of the Listing Regulations and any other rules, regulations or guidelines as may be issued by the Government of India in connection there to and as per the recommendation by our Board of Directors and approved by our shareholders at their discretion and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. *(For further details in relation to dividends, please refer to sections titled, 'Dividend Policy' and 'Main Provisions of Article of Association', beginning on page 117 and 196 respectively, of this Prospectus).*

#### Face Value and Issue Price

The face value of the share of our Company is ₹10/- per equity share and the Issue price is ₹50/- per Equity Share (including share premium of ₹40/- per equity share). The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the Section titled, **'Basis for Issue Price'**, beginning on page 62 of this Prospectus. At any given point of time there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

#### Compliance with SEBI ICDR Regulations

Our Company shall comply with all requirements of the ICDR Regulations, as amended time to time.

#### Compliance with Disclosure and Accounting Norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.



**Rights of the Equity Shareholders**

Subject to applicable laws, rules, regulations and guidelines and the AoA, the Equity Shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive annual reports and notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act, 2013;
- Right to receive Offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory or preferential claims being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable laws, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the previous Companies Act, 1956 and Companies Act, 2013, as may be applicable, terms of the Listing Regulations and the MoA and AoA of our Company.

*(For further details on the main provision of our Company's AoA dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/ or consolidation/ splitting, etc., please refer to Section titled, 'Main Provisions of Articles of Association', beginning on page 196 of this Prospectus).*

**Market Lot and Trading Lot**

The trading of the Equity Shares will happen in the minimum contract size of 3,000 Equity Shares and the same may be modified by the SME Platform of National Stock Exchange of India Limited (NSE Emerge) from time to time by giving prior notice to investors at large.

Allocation and Allotment of Equity Shares through this Prospectus will be done in multiples of 3,000 Equity Shares subject to a minimum Allotment of 3,000 Equity Shares to the successful Applicants in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

**Minimum Number of Allottees**

In accordance with the Regulation 268 of ICDR Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no Allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked forthwith.

**Joint Holders**

Where 2(two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

**Nomination Facility to Investor**

In accordance with Section 72 of the Companies Act, 2013, the First/ Sole Applicant, along with other joint Applicant, may nominate any one person in whom, in the event of the death of Sole Applicant or in case of joint Applicant, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 72 of the Companies Act, 2013, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

In accordance with Section 72 of the Companies Act, 2013, any Person who becomes a nominee by virtue of this section shall upon the production of such evidence as may be required by the Board of Directors, elect either: To register himself or herself as the holder of the Equity Shares; or to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our Board of Directors may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board of Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant would prevail. If the Applicants require changing the nomination, they are requested to inform their respective Depository Participant.



### Withdrawal of the Issue

Our Company and in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue any time after the Issue Opening Date but before the allotment of Equity Shares, a public notice will be issued by our Company within two (2) Working Days of the Issue Closing Date, providing reasons for not proceeding with the Issue. The notice of withdrawal will be issued in the same newspapers where the pre-issue advertisements have appeared, and the Stock Exchange will also be informed promptly.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs and Sponsor Bank (in case of RII's using the UPI Mechanism), to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh Prospectus with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares Issued through the Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

### Issue Program

An indicative timetable in respect of the Issue is set out below:

Issue Opening Date	February 28, 2022
Issue Closing Date	March 03, 2022
Finalisation of Basis of Allotment with NSE EMERGE	March 08, 2022
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts or UPI linked Bank A/c	March 09, 2022
Credit of Equity Shares to demat accounts of the Allottees	March 10, 2022
Commencement of trading of the Equity Shares on NSE EMERGE	March 11, 2022

- In terms of regulation 265 of SEBI (ICDR) Regulation, 2018, the issue shall be open after at least three working days from the date of filing the prospectus with the Registrar of Companies.
- In terms of regulation 266(1) of SEBI (ICDR) Regulation, 2018, Except as otherwise provided in these regulations, the public issue shall be kept open for at least three working days and not more than ten working days.
- In terms of regulation 266(2) of SEBI (ICDR) Regulation, 2018, In case of a revision in the price band, the issuer shall extend the bidding (issue) period disclosed in the red herring draft prospectus, for a minimum period of three working days, subject to the provisions of sub-regulation (1) is not applicable to our company as this is fixed price issue.
- In terms of regulation 266(3) of SEBI (ICDR) Regulation, 2018, In case of force majeure, banking strike or similar circumstances, our company may, for reasons to be recorded in writing, extend the issue period disclosed in the prospectus, for a minimum period of three working days, subject to the provisions of sub-regulation 266(1).

\* In case of (i) any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled/ withdrawn/ deleted ASBA Forms, the Applicant shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Application Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges Applying platform until the date on which the amounts are unblocked (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Applicant shall be compensated at a uniform rate ₹100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Application Amount, the Applicant shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Application, exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day or 15% per annum of the Application Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the SCSB responsible for causing such delay in unblocking. The post Issue LM shall be liable for compensating the Applicant at a uniform rate of ₹100 per day or 15% per annum of the Application Amount, whichever is higher from the date of receipt of the Investor grievance until the date on which the blocked amounts are unblocked. For the avoidance of doubt, the provisions of the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs to the extent applicable.

The above timetable is indicative and does not constitute any obligation on our Company, or the Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company or any delays in receiving the final

listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Application Forms and any revisions to the same will be accepted only between 10:00 a.m. to 5:00 p.m. (IST) during the Issue Period (except for the Issue Closing Date). On the Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. (IST) for retail and non-retail Applicants. The time for applying for Retail Individual Investors on Issue Closing Date may be extended in consultation with the Lead Manager, Registrar and Share Transfer Agent and NSE Emerge taking into account the total number of Applications received up to the closure of timings.

Due to the limitation of time available for uploading the Application Forms on the Issue Closing Date, Applicants are advised to submit their Applications one (1) day prior to the Issue Closing Date and, in any case, not later than 3:00 p.m. (IST) on the Issue Closing Date. Any time mentioned in this Prospectus is IST. Applicants are cautioned that, in the event a large number of Application Forms are received on the Issue Closing Date, as is typically experienced in public Issue, some Application Forms may not get uploaded due to the lack of sufficient time. Such Application Forms that cannot be uploaded will not be considered for allocation under this Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the Lead Manager is liable for any failure in uploading the Application Forms due to faults in any software/ hardware system or otherwise.

In accordance with ICDR Regulations, QIBs and Non-Institutional Applicants are not allowed to withdraw or lower the size of their Application (in terms of the quantity of the Equity Shares or the Application Amount) at any stage. Retail Individual Investors can revise or withdraw their Application Forms prior to the Issue Closing Date. Allocation to Retail Individual Investors, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Application Form, for a particular Applicant, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Application Form, for a particular ASBA Applicant, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / stock brokers, as the case may be, for the rectified data.

#### **Minimum Subscription**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if our Company does not receive the minimum subscription in the Issue or subscription level falls below aforesaid minimum subscription after the Issue Closing Date due to withdrawal of Applications or technical rejections or any other reason; or in case of devolvement of Underwriting, aforesaid minimum subscription is not received within 60 days from the date of Issue Closing Date or if the listing or trading permission is not obtained from the Stock Exchange for the Equity Shares in the Issue, our Company shall forthwith refund the entire subscription amount received in accordance with SEBI Regulations, the Companies Act, 2013 and applicable laws including the SEBI circular bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021. If there is a delay beyond four days after our Company becomes liable to pay the amount, our Company and every Director of our Company, who are officers in default, shall pay interest at the rate of 15% per annum.

In accordance with Regulation 260 (1) of the SEBI ICDR Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the Issue through this Prospectus and shall not be restricted to the minimum subscription level. Further, in accordance with Regulation 267 (2) of the SEBI ICDR Regulations, our Company shall ensure that the minimum application size shall not be less than ₹1,00,000 (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **Arrangements for Disposal of Odd Lots**

The trading of the Equity Shares will happen in the minimum contract size of 3,000 Equity Shares in terms of the SEBI Circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, in terms of Regulation 261 (5) of the ICDR Regulations, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the NSE Emerge.

### **Restrictions on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting**

Except for lock-in of the pre-issue Equity Shares and Promoters' minimum contribution in the Issue as detailed in the Section titled, '**Capital Structure**', beginning on page 47 of this Prospectus, and except as provided in the AoA of our Company, there are no restrictions on transfer and transmission and on their consolidation/ splitting of Equity Shares. *(For further details, please refer to the Section titled, 'Main Provisions of Articles of Association', beginning on page 196 of this Prospectus).*

### **Allotment of Equity Shares in Dematerialized Form**

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the existing ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form for all Applicants. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite Agreement dated November 25, 2021 between NSDL, our Company and Registrar to the Issue; and
- Tripartite Agreement dated November 12, 2021 between CDSL, our Company and Registrar to the Issue.

### **Migration to Main Board**

NSE Circular dated March 10, 2014, our Company will have to be mandatorily listed and traded on the SME Platform of NSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the NSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter IX of the SEBI (ICDR) Regulations, 2018.

As per the provisions of the Chapter IX of the SEBI (ICDR) Regulation, 2018, our Company may migrate to the main board of NSE from the SME Platform of NSE on a later date subject to the following:

- If the Paid up Capital of the Company is likely to increase above ₹25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoters in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the Company has obtained in-principal approval from the main board), we shall have to apply to NSE for listing our shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

Or

- If the Paid-up Capital of the Company is more than ₹10 crores but below ₹25 crores, we may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the promoter shareholders in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

### **Market Making**

The Equity Shares offered through this Issue are proposed to be listed on the NSE Emerge, wherein the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the SME Exchange for a minimum period of 3 years from the date of listing on the NSE Emerge. *(For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer Details of the Market Making Arrangements for this Issue under chapter titled, "General Information", beginning on page 39 of this Prospectus).*

### **New Financial Instruments**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company through this Issue.

### **Application by Eligible NRI's, FPI's, VCF's, AIF's registered with SEBI**

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered

with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

**As per the extant policy if the Government of India, OCBs cannot participate in this Issue.**

As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

**Pre-Offer Advertisement**

Subject to Section 30 of the Companies Act, 2013 our Company shall, after filing the Prospectus with the RoC publish a pre-Offer advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

**Jurisdiction**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in New Delhi. The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be issued or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being issued or sold outside the United States in compliance with Regulation under the Securities Act and the applicable laws of the jurisdictions where those Offer and sales occur. The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.*

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, our Company's post issue face value capital is more than ten crore rupees. Our Company shall issue equity shares to the public and propose to list the same on the SME Exchange, in this case being the NSE Emerge. *(For further details regarding the salient features and terms of such this issue, please refer to chapter titled "Terms of the Issue" and "Issue Procedure" beginning on page nos. 168 and 176 respectively of this Prospectus).*

The present issue of 45,39,000 Equity Shares of face value of ₹10/- each fully paid for cash at price of ₹50/- per Equity Share (including a share premium of ₹40/- per Equity Share) aggregating up to ₹2,269.50 Lakhs. The Issue comprises a reservation of 2,28,000 Equity Shares of face value of ₹10/- each fully paid for cash at price of ₹50/- per Equity Share (including a share premium of ₹40/- per Equity Share) aggregating to ₹114.00 Lakhs for subscription by the designated Market Maker (Market Maker Reservation Portion) and a Net Issue to Public of up to 43,11,000 Equity Shares of face value of ₹10/- each fully paid for cash at price of ₹50/- per Equity Share (including a share premium of ₹40/- per Equity Share) aggregating to ₹2,155.50 Lakhs (the Net Issue). The Issue and the Net Issue will constitute 26.37% and 25.04% respectively of the post issue paid up equity share capital of the company.

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares</b>	43,11,000 Equity Shares	2,28,000 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	94.98% of the Issue Size	5.02% of the Issue Size
<b>Basis of Allotment/ Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of 3,000 Equity Shares and further allotment in multiples of 3,000 Equity Shares each.  For further details please refer section explaining the Basis of Allotment in the GID.	Firm Allotment
<b>Minimum Application Size</b>	<b><u>For Other than Retail Individual Investors:</u></b> 6,000 Equity Shares at an Issue Price of ₹50/- per Equity Share so that the Application Value exceeds Rs. 2,00,000/-.  <b><u>For Retail Individuals Investors:</u></b> 3,000 Equity Shares at an Issue Price of ₹50/- per Equity Share.	2,28,000 Equity Shares of Face Value ₹10/- each
<b>Maximum Application Size</b>	<b><u>For Other than Retail Individual Investors:</u></b> The 43,11,000 Equity Shares at an Issue Price of ₹50/- per Equity Share. (Maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws and regulations applicable.)  <b><u>For Retail Individuals Investors:</u></b> Such number of Equity Shares in multiple of 3,000 Equity Shares such that the applicant value does not exceeds ₹2,00,000/-.	2,28,000 Equity Shares of Face Value ₹10/- each
<b>Trading Lot</b>	3,000 Equity Shares	3,000 Equity Shares. However, the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
<b>Mode of Application</b>	<b><u>For Other than Retail Individual Investors:</u></b> All the applicants shall make the application (Online or Physical) through ASBA process  <b><u>For Retail Individuals Investors:</u></b> Through the ASBA Process or by using UPI ID for payment	Through ASBA Process Only
<b>Mode of Allotment</b>	Compulsorily in dematerialized form.	



<b>Terms of Payment</b>	<ul style="list-style-type: none"> <li>The Applicant shall have sufficient balance in the ASBA account at the time of submitting application and the amount will be blocked anytime within two day of the closure of the issue.</li> <li>In case of UPI as an alternate mechanism, Application amount shall be blocked at the time of confirmation of mandate collection request by applicant.</li> </ul>
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\*Since present issue is a fixed price issue, the allocation in the net issue to the public category in terms of Regulation 253 (2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

- (a) Minimum fifty per cent to retail individual investors; and
- (b) Remaining to:
- individual applicants other than retail individual investors; and
  - other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
- Provided that the unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.*

*Explanation: If the retails individual investor category is entitled to more than fifty per cent of the issue size on a proportionate basis, the retails individual investors shall be allocated that higher percentage.*

(For further information on the Allocation of Net Issue to Public, please refer to chapter titled “**The Issue**” beginning on page 35 of this Prospectus).

## ISSUE PROGRAMME

Issue Opening Date	February 28, 2022
Issue Closing Date	March 03, 2022
Finalisation of Basis of Allotment with NSE EMERGE	March 08, 2022
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts or UPI linked Bank A/c	March 09, 2022
Credit of Equity Shares to demat accounts of the Allottees	March 10, 2022
Commencement of trading of the Equity Shares on NSE EMERGE	March 11, 2022

**Note:** The above timetable is indicative in nature and does not constitute any obligation on the Company or the Lead Manager. While our Company shall ensure that all the steps for completion of all the necessary formalities for the listing and trading of our equity shares on the EMERGE Platform of NSE are taken within 6 working days of the issue closing date, the time table may change due to various factors such as extension of the issue period by the Company or any delay in receiving final listing and trading approval from the NSE. The Commencement of the trading of Equity shares will be entirely at the discretion of the NSE EMERGE in accordance with the applicable laws.

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form.

Standardization of cut-off time for uploading of applications on the Issue Closing Date:

- A standard cut-off time of 3.00 p.m. for acceptance of applications.
- A standard cut-off time of 4.00 p.m. for uploading of applications received from other than retail individual applicants.
- A standard cut-off time of 5.00 p.m. for uploading of applications received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of applications received up to the closure of timings and reported by LM to NSE within half an hour of such closure.

It is clarified that Applications not uploaded would be rejected. In case of discrepancy in the data entered in the electronic form vis-à-vis the data contained in the Physical Application Form, for a particular applicant, the details as per physical application form of that Applicant may be taken as the final data for the purpose of allotment.

Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).



## ISSUE PROCEDURE

All Applicants should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular SEBI/HO/CFD/DIL2/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "General Information Document"), which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, and the SEBI ICDR Regulations. The General Information Document is available on the websites of the Stock Exchange and the LM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue, especially in relation to the process for Applications by Retail Individual Bidders through the UPI Mechanism. The investors should note that the details and process provided in the General Information Document should be read along with this section.

Additionally, all Applicants may refer to the General Information Document for information in relation to (i) Category of investor eligible to participate in the Issue; (ii) maximum and minimum Issue size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Applicants; (v) Issuance of CAN and Allotment in the Issue; (vi) General instructions (limited to instructions for completing the Application Form); (vii) designated date; (viii) disposal of applications; (ix) submission of Application Form; (x) other instructions (limited to joint applications in cases of individual, multiple applications and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act, 2013 relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI through its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("UPI") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for RIBs applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("UPI Phase I"). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Applications by RIIs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Applications with existing timeline of T+6 days will continue for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"). Further pursuant to SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. The final reduced timeline of T+3 days be made effective using the UPI Mechanism for applications by RIIs ("UPI Phase III"), as may be prescribed by SEBI. The Issue will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on/or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, are deemed to form part of this Prospectus as under.

- **SMS Alerts:** Para 9 of "the circular" prescribed the details to be sent by SCSB's in SMS alerts. While SCSB's shall continue to send SMS alerts during the actual block/debit/unblock of UPI mandate in the prescribed format, the details of total number of shares applied/allotted/non-allotted etc shall be included in SMS for Public Issues opening on/after January 01, 2022.
- **Web Portal for CUG:** For ease of doing business, Para 10 of "the circular" prescribed a web portal to be hosted by Sponsor Banks for closed user group (hereinafter referred to as "CUG") entities. In view of the representations received from the stakeholders, it has been decided that:
  - ❖ The automated web portal shall be live and operational after due testing and mock trials with the CUG entities for Public Issues opening on or after October 01, 2021. The requisite information on this automated portal shall be updated periodically in intervals not exceeding two hours.
  - ❖ In the interim, for the Public Issues opening from the date of this circular and till the automated web portal is live and operational, the Sponsor Banks shall send the details prescribed in Para 10 of "the circular" to the e-mail address of CUG entities periodically in intervals not exceeding three hours. In case of exceptional events viz., technical issues with UPI handles/PSPs/TPAPS/SCSB's etc, the same shall be intimated immediately to the CUG entities so as to facilitate the flow of information in the Public Issue process.

- ❖ The Stock Exchanges and Lead Managers shall facilitate providing the requisite data of CUG entities to Sponsor Bank for the development of automated web portal. Such information shall be provided to the Sponsor Bank before opening of the Public Issue.
- **Completion of Unblocks by T+4:** Para 13 of “the circular” prescribed the process and timeline for ensuring the completion of unblocks pertaining to UPI mandates on T+4 (T: Issue Closing Date). while the process of unblocking shall be completed by T+4, in view of the representations received from stakeholders, the following shall be the revised timelines:
  - ❖ The Registrar to the Issue shall provide the allotment/ revoke files to the Sponsor Bank by 8:00 PM on T+3 i.e., the day when the Basis of Allotment (BOA) has to be finalized.
  - ❖ The Sponsor Bank shall execute the online mandate revoke file for Non-Allottees/ Partial Allottees and provide pending applications for unblock, if any, to the Registrar to the Issue, not later than 5:00 PM on BOA+1.
  - ❖ Subsequent to the receipt of the pending applications for unblock from the Sponsor Bank, the Registrar to the Issue shall submit the bank-wise pending UPI applications for unblock to the SCSBs, not later than 6:30 PM on BOA+1.
  - ❖ To ensure that the unblocking is completed on T+4, the Lead Managers, on a continuous basis and before the opening of the public issue shall take up the matter with the SCSB’s at appropriate level.

*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of ₹100 per day for the entire duration of delay exceeding four Working Days from the Issue Closing Date by the intermediary responsible for causing such delay in unblocking. The LM shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, has reduced the timelines for refund of Application money to four days.*

*Our Company and Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and is not liable for any amendment, modification or change in the applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their application are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Prospectus.*

*This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form. Further, the Company and the LM are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Issue.*

#### **Phased implementation of Unified Payments Interface**

SEBI has issued circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 and circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 (collectively the “UPI Circulars”) in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, the UPI Mechanism has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circular proposes to introduce and implement the UPI payment mechanism in three phases in the following manner:

**Phase I:** This phase was applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six working days.

**Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of threemonths or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further still, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIBs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six working days during this phase.

**Phase III:** The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing is proposed to be reduced to three working days.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using the UPI Mechanism. The Issuers will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Applicants into the UPI payment mechanism.

For further details, refer to the General Information Document available on the websites of the Stock Exchange and the Lead Manager.

#### **FIXED PRICE ISSUE PROCEDURE**

The Issue is being made in compliance with the provisions of Reg. 229(2) of Chapter IX of the SEBI (ICDR) Regulations, 2018 and through the Fixed Price Process wherein 50% of the Net Issue to Public is being offered to the Retail Individual Applicants and the balance shall be offered to Non-Retail Category i.e., QIBs and Non-Institutional Applicants. However, if the aggregate demand from the Retail Individual Applicants is less than 50%, then the balance Equity Shares in that portion will be added to the non-retail portion offered to the remaining investors including QIBs and NIIs and vice-versa subject compliance with Regulation 253(2) of the SEBI ICDR Regulations and subject to valid Applications being received from them at or above the Issue Price.

Subject to the valid Applications being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the Stock Exchange.

**Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Applicants will only be in the dematerialised form. The Application Forms which do not have the details of the Applicant's depository account including DP ID, PAN and Beneficiary Account Number/UPI ID (for RII Applicants using the UPI Mechanism), shall be treated as incomplete and rejected. In case DP ID, ClientID and PAN mentioned in the Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the application is liable to be rejected. Applicants will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchange.**

#### **APPLICATION FORM**

Copies of the Application Form and the abridged prospectus will be available at the offices of the Lead Manager, the Designated Intermediaries, the Corporate Office and the Registered Office of our Company. An electronic copy of the Application Form will also be available for download on the websites of the NSE ([www.nseindia.com](http://www.nseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Issue Opening Date.

All Applicants shall mandatorily participate in the Issue only through the ASBA process. ASBA Applicants (other than Applicants using the UPI mechanism) must provide either (i) the bank account details and authorisation to block funds their respective ASBA Form, or (ii) the UPI ID (in case of RIIs), as applicable, in the relevant space provided in the Application Form and the Application Forms that do not contain such details will be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejected.

Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) shall be required to apply using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Application Form. Retail Individual Investors submitting their application form to any Designated Intermediaries (other than SCSBs) failed to mention UPI ID are liable to be rejected. Retail Individual Investors may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of the SEBI.

ASBA Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of Electronic Application Forms) and the Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Application Form for various categories is as follows:

Category	Color <sup>(1)</sup>
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

<sup>(1)</sup> Excluding electronic Application Form

Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a RII bidding using the UPI Mechanism) to the respective SCSB, where the Applicant has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank. Further, SCSBs shall upload the relevant Bid details (including UPI ID in case of ASBA Forms under the UPI Mechanism) in the electronic bidding system of the Stock Exchange. Stock Exchange shall validate the electronic bids with the records of the CDP for DP ID/Client ID and PAN, on a real time basis and bring inconsistencies to the notice of the relevant Designated Intermediaries, for rectification and re-submission within the time specified by Stock Exchange. Stock Exchange shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Application details already uploaded.

For RIIs using UPI Mechanism, the Stock Exchange shall share the Application details (including UPI ID) with Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIIs for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIIs, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchange applying platform, and the liability to compensate RIIs (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e., the Sponsor Bank, NPCI or the Bankers to the Issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Banks and the Bankers to the Issue. The LM shall also be required to obtain the audit trail from the Sponsor Banks and the Bankers to the Issue for analysing the same and fixing liability.

### Who Can Apply?

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Application Form and GID for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Application by HUFs will be considered at par with Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Qualified Foreign Investors subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- Trusts/ societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/ societies and who are authorised under the irrelative constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Insurance companies registered with IRDAI;
- Mutual Funds registered with SEBI;
- FPIs other than Category III Foreign Portfolio Investor;
- Category III Foreign Portfolio Investors, which are foreign corporates or foreign individuals only under the Other Investors Category;
- Scientific and/ or industrial research organizations authorised in India to invest in the Equity Shares; and
- Any other person eligible to Apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them.

### Applications should not to be made by:

- Minors (except through their Guardians)
- Partnership firms or their nominations
- Foreign Nationals (except NRIs)
- Overseas Corporate Bodies



As per the existing regulations, OCBs are not eligible to participate in this Issue. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Issue provided it obtains a prior approval from the RBI. On submission of such approval along with the Application Form, the OCB shall be eligible to be considered for share allocation.

The Equity Shares have not been and will not be registered under the U.S. Securities Act, 1933 (the “U.S. Securities Act”) or the securities laws of any state of the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers, and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

*The information below is given for the benefit of the applicants. Our Company, and the Lead Manager do not accept responsibility for the completeness and accuracy of the information stated. Our Company, and the Lead Manager is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares applied for does not exceed the limits prescribed under laws or regulations.*

#### **MAXIMUM AND MINIMUM APPLICATION SIZE:**

##### **1. For Retail Individual Applicants:**

The Application must be for a minimum of 3,000 Equity Shares and in multiples of 3,000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs 2,00,000. In case of revision of Applications, the Retail Individual Applicants have to ensure that the Application Price does not exceed Rs 2,00,000. As the application price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, **they can make Application only for minimum Application size i.e., for 3,000 Equity Shares.**

##### **2. For Other than Retail Individual Applicants (Non-Institutional Applicants and QIBs):**

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds Rs 2,00,000 and in multiples of 3,000 Equity Shares thereafter. An application cannot be submitted for more than the Net Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs 2,00,000 for being considered for allocation in the Non-Institutional Portion.

##### **3. Minimum Bid Lot: 3,000 Equity Shares**

#### **BASIS OF ALLOTMENT**

Allotment will be made in consultation with the Designated Stock Exchange. In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth here:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of applicants in the category X number of Shares applied for).
- b) The number of Shares to be allocated to the successful applicants will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For applications where the proportionate allotment works out to less than 3,000 Equity Shares the allotment will be made as follows:
  - i. Each successful applicant shall be allotted 3,000 Equity Shares;

- ii. The successful applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- d) If the proportionate allotment to an applicant works out to a number that is not a multiple of 3,000 Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 3,000 Equity Shares subject to a minimum allotment of 3,000 Equity Shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising of applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the lower nearest multiple of 3,000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, upto 110% of the size of the offer specified under the Capital Structure mentioned in this Prospectus.
- f) The above proportionate allotment of shares in an Issue that is oversubscribed shall be subject to the reservation for Retail Individual applicants as described below:
  - As per Regulation 253(2) of the SEBI (ICDR) Regulations 2018, as the Retail Individual Investor category is entitled to minimum fifty percent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
  - Remaining to Individual applicants other than retail individual investors and other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
  - The unsubscribed portion in either of the categories specified in (i) or (ii) above may be available for allocation to the applicants in the other category, if so required.

“Retail Individual Investor” means an investor who applies for shares of value of not more than ₹2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with the designated stock exchange.

The Executive Director/Managing Director of the Designated Stock Exchange in addition to Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations, 2018.

#### **PARTICIPATION BY ASSOCIATES/AFFILIATES OF LEAD MANAGER, PROMOTERS, PROMOTER GROUP AND PERSONS RELATED TO PROMOTERS/PROMOTER GROUP**

The LM shall not be allowed to purchase Equity Shares in this Issue in any manner, except towards fulfilling their underwriting obligations. However, associates and affiliates of the LM may subscribe to or purchase Equity Shares in the Issue, either in the QIB Portion or in Non-Institutional Portion as may be applicable to such Applicants. Such Applying and subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of LM, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither (i) the LM or any associates of the LM, except Mutual Funds sponsored by entities which are associates of the LM or insurance companies promoted by entities which are associate of LM or AIFs sponsored by the entities which are associate of the LM or FPIs (other than individuals, corporate bodies and family offices), sponsored by the entities which are associates of the LM nor; (ii) any “person related to the Promoters and members of the Promoter Group” shall apply in the Issue under the Anchor Investor Portion.

For the purposes of this section, a QIB who has any of the following rights shall be deemed to be a “person related to the Promoters and members of the Promoter Group”: (a) rights under a shareholders’ agreement or voting agreement entered into with the Promoters and members of the Promoter Group; (b) veto rights; or (c) right to appoint any nominee director on our Board.

#### **APPLICATION BY MUTUAL FUNDS**

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company in consultation with Lead Manager, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.



In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with the SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that such Applications clearly indicate the scheme concerned for which the Application is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

#### **APPLICATION by HUFs**

Applications by Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the Application is being made in the name of the HUF in the Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Applications by HUFs may be considered at par with Applications from individuals.

#### **APPLICATION BY ELIGIBLE NRIs**

Eligible NRIs may obtain copies of Application Form from the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRI Applicant applying on a repatriation basis by using the Non-Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of RIIs using the UPI Mechanism) to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Applicant applying on a non-repatriation basis by using Resident Forms should authorize their SCSB or should confirm/accept the UPI Mandate Request (in case of RIIs applying using the UPI Mechanism) to block their Non-Resident Ordinary ("NRO") accounts for the full Application Amount, at the time of the submission of the Application Form. Participation of Eligible NRIs in the Issue shall be subject to the FEMA regulations. NRIs applying in the Issue through the UPI Mechanism are advised to enquire with the relevant bank whether their bank account is UPI linked prior to making such Application.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (Blue in colour).

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (Red in colour).

For details of investment by NRIs, see "*Restrictions in Foreign Ownership of Indian Securities*" on page 195 of this Prospectus. Participation of eligible NRIs shall be subject to NDI Rules.

#### **APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRIs APPLYING ON NON-REPATRIATION**

Application must be made only in the names of individuals, limited companies or statutory corporations / institutions and not in the names of minors (other than minor having valid depository accounts as per demographic details provided by the depository), foreign nationals, non-residents (except for those applying on non-repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu Undivided Families (HUF), partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF.

Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE / FCNR accounts as well as NRO accounts. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

#### **APPLICATION BY FPI**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our total paid-up Equity Share capital on a fully diluted basis. Further, in terms of the FEMA Rules, the total holding by each FPI shall be less than 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs could be upto 100%, being the sectoral cap, of the paid-up Equity Share capital of our Company on a fully diluted basis.

In case of Applications made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Application Form, failing which our Company reserves the right to reject any Application without assigning any reason. FPIs who wish to participate in the Issue are advised to use the Application Form for Non-Residents (blue in colour).

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants issued that may be issued

by our Company, the total investment made by the FPI will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will be required to comply with applicable reporting requirements.

As specified in the General Information Document, it is hereby clarified that bids received from FPIs bearing the same PAN shall be treated as multiple Bids and are liable to be rejected, except for Applications from FPIs that utilize the multiple investment manager structure in accordance with the Operational Guidelines for Foreign Portfolio Investors and Designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations (“MIM Structure”), provided such Applications have been made with different beneficiary account numbers, Client IDs and DP IDs. Accordingly, it should be noted that multiple Applications received from FPIs, who do not utilize the MIM Structure, and bear the same PAN, are liable to be rejected. In order to ensure valid Applications, FPIs making multiple Applications using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Application Forms that the relevant FPIs making multiple Applications utilize the MIM Structure and indicate the name of their respective investment managers in such confirmation. In the absence of such confirmation from the relevant FPIs, such multiple Applications are liable to be rejected. Further, in the following cases, the Applications by FPIs will not be considered as multiple Applications: involving (i) the MIM Structure and indicating the name of their respective investment managers in such confirmation; (ii) offshore derivative instruments (“ODI”) which have obtained separate FPI registration for ODI and proprietary derivative investments; (iii) sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration; (iv) FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager; (v) multiple branches in different jurisdictions of foreign bank registered as FPIs; (vi) Government and Government related investors registered as Category I FPIs; and (vii) Entities registered as Collective Investment Scheme having multiple share classes.

With effect from the April 1, 2020, the aggregate limit shall be the sectoral caps applicable to the Indian company as prescribed in the FEMA Rules with respect to its paid-up equity capital on a fully diluted basis. While the aggregate limit as provided above could have been decreased by the concerned Indian companies to a lower threshold limit of 24% or 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively before March 31, 2020, our Company has not decreased such limit and accordingly the applicable limit with respect to our Company is 100%.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only by persons registered as Category I FPIs; (ii) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs; (iii) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (iv) such other conditions as may be specified by SEBI from time to time.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following conditions:

- such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the SEBI FPI Regulations; and
- prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

Participation of FPIs in the Issue shall be subject to the FEMA Rules

#### **APPLICATION BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS (VCF) AND FOREIGN VENTURE CAPITAL INVESTORS (FVCI)**

The SEBI VCF Regulations, the SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF or FVCI registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A category III AIF cannot invest more than 10% of their investible funds in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of their investible funds by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any newscheme after the notification of the SEBI AIF Regulations.

Participation of AIFs, VCFs and FVCIs was subject to the FEMA Rules

All non-resident investors should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

**Our Company or the Lead Manager will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.**

#### **APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS**

In case of applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing which, the Company in consultation with the LM, reserves the right to reject any application, without assigning any reason thereof.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company in consultation with the Lead Manager reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers prescribed in Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 ("IRDAI Investment Regulations") are set forth below:

- a) Equity shares of a company: the lower of 10% of the investee company's outstanding equity shares (face value) or 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or a reinsurer;
- b) The entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or a reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) The industry sector in which the investee company operates: not more than 15% of the respective fund of a life insurer or a reinsurer or health insurer or general insurance or 15% of the investment assets, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (i), (ii) or (iii) above, as the case may be.

The above limit of 10% shall stand substituted as 15% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000 million or more but less than ₹2,500,000 million.

Insurer companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDA from time to time including the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 ("**IRDA Investment Regulations**").

#### **APPLICATION BY PROVIDENT FUNDS / PENSION FUNDS**

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹25 Crores, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Application Form. Failing this, the Company reserves the right to reject any application, without assigning any reason thereof.

### **APPLICATIONS BY BANKING COMPANIES**

In case of Applications made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Application Form, failing which our Company in consultation with the LM, reserve the right to reject any Application without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("Banking Regulation Act"), and the Reserve Bank of India ("Financial Services provided by Banks") Directions, 2016, as amended is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks 'interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in excess of 30% of the paid-up share capital of the investee company, (ii) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (iii) investment in a non- financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves.

### **APPLICATION BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES**

In case of Applications made by systemically important non-banking financial companies registered with RBI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited consolidated financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), and such other approval as may be required by the Systemically Important NBFCs must be attached to the Application Form. Failing this, our Company in consultation with the LM, reserves the right to reject any Application, without assigning any reason thereof. Systemically Important Non Banking Financial Companies participating in the Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

### **APPLICATIONS BY SCSBS**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013 issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

### **APPLICATION UNDER POWER OF ATTORNEY**

In case of Applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund and provident funds with a minimum corpus of ₹250 million (subject to applicable laws) and pension funds with a minimum corpus of ₹250 million (subject to applicable laws), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable, must be lodged along with the Application Form. Failing this, our Company in consultation with the LM, reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. Our Company in consultation with the LM, in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company in consultation with the LM, may deem fit.

*The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure any single Application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus*

### **ISSUE PROCEDURE FOR APPLICATION SUPPORTED BY BLOCKED ACCOUNT (ASBA)**

Applicants In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Applicants have to compulsorily apply through the ASBA Process. Our Company and the Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus.



ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Application Form, please refer the above-mentioned SEBI link.

#### METHOD AND PROCESS OF APPLICATIONS

1. The Designated Intermediaries shall accept applications from the Applicants during the Issue Period.
2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
3. During the Issue Period, Applicants who are interested in subscribing to the Equity Shares should approach the Designated Intermediaries to register their applications.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to the Designated Intermediaries. Submission of a second Application form to either the same or to another Designated Intermediaries will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system or at any point prior to the allocation or Allotment of Equity Shares in this Issue.
5. Designated Intermediaries accepting the application forms shall be responsible for uploading the application along with other relevant details in application forms on the electronic bidding system of stock exchange and submitting the form to SCSBs for blocking of funds (except in case of SCSBs, where blocking of funds will be done by respective SCSBs only). All applications shall be stamped and thereby acknowledged by the Designated Intermediaries at the time of receipt.
6. The Designated Intermediaries will enter each application option into the electronic collecting system as a separate application and generate a TRS and give the same to the applicant.
7. Upon receipt of the Application Form, submitted whether in physical or electronic mode, the Designated Intermediaries shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, prior to uploading such applications with the Stock Exchange.
8. If sufficient funds are not available in the ASBA Account, the Designated Intermediaries shall reject such applications and shall not upload such applications with the Stock Exchange.
9. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and generate a TRS for each price and demand option. The TRS shall be furnished to the Applicant on request.
10. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

#### TERMS OF PAYMENT

The entire Issue price of ₹50/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Issue Account, the balance amount after transfer will be unblocked by the SCSBs.

The applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

#### PAYMENT MECHANISM

The applicants shall specify the bank account number in their Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount.

**However, Non-Retail Applicants shall neither withdraw nor lower the size of their applications at any stage.** In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment

in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the Application by the ASBA Applicant, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Offer shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public offer have to use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

#### **ELECTRONIC REGISTRATION OF APPLICATIONS**

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1.00 p.m. of next Working Day from the Issue Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them (iii) the applications accepted but not uploaded by them or (iv) with respect to applications by Applicants, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Lead Manager nor our Company nor the Registrar to the Issue, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) The applications accepted by any Designated Intermediaries (ii) The applications uploaded by any Designated Intermediaries or (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of Designated Intermediaries and their authorized agents during the Issue Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Application Forms to Designated Branches of the SCSBs for blocking of funds:

<b>Sl. No.</b>	<b>Details*</b>
1	Symbol
2	Intermediary Code
3	Location Code
4	Application No.
5	Category
6	PAN
7	DP ID
8	Client ID
9	Quantity
10	Amount

*\*Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Applicants, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Applicants into the on-line system:
  - ❖ Name of the Applicant;
  - ❖ IPO Name;
  - ❖ Application Form Number;
  - ❖ Investor Category;
  - ❖ PAN (of First Applicant, if more than one Applicant);
  - ❖ DP ID of the demat account of the Applicant;
  - ❖ Client Identification Number of the demat account of the Applicant;
  - ❖ Number of Equity Shares Applied for;
  - ❖ Bank Account details;
  - ❖ Locations of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
  - ❖ Bank account number.
8. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Application Form number



which shall be system generated.

9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries will be given time till 1.00 p.m. on the next working day after the Issue Closing Date to verify the DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
14. The SCSBs shall be given one day after the Issue Closing Date to send confirmation of Funds blocked (Final certificate) to the Registrar to the Issue.
15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

#### **ALLOCATION OF EQUITY SHARES**

- 1) The Issue is being made through the Fixed Price Process wherein 2,28,000 Equity Shares shall be reserved for Market Maker and 43,11,000 Equity shares (Net Issue) will be allocated on a proportionate basis to Retail Individual Applicants and Non-Retail Applicants.
- 2) Under- subscription if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
- 3) Allocation to Non-Residents, including Eligible NRIs, Eligible QFIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4) In terms of SEBI Regulations, Non-Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage and retail individual investors can withdraw or revise their bids till issue closure date.
- 5) Allotment status details shall be available on the website of the Registrar to the Issue.

#### **Pre- Issue Advertisement**

Subject to Section 30 of the Companies Act, our Company shall, after filing the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in one English language national daily newspaper, one Hindi language national daily newspaper and one regional language daily newspaper, each with wide circulation. In the pre- Issue advertisement, we shall state the Issue Opening Date and the Issue Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

#### **ISSUANCE OF ALLOTMENT ADVICE (CAN)**

- 1) Upon approval of the basis of allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Applicants are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the issue. The Lead Manager or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.
- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful applicants Depository Account within 4 working days of the Issue Closing date. The Issuer also ensures the credit of shares to the successful Applicants Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Issue Account to Public Issue account of the issuer.

**DESIGNATED DATES**

Issue Opening Date	February 28, 2022
Issue Closing Date	March 03, 2022
Finalisation of Basis of Allotment with NSE EMERGE	March 08, 2022
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	March 09, 2022
Credit of Equity Shares to demat accounts of the Allottees	March 10, 2022
Commencement of trading of the Equity Shares on NSE EMERGE	March 11, 2022

**Note:** The above timetable is indicative in nature and does not constitute any obligation on the Company or the Lead Manager. While our Company shall ensure that all the steps for completion of all the necessary formalities for the listing and trading of our equity shares on the EMERGE Platform of NSE are taken within 6 working days of the issue closing date, the time table may change due to various factors such as extension of the issue period by the Company or any delay in receiving final listing and trading approval from the NSE. The Commencement of the trading of Equity shares will be entirely at the discretion of the NSE EMERGE in accordance with the applicable laws

**GENERAL INSTRUCTIONS****Do's:**

- Check if you are eligible as per the terms of this Prospectus and under applicable law, rules, regulations, guidelines and approvals. All applicants (other than Anchor Investors) should submit their Bids through the ASBA process only;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about the PAN, DP ID and Client ID are correct and the Applicants depository account is active, as Allotment of Equity Shares will be in the dematerialized form only;
- Applicant shall use only his / her own bank account or only his / her own bank account linked UPI ID to make an application
- Ensure that the Demographic Details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in the ASBA account or UPI ID linked Bank Account maintained with the SCSB before submitting the Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
- Instruct your respective Banks to not release the funds blocked in the ASBA Account/UPI ID linked Bank Account under the ASBA process;
- Ensure that the Applications are submitted at the Collection centres only on forms bearing the stamp of the Syndicate or Registered Broker or RTAs or DPs or SCSB (except in case of electronic forms). Ensure that your application is submitted either to a member of the Syndicate (in the Specified Locations), a Designated Branch of the SCSB where the Applicant has a bank account or a UPI ID linked Bank Account, or to a Registered Broker at the Broker Centres or to RTAs or DPs at collection centres and not to our Company.
- Ensure that the Application Form is signed by the account holder in case the applicant is not the account holder.
- Ensure that you (other than the Anchor Investors) have mentioned the correct details of ASBA Account (i.e., bank account or UPI ID, as applicable) in the Application Form if you are not a Retail Individual Investor bidding using the UPI Mechanism in the Application Form and if you are a Retail Individual Investor using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Application Form.
- Submit revised Applications to the same member of the Syndicate, SCSB or Non-Syndicate Registered Broker, or RTAs or DPs as applicable, through whom the original Application was placed and obtain a revised TRS;
- Ensure that the Application Forms are delivered by the applicants within the time prescribed as per the Application Form and the prospectus;
- Ensure that you have requested for and receive a TRS;
- Ensure that you request for and receive a stamped acknowledgement of the Application Form for all your application options;
- All Investors submit their applications through the ASBA process only except as mentioned in *SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 & SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021*;
- Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Application Form; and
- The Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Don'ts:**

- Do not apply for lower than the minimum Application size;
- Do not apply for a price different from the price mentioned herein or in the Application Form;
- Do not apply on another Application Form after you have submitted an application to the SCSBs, Registered Brokers of Stock Exchange, RTA and DPs registered with SEBI;
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post, instead submit the Designated Intermediary only;
- Do not submit the Application Forms to any non-SCSB bank or our Company;
- Do not apply on an Application Form that does not have the stamp of the relevant Designated Intermediary;
- Do not submit the application without ensuring that funds equivalent to the entire application Amount are blocked in the relevant ASBA Account;
- Do not apply for an Application Amount exceeding Rs. 2,00,000 (for applications by Retail Individual Applicants);
- Do not fill up the Application Form such that the Equity Shares applied for exceeds the Issue Size and/or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
- Do not submit applications on plain paper or incomplete or illegible Application Forms in a color prescribed for another category of Applicant; and
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.
- Do not make more than one application from one bank account.
- Do not use third party bank account or third-party UPI ID linked Bank Account for making the Application;

**Instructions for Completing the Application Form**

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Application Forms should bear the stamp of the Designated Intermediaries. ASBA Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e., [www.bseindia.com](http://www.bseindia.com) and NSE i.e., [www.nseindia.com](http://www.nseindia.com). With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of ETA and DPs centers for collecting the application shall be disclosed is available on the websites of BSE i.e., [www.bseindia.com](http://www.bseindia.com) and NSE i.e., [www.nseindia.com](http://www.nseindia.com).

**Applicant's Depository Account and Bank Details**

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicant's bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

**Submission of Application Form**

All Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

**Communications**

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

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 accounts, etc.

**Disposal of Application and Application Moneys and Interest in Case of Delay**

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at the SME platform NSE EMERGE where the Equity Shares are proposed to be listed are taken within 6 (Six) working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

- Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
- Giving of Instructions for refund by unblocking of amount via ASBA not later than 4 (four) working days of the Issue Closing Date, would be ensured; and
- If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

**Right to Reject Applications**

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non-Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

**OTHER INSTRUCTIONS FOR THE APPLICANTS****Joint Applications**

In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such First Applicant would be required in the Application Form and such First Applicant would be deemed to have signed on behalf of the joint holders. All communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

**Multiple Applications**

An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to the Designated Intermediaries and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

**IMPERSONATION:**

*Attention of the application is specifically drawn to the provisions of the sub-section (1) of Section 38 of the companies Act, 2013 which is reproduced below:*

"Any person who

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.
- d) The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending upto 10 years (provided that where the fraud involves public interest, such term shall

not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending upto three times of such amount.”

### INVESTOR GRIEVANCE

In case of any pre-Issue or post-Issue related problems regarding demat credit/refund orders/unblocking etc., the Investors can contact the Compliance Officer of our Company.

### NOMINATION FACILITY TO APPLICANT

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

### GROUND FOR TECHNICAL REJECTIONS

Applicants are advised to note that the Applications are liable to be rejected, inter-alia, on the following technical grounds:

- Amount paid does not tally with the amount payable for the Equity shares applied for;
- In case of partnership firms, Application for Equity Shares made in the name of the individual partners and no firm as such shall be entitled to apply.
- Application by persons not competent to contract under the Indian Contract Act, 1872, including minors, insane person.
- PAN not mentioned in the Application Form.
- GIR number furnished instead of PAN.
- Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- Applications made using a third-party bank account or using third party UPI ID linked bank account;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 3,000;
- Category not ticked;
- Multiple Applications as defined in this prospectus as such, based on common PAN;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicants within the time prescribed as per the Application Form, Issue Opening Date advertisement and prospectus as per the instructions in this prospectus and Application Forms;
- In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US person other than in reliance on Regulation S or “qualified institutional buyers” as defined in Rule 144A under the Securities Act;
- Application not duly signed by the sole applicant;
- Application by any person outside India if not in compliance with applicable foreign and Indian Laws;
- Application that do not comply with the securities laws of their respective jurisdictions are liable to be rejected.
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Application by person not eligible to acquire equity shares of the company in terms of all applicable laws, rules, regulations, guidelines, and approvals. Application or revision thereof by QIB Applicants, Non-Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000 received after 3.00 pm on the issue Closing date unless the extended time is permitted by NSE.
- Inadequate funds in the bank account to block the Application Amount specified in the Application Form/Application Form at the time of blocking such Application Amount in the bank account;
- Where no confirmation is received from SCSB for blocking of funds;
- Applications by Applicants, other Retail Individual Applicants, not submitted through ASBA process and Applications by Retail Individual Applicants not submitted through ASBA process or the UPI process;
- Failure of Retail Individual Applicants to validate the request of blocking of Application amount sent by the Sponsor Bank;
- Applications not uploaded on the terminals of the Stock Exchanges;
- Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Application Form;
- Details of ASBA Account not provided in the Application form;
- In case of Retail Individual Applicants applying through the UPI mechanism, details of UPI ID, not provided in the Application form; etc.

For details of instruction in relation to the Application Form, Applicants may refer to the relevant section of GID and UPI Circular.



APPLICANT SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGE BY THE BROKERS DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

#### **Names of entities responsible for finalizing the basis of allotment in a fair and proper manner**

The authorised employees of the Stock Exchange, along with the LM and the Registrar, shall ensure that the Basis of Allotment is finalized in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **Completion of Formalities for Listing & Commencement of Trading**

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 (six) Working Days of the Issue Closing Date. The Registrar to the Issue may dispatch the Allotment Advice within 6 (six) Working Days of the Issue Closing Date.

#### **SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC**

- a) The issue is 100% underwritten. Our company has entered into an Underwriting Agreement dated February 03, 2022 with Lead Manager. For Further information, please refer section **“General Information”** beginning from page no 39 of this prospectus.
- b) A copy of prospectus will be filled with the RoC in terms of Section 26 & 32 of Companies Act, 2013.

#### **UNDERTAKINGS BY OUR COMPANY**

We undertake as follows:

- 1) That the complaints received in respect of the Issue shall be attended to by us expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange where the Equity Shares are proposed to be listed within 6 (six) Working days of Issue Closing Date.
- 3) That the funds required for making refunds/unblocking to unsuccessful applicants as per the mode(s) disclosed shall be made available to the registrar to the issue by the issuer.
- 4) That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the specified period of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.
- 5) That the promoters' contribution in full, wherever required, shall be brought in advance before the Issue opens for public subscription and the balance, if any, shall be brought on a pro rata basis before the calls are made on public in accordance with applicable provisions in these regulations.
- 6) That no further issue of securities shall be made till the securities offered through the prospectus are listed or till the application monies are refunded on account of non-listing, under subscription, etc., other than as disclosed in accordance with Regulation 19.
- 7) That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non-ASBA applications while finalizing the basis of allotment.
- 8) That if the Company do not proceed with the Issue, the reason thereof shall be given as a public notice to be issued by our Company within two days of the Issue Closing Date. The public notice shall be issued in the same newspapers where the pre- Issue advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 9) That if the Company withdraws the Issue after the Issue Closing Date, our Company shall be required to file a fresh offer document with the RoC/ SEBI, in the event our Company subsequently decides to proceed with the Issuer;

#### **UTILIZATION OF ISSUE PROCEEDS**

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the issue proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Issue, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested.
- 4) The utilisation of monies received under the Promoters' contribution shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- 5) The details of all unutilised monies out of the funds received under the Promoters' contribution shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.



**EQUITY SHARES IN DEMATERIALIZED FORM WITH NSDL OR CDSL**

To enable all shareholders of our Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Agreement dated November 25, 2021 between NSDL, the Company and the Registrar to the Issue;
- b) Agreement dated November 12, 2021 between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. **“INE03KJ01013”**.

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The responsibility of granting approval for foreign investment under the Consolidated FDI Policy and FEMA has been entrusted to the concerned ministries/departments.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases. The Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (formerly Department of Industrial Policy and Promotion), Government of India (“DPIIT”) issued the Consolidated FDI Policy, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect prior to October 15, 2020. Up to 100% foreign investment under the automatic route is currently permitted in the sector of “Manufacturing”, which includes manufacture of cement and concrete products.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that: (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations, (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI policy, and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (“Restricted Investors”), will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Furthermore, on April 22, 2020, the Ministry of Finance, Government of India has also made a similar amendment to the FEMA Rules. Each Applicant should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required, and such approval has been obtained, the Applicant shall intimate our Company and the Registrar to the Issue in writing about such approval along with a copy thereof within the Issue Period.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

**The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act), pursuant to the private placement exemption set out in Section 4(a) of the U.S. Securities Act.**

**The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.**

## SECTION IX: MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

**Table F as notified under Schedule I of the companies Act, 2013 is applicable to the company**

### ***I. Interpretation***

(1) In these regulations --

- (a) “the Act” means the Companies Act, 2013,
- (b) “the SHA” shall mean the Shareholders Agreement executed on 22.11.2021 by and among SA Shigan Trust, GA Shigan Trust, Company, and other promoter and promoter group of the Company.
- (c) “Incoming Promoters” shall mean SA Shigan Trust (“Incoming Promoter 1”) and GA Shigan Trust (“Incoming Promoter 2”)
- (c) “the seal” means the common seal of the company.

(2) Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the Act or any statutory modification thereof in force at the date at which these regulations become binding on the company.

(3) The Company is a “Public Company” as per Section 2(71) of the Companies Act, 2013 which means —

- (a) is not a private company;
- (b) has a minimum paid-up share capital as may be prescribed;

### ***II. Share capital and variation of rights***

1. Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit.

2. (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided, --

- (a) one certificate for all his shares without payment of any charges; or
- (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders

3. (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

(ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

4. Except as required by law, no person shall be recognised by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

5. (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder.

(ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.

(iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

6. (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis

apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

7. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

8. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

### **III. Lien**

9. (i) The company shall have a first and paramount lien --

(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and

(b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

(ii) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

(iii) The Fully paid up Shares shall be free from all lien and that in case of Partly paid up Shares the Issuer's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

10. The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made --

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

11. (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof

(ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.

(iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

12. (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

### **IV. Calls on shares**

13. The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times:

Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.

(ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

(iii) A call may be revoked or postponed at the discretion of the Board.

14. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.

15. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
16. (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
17. (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
18. The Board --
- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.
19. That any amount paid up in advance of calls on any Share may carry interest but shall not in respect thereof confer a Right to dividend or to participate in Profits of the Company.
20. That option or Right to call of shares shall not be given to any person except with the sanction of the Issuer in General Meetings.

#### **V. *Transfer of shares***

21. (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
22. The Board may, subject to the right of appeal conferred by section 58 decline to register --
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
- (b) any transfer of shares on which the company has a lien.
23. The Board may decline to recognise any instrument of transfer unless --
- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
- (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
- (c) the instrument of transfer is in respect of only one class of shares.
24. On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

That Registration of Transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the issuer on any account whatsoever.

#### **VI. *Transmission of shares***

- (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

(b) (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either --

(a) to be registered himself as holder of the share; or

(b) to make such transfer of the share as the deceased or insolvent member could have made.

(ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

(c) (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

(ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

(iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

(d) A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

## ***VII. Forfeiture of shares***

(e) If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

(f) The notice aforesaid shall --

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

(g) If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the date of forfeiture which shall be the date on which the resolution of the Board is passed forfeiting the shares.

That there shall be no Forfeiture of Unclaimed Dividend before the claim becomes barred by law

(h) (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

(i) (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

(ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.



- (j) (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
- (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
- (iii) The transferee shall thereupon be registered as the holder of the share; and
- (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
- (k) The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

### **VIII. Alteration of capital**

- (l) The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.
- (m) Subject to the provisions of section 61, the company may, by ordinary resolution, --
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.
- (n) Where shares are converted into stock, --
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:  
Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
- (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- (o) The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, --
- (a) its share capital;
- (b) any capital redemption reserve account; or
- (c) any share premium account.
- (c) such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

### **IX. Capitalization of profits**

- (p) (i) The company in general meeting may, upon the recommendation of the Board, resolve --
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's

reserve accounts, or to the credit of the, profit and loss account, or otherwise available for distribution; and

(b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards --

(A) paying up any amounts for the time being unpaid on any shares held by such members respectively;

(B) paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

(C) partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);

(D) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;

(E) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

(q) (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall --

(a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and

(b) generally do all acts and things required to give effect thereto.

(ii) The Board shall have power --

(a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and

(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;

(iii) Any agreement made under such authority shall be effective and binding on such members.

(iv) To apply for, obtain, purchase or otherwise acquire and prolong and renew any patents, patent-rights, process, trade secrets, scientific or technical or other assistance, manufacturing process, know-how and other information, designs, patterns, copyrights, trade-marks, licences, concessions and the like rights or benefits, conferring an exclusive or non-exclusive or limited or unlimited right of use thereof, which may seem capable of being used for or in connection with any of the objects of the Company or the acquisition or use of which may seem conciliated directly or indirectly to benefit the Company on payment of any fee, royalty or other consideration and to use, exercise or develop the same and under or grant licences in respect thereof or sell or otherwise deal with the same and expend money in experimenting upon, testing or improving any such patents, inventions, rights or concessions.

Provided in consideration of the rights granted by Licensor, the Company shall pay to the Licensors, royalties, annually i.e., at the end of each financial year, to be computed as 1% of the Gross Revenues.

#### **X. Buy-back of shares**

(r) Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

#### **XI. General meetings**

(s) All general meetings other than annual general meeting shall be called extraordinary general meeting.

(t) (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.

(ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

#### **XII. Proceedings at general meetings**

(u) (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

The chairperson of a general meeting shall be elected by the Incoming Promoter 1 and Incoming Promoter 2 as agreed mutually in writing, from time to time or if Chairperson is not nominated at any shareholders' meeting, the chairperson shall be nominated by the Shareholders present thereat. The chairperson of the general meeting shall not have any second or casting vote.

(v) If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.

(w) If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

### ***XIII. Adjournment of meeting***

(x) (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.

(ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

(iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.

(iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

### ***XIV. Voting rights***

(y) Subject to any rights or restrictions for the time being attached to any class or classes of shares, --

(a) on a show of hands, every member present in person shall have one vote; and

(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

(z) A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

(aa) (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

(ii) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

(bb) A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

(cc) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

(dd) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid

(ee) (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.

(ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

### ***XV. Proxy***

(ff) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

(gg) An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

(hh) A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

## **XVI. Board of Directors**

(ii) The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them and are as follows:

- 1) Mr. Shishir Agrawal
- 2) Mr. Gagan Agrawal

(jj) (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.

(ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them --

(a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or

(b) in connection with the business of the company.

(kk) The Board may pay all expenses incurred in getting up and registering the company.

(ll) The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

(mm) (i) All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.

(ii) Borrow money, enter into, carry out or rescind all financial arrangements with any Bank, persons or Corporations for or in connection with the Company's business or affairs and pursuant to or in connection with such arrangement to deposit, pledge or hypothecate any property of the company or documents representing or relating to the same.

(nn) Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.

(oo) The number of directors shall not be less than 3 (three) and not be more than 15 (Fifteen), subject to the applicable provisions of the Companies Act, 2013.

(pp) (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.

(ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

**Board Composition.** On and from the Effective Date, the Board shall, unless otherwise agreed in writing as per the terms of this Agreement, consist of such number of Directors as may be required under Applicable Laws, out of which following director shall be:

(a) Up to 2 (two) nominee Director of the Incoming Promoter 1 appointed for and on behalf of the Incoming Promoter 1 ("Incoming Promoter 1 Directors"); and

(b) Up to 2 (two) nominee Director of the Incoming Promoter 2 appointed for and on behalf of the Incoming Promoter 2 (“Incoming Promoter 2 Directors”).

Provide that the Incoming Promoters shall nominate the Incoming Promoter 1 Directors and Incoming Promoter 2 Directors, as the case may be, in the manner to reflect the equal proportionate representation of Incoming Promoter 1 and Incoming Promoter 2 on the Board and not otherwise.

Provide further that the Incoming Promoters may choose not to exercise their whole right to appoint the Incoming Promoter Directors for an interim period and such non-appointment for the interim period should not be considered as a waiver by the Incoming Promoters, of their right to appoint the Incoming Promoters Directors at any time in future. The Incoming Promoters Directors shall be entitled to appoint the Incoming Promoters Directors at any time and the Director so appointed shall be entitled to all such rights as have been provided for in the SHA for the Incoming Promoter 1 and Incoming Promoter 2, respectively.

Directors. Subject to the provisions of the SHA and the Act, the Company shall be managed by the Board who shall have powers to do all acts and take all actions that the Company is authorized to do or take and shall be entitled to delegate powers to such persons and such committees that the Board may create to assist it in its business strategy and objectives.

Board Composition. On and from the Effective Date of SHA, the Board shall be constituted as per the Applicable Laws.

No Qualification Shares: A Director need not hold any qualification Shares.

Appointment of Chief Executive Director (CEO) or Managing Director (MD). Subject to the Applicable Laws, the Company shall appoint CEO or MD, as the case may be, as nominated by the Incoming Promoters by way of mutual consent in writing. Provided further that the Company shall take all steps necessary to appoint the CEO or MD as nominated by the Incoming Promoters and the appointment shall be subject to approval from Shareholders and/or Board, as may be applicable in terms of the Applicable Laws.

#### ***XVII. Proceedings of the Board***

(qq) (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

(rr) (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.

(ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

(ss) The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

(tt) Chairperson. The chairperson at each meeting of the Board shall be elected by the Incoming Promoter 1 and Incoming Promoter 2 as agreed mutually in writing, from time to time of if they fail to appoint any Chairperson on the Board, then the Board shall be entitled to nominate the Chairperson amongst themselves at each such Board Meetings by majority. The chairperson shall have a second or casting vote as per the Applicable Laws.

(uu)(i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.

(ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

(vv)(i) A committee may elect a Chairperson of its meetings.

(ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

(ww) (i) A committee may meet and adjourn as it thinks fit.

(ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

(xx) All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

(yy) Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

#### ***XVIII. Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer***

(zz) Subject to the provisions of the Act,-

(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;

(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer

(aaa) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

#### ***XIX. The Seal***

(bbb) i) The Board shall provide for the safe custody of the seal.

(ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

#### ***XX. Dividends and Reserve***

(ccc) The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

(ddd) Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.

(eee) (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

(ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

(fff) (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.

(ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.

(iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly

(ggg) The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.

(hhh) (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of



that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.

(ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent..

(iii) Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.

(jjj) Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.

(kkk) No dividend shall bear interest against the company.

#### **XXI. Accounts**

(lll) (i) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.

(ii) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.

#### **XXII. Winding up**

(mmm) Subject to the provisions of Chapter XX of the Act and rules made thereunder-

(i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.

(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

#### **XXIII. Indemnity**

(nnn) Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal.

## SECTION X: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of the Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus will be delivered to the ROC for filing and also the documents for inspection referred to hereunder, may be inspected at the Corporate Office of our Company located at Hall No. 2, 3, 6, 7 & 8, Ground floor and First floor, Shyam Udyog Parisar, Khasra No. 25/1, 15/3/2 Alier Bhangrola Road, IMT Manesar, Gurgaon - 122505, Haryana, India, from date of filing the Prospectus with ROC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

#### A. Material Contracts

1. Issuer Agreement dated February 03, 2022 between our Company and the Lead Manager.
2. Registrar Agreement dated November 10, 2021 between our Company and the Registrar to the Issue.
3. Underwriting Agreement dated February 03, 2022 between our Company, the Lead Manager and Underwriter.
4. Market Making Agreement dated February 03, 2022 between our Company, Lead Manager and Market Maker.
5. Bankers to the Issue Agreement dated February 11, 2022 between our Company, the Lead Manager, Banker to the Issue / Sponsor Bank and Registrar to the Issue.
6. Tripartite agreement among the NSDL, our Company and the Registrar dated November 25, 2021.
7. Tripartite agreement among the CDSL, our Company and the Registrar dated November 12, 2021.

#### B. Material Documents

1. Certified true copies of the Memorandum and Articles of Association of our Company, as amended from time to time.
2. Certificate of incorporation dated October 20, 2008 issued by RoC. Fresh certificate of incorporation dated October 12, 2021 issued by the RoC pursuant to conversion into a public limited company.
3. Resolution of the Board of Directors dated January 27, 2022 in relation to the Issue.
4. Resolution of the Shareholders of our Company, passed at the Extra Ordinary General Meeting held with a shorter notice on February 02, 2022 in relation to the Issue.
5. The Statement of Possible Tax Benefits dated January 31, 2022 issued by the Statutory Auditor.
6. Statutory Auditor's report for Restated Financials dated January 31, 2022 as at and for the five months period ended on August 31, 2021 and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019. included in this Prospectus.
7. Copies of Audited Financial Statements of our Company as at and for the five months period ended on August 31, 2021 and for the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019.
8. Consents of the Directors, Promoters, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditor, Lender, Lead Manager to the Issue, Legal Advisor to the Issue, Banker to our Company, Banker to the Issue, Registrar to the Issue, Underwriter and Market Maker to include their names in the Prospectus to act in their respective capacities.
9. Due Diligence Certificate from Lead Manager dated January February 22, 2022.
10. Approval from National Stock Exchange of India Limited vide letter dated February 18, 2022 to use the name of NSE in this Offer Document for listing of Equity Shares on NSE Emerge.

Any of the contracts or documents mentioned in the Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by the other parties, with the consent of shareholders subject to compliance of the provisions contained in the Companies Act and other relevant provisions.

**DECLARATION**

We, the undersigned, hereby certify and declare that all the relevant provisions of the Companies Act, 1956/ Companies Act, 2013 and the rule, guidelines or regulations issued by the Government of India or the guidelines or regulations issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in this Prospectus is contrary to the provisions of the Companies Act, 1956/ Companies Act, 2013, the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India Act, 1992 or rules framed or guidelines or regulations issued, as the case may be. We further certify that all statements in this Prospectus are true and correct.

**SIGNED BY ALL THE DIRECTORS OF OUR COMPANY**

NAME AND DESIGNATION	SIGNATURE
Mr. Shishir Agrawal (Managing Director) DIN: 00054871	Sd/-
Mr. Gagan Agrawal (Joint Managing Director) DIN:00054879	Sd/-
Mr. Balraj Bhanot (Independent Director) DIN: 00993431	Sd/-
Ms. Shubhangi Agarwal (Independent Director) DIN: 08135535	Sd/-
Mr. Vijay Lal Toshavda (Independent Director) DIN: 09307539	Sd/-

**SIGNED BY THE CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY**

Sd/-

Name: Mr. Nathu Singh Tawar  
Chief Financial Officer  
PAN: AFNPT8649E

Sd/-

Name: Ms. Gunjan Gupta  
Company Secretary & Compliance Officer  
PAN: BOXPG6533C

Place: New Delhi

Date: February 22, 2022