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Prospectus  
Dated: September 14, 2022  
Please read sections 26 & 32 of the  
Companies Act, 2013  
100% Fixed Price Issue

**CONTAINER TECHNOLOGIES LIMITED**  
CIN: U72200TG2008PLC061063

Registered & Corporate Office	Contact Person	Email and Telephone	Website
H. No. 3-13-142/ 341P, 342, Gokul Nagar, Marriguda, Mallapur, Secunderabad, Hyderabad – 500076, Telangana, India	<b>Mrs. Nikitha Sarda</b> Company Secretary & Compliance Officer	Email: <a href="mailto:cs@containe.in">cs@containe.in</a> Tel No: +91 81432 24767	<a href="http://www.containe.in">www.containe.in</a>

**NAMES OF PROMOTERS OF THE COMPANY**

Mr. Anand Kumar Seethala and Mrs. Botcha Bhavani

**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	₹261.60 Lakhs	Nil	₹261.60 Lakhs	The Issue is being made pursuant to Regulation 229(1) of SEBI ICDR Regulations, as the Company's post issue Paid-up capital would be less than 10.00 (Ten) Cr. <b>Share Reservation:</b> Minimum 50% to the Retail individual investors. Minimum 5% to the Market Maker.

OFS: Offer for Sale

**Details of OFS by Promoter(s)/Promoter Group/Other Selling Shareholders: - NIL -**

**RISKS IN RELATION TO THE FIRST ISSUE** – The face value of the Equity Shares is ₹10/- each. The Issue Price of ₹ 15/- per equity share (determined and justified by our Company in consultation with the Lead Manager as stated in “*Basis for Issue Price*” on page 61 of this prospectus) should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding 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 on 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 BSE Limited (“BSE SME”)**. For the purpose of this Issue, **BSE Limited (“BSE”)** is the **Designated Stock Exchange**.

**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  
**Contact Person:** Mr. S. Ramakrishna Iyengar  
**Telephone:** 033 – 22895101 / 46032561  
**Email:** ramakrishna@finshoregroup.com

 **CAMEO**  
**CAMEO CORPORATE SERVICES LIMITED**  
"Subramanian Building", #1, Club House Road,  
Chennai - 600 002, India  
**Contact Person:** Mr. R.D. Ramasamy, Director  
**Telephone:** +91-44-40020700, 28460390  
**Email:** investor@cameoindia.com

**ISSUE PROGRAMME**

**ISSUE OPENS ON: SEPTEMBER 20, 2022**

**ISSUE CLOSES ON: SEPTEMBER 22, 2022**



**Prospectus**  
**Dated: September 14, 2022**  
**Please read sections 26 & 32 of the**  
**Companies Act, 2013**  
**100% Fixed Price Issue**

## CONTAINTE TECHNOLOGIES LIMITED

**CIN: U72200TG2008PLC061063**

Our Company was originally incorporated as a Private Limited Company in the name of “*Containe Technologies Private Limited*” on September 16, 2008 under the provisions of the Companies Act, 1956 bearing Corporate Identification Number **U72200TG2008PTC061063** issued by the Registrar of Companies – Hyderabad. Further, our company was converted into Public Limited Company under the provisions of the Companies Act, 2013 and the name of our Company was changed to “*Containe Technologies Limited*” vide a fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company dated March 21, 2022 bearing Corporate Identification Number **U72200TG2008PLC061063** issued by the Registrar of Companies - Hyderabad. For further details of change in name and registered office of our Company, please refer to section titled “*Our History and Certain Corporate Matters*” beginning on page no 108 of the Prospectus.

**Registered Office:** H. No. 3-13-142/ 341P, 342, Gokul Nagar Marriguda, Mallapur, Secunderabad, Hyderabad – 500076, Telangana, India

**Contact Person:** Mrs. Nikitha Sarda, Company Secretary & Compliance Officer; **Tel No:** +91 81432 24767; **Email:** [cs@containe.in](mailto:cs@containe.in); **Website:** [www.containe.in](http://www.containe.in)

### OUR PROMOTERS: Mr. Anand Kumar Seethala and Mrs. Botcha Bhavani

#### THE ISSUE

**INITIAL PUBLIC OFFER OF 17,44,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH (“EQUITY SHARES”) OF CONTAINTE TECHNOLOGIES LIMITED (THE “COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ 15/- PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF ₹5/- PER EQUITY SHARE (THE “ISSUE PRICE”), AGGREGATING TO ₹ 261.60 LAKHS (“THE ISSUE”), OF WHICH 88,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹15/- PER EQUITY SHARE, AGGREGATING TO ₹13.20 LAKHS WILL BE RESERVED FOR SUBSCRIPTIONS BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 16,56,000 EQUITY SHARES OF FACE VALUE OF ₹10/- EACH FOR CASH AT A PRICE OF ₹15/- PER EQUITY SHARE, AGGREGATING TO ₹248.40 LAKHS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.93% AND 26.52% RESPECTIVELY OF THE POST ISSUE PAID-UP EQUITY SHARE CAPITAL OF THE COMPANY.**

**THE FACE VALUE OF THE EQUITY SHARE IS ₹10/- EACH AND THE ISSUE PRICE IS ₹ 15/- EACH i.e.,  
 1.5 TIMES OF THE FACE VALUE OF THE EQUITY SHARES. THE MINIMUM LOT SIZE IS 8,000 EQUITY SHARES**

THIS OFFER IS BEING MADE IN TERMS OF CHAPTER IX OF THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENT) REGULATIONS, 2018 (THE “SEBI ICDR REGULATIONS”) READ WITH RULE 19(2)(b)(i) OF SCRR AS AMENDED. THIS ISSUE IS A FIXED PRICE ISSUE AND ALLOCATION IN THE NET OFFER TO THE PUBLIC WILL BE MADE IN TERMS OF REGULATION 253(2) OF THE SEBI (ICDR) REGULATIONS, 2018. (For further details please see “*The Issue*” beginning on page no. 35 of this Prospectus.) A copy will be delivered for filing to the Registrar of Companies as required under sub-section 4 of Section 26 of the Companies Act, 2013.

In terms of Regulation 256 of SEBI ICDR Regulations read with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, and Unified Payments Interface (UPI) introduced vide SEBI Circular Ref: SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018, all the potential investors shall participate in the issue only through an Application Supported by Blocked Amount (“ASBA”) process providing details about 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/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 investor. (For details in this regard, specific attention is invited to “*Issue Procedure*” beginning on page no. 187 of this Prospectus.)

#### RISK IN RELATION TO THE FIRST ISSUE

This being the first issue of the issuer, there has been no formal market for the securities of the issuer. The face value of the equity shares is ₹10/- each and the issue price is 1.5 times of face value of the equity share. The issue price 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 active or sustained trading in the equity shares of our company or regarding the price at which the equity shares will be traded after listing.

#### GENERAL RISKS

Investment in equity and equity-related securities involves a degree of risk and investors should not invest any funds in this offer 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 the issuer and the offer including the risks involved. The securities have not been recommended or approved by the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of “*Risk Factors*” beginning on page no. 20 of this Prospectus.

#### ISSUER’S ABSOLUTE RESPONSIBILITY

The issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this offer document contains all information with regard to the issuer and the issue which is material in the context of the issue, that the information contained in the offer document 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 make this document 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 of our company issued through this Prospectus are proposed to be listed on the **SME Platform of BSE Limited**. In terms of Chapter IX of the SEBI ICDR Regulations, as amended from time to time, our company has received an “in-principal” approval letter dated September 09, 2022 from BSE for using its name in this offer document for listing of our shares on the BSE SME. For the purposes of the issue, the **Designated Stock Exchange** will be **BSE Limited (“BSE”)**.

#### 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 / 46032561  
**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

 **CAMEO**  
**CAMEO CORPORATE SERVICES LIMITED**  
 "Subramanian Building", #1, Club House Road,  
 Chennai - 600 002, India  
**Telephone:** +91-44-40020700, 28460390  
**Facsimile:** +91-44-28460129  
**Email:** [investor@cameoindia.com](mailto:investor@cameoindia.com)  
**Contact Person:** Mr. R.D. Ramasamy, Director  
**Website:** [www.cameoindia.com](http://www.cameoindia.com)  
**SEBI Registration Number:** INR000003753  
**CIN No:** U67120TN1998PLC041613

#### ISSUE PROGRAMME

**ISSUE OPENS ON: SEPTEMBER 20, 2022**

**ISSUE CLOSES ON: SEPTEMBER 22, 2022**

<b>SECTION I: DEFINITIONS AND ABBREVIATIONS</b> .....	2
DEFINITIONS AND ABBREVIATIONS.....	2
CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY & MARKET DATA, AND CURRENCY PRESENTATION.....	13
FORWARD-LOOKING STATEMENTS.....	15
<b>SECTION II: SUMMARY OF PROSPECTUS</b> .....	16
SUMMARY OF PROSPECTUS.....	16
<b>SECTION III: RISK FACTORS</b> .....	20
RISK FACTORS.....	20
<b>SECTION IV: INTRODUCTION</b> .....	20
THE ISSUE.....	35
SUMMARY OF FINANCIAL INFORMATION.....	36
<b>SECTION V: GENERAL INFORMATION</b> .....	39
GENERAL INFORMATION.....	39
<b>SECTION VI: CAPITAL STRUCTURE</b> .....	46
CAPITAL STRUCTURE.....	46
<b>SECTION VII: PARTICULARS OF THE ISSUE</b> .....	57
OBJECT OF THE ISSUE.....	57
BASIS FOR ISSUE PRICE.....	61
STATEMENT OF POSSIBLE TAX BENEFITS.....	63
<b>SECTION VIII: ABOUT THE COMPANY AND THE INDUSTRY</b> .....	66
INDUSTRY OVERVIEW.....	66
OUR BUSINESS.....	82
KEY INDUSTRY REGULATIONS AND POLICIES.....	98
OUR HISTORY AND CERTAIN CORPORATE MATTERS.....	108
OUR MANAGEMENT.....	111
OUR PROMOTERS AND PROMOTER GROUP.....	121
GROUP ENTITIES OF OUR COMPANY.....	124
RELATED PARTY TRANSACTIONS.....	126
DIVIDEND POLICY.....	127
<b>SECTION IX: FINANCIAL INFORMATION</b> .....	128
FINANCIAL STATEMENTS AS RESTATED.....	128
FINANCIAL INDEBTEDNESS.....	154
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS.....	157
<b>SECTION X: LEGAL AND OTHER INFORMATION</b> .....	162
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS.....	162
GOVERNMENT AND OTHER APPROVALS.....	166
OTHER REGULATORY AND STATUTORY DISCLOSURES.....	169
<b>SECTION XI: ISSUE INFORMATION</b> .....	180
TERMS OF THE ISSUE.....	180
ISSUE STRUCTURE.....	185
ISSUE PROCEDURE.....	187
RESTRICTIONS OF FOREIGN OWNERSHIP OF INDIAN SECURITIES.....	206
DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION.....	207
<b>SECTION XII: OTHER INFORMATION</b> .....	219
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION.....	219
DECLARATION.....	220

## SECTION I: DEFINITIONS AND ABBREVIATIONS

### DEFINITIONS AND ABBREVIATIONS

This prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the respective meanings given below. References to statutes, regulations, rules, guidelines and policies will be deemed to include all amendments and modifications thereto as amended from time to time.

Unless the context otherwise indicates or implies, the following terms shall have the meanings provided below in this prospectus, and references to any statute or regulations or policies will include any amendments or re-enactments thereto, from time to time. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.

#### General Terms

TERMS	DESCRIPTIONS
“Containe Technologies Limited”, “Containe”, “CTPL”, “CTL” “The Company”, “Our Company”, “Issuer Company” or “Issuer”	Unless the context otherwise indicates or implies, Containe Technologies Limited, a public limited company incorporated under the provision of Companies Act, 1956 and having its Registered Office at H. No. 3-13-142/ 341P, 342, Gokul Nagar, Marriguda, Mallapur, Secunderabad, Hyderabad – 500076, Telangana, India
“we”, “our” or “us”	Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries, Associates and Group Companies.
Our Promoters or Promoters of the Company	The promoters of our company being <b>Mr. Anand Kumar Seethala and Mrs. Botcha Bhavani</b> .
Promoter Group	Includes such persons and entities constituting the promoter group of our Company in terms of Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018 and as disclosed under Section titled “Our Promoters and Promoter Group”

#### Company Related Terms

TERMS	DESCRIPTIONS
“Articles” or “Articles of Association” or “AOA”	The Articles of Association of our Company, as amended from time to time.
Audit Committee	Audit Committee of our Company constituted in accordance with Companies Act, 2013 as disclosed in the Section titled “ <b>Our Management</b> ” on page no. 111 of this prospectus.
“Board of Director(s)” or “the/our Board”	Unless otherwise specified, The Board of Directors of our Company, as duly constituted from time to time, including any committee(s) thereof.
“CFO” or Chief Financial Officer	The Chief Financial Officer of our company being “ <b>Vijay Kumar Jojoda</b> ”.
CIN	Corporate Identification Number
Companies Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions that are in force.
Company Secretary & Compliance Officer	The Company Secretary & Compliance Officer of our company being “ <b>Nikitha Sarada</b> ”.
Corporate Social Responsibility committee	Corporate Social Responsibility committee in accordance with the Companies Act, 2013 as disclosed in the Section titled “ <b>Our Management</b> ” on page no. 111 of this prospectus.
DIN	Directors Identification Number.
Director/Director(s)	The directors of our Company, unless otherwise specified
E-Commerce	E-Commerce refers to the buying and selling of goods or services using the internet, and the transfer of money and data to execute these transactions
ED	Executive Director
Equity Shares	The Equity Shares of our Company of face value of ₹10/- each, fully paid-up, unless otherwise specified in the context thereof.
Equity Shareholders	Persons/Entities holding Equity Shares of our Company.
Export	Export means taking goods out of India to a place outside India
Group Companies/Entities	Such companies with which there were related party transactions, during the period for which financial information is disclosed in this prospectus, which are covered under the applicable accounting standards and other companies as considered material by our Board, as identified in “Our Group Companies”
HUF	Hindu Undivided Family.
IBC	The Insolvency and Bankruptcy Code, 2016

TERMS	DESCRIPTIONS
IFRS	International Financial Reporting Standards
Ind AS	Indian Accounting Standard
Ind GAAP	Generally Accepted Accounting Principles in India.
Import	Import means bringing goods into India from a place outside India
Independent Director	Non-executive & Independent Director as per the Companies Act, 2013
IT Act	The Income Tax Act, 1961 as amended till date
JV / Joint Venture	A commercial enterprise undertaken jointly by two or more parties which otherwise retain their distinct identities.
ISIN	International Securities Identification Number In this case being “INE0M8901010”
KMP / Key Managerial Personnel	Key managerial personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI ICDR Regulations 2018, Section 2(51) of the Companies Act, 2013 and as disclosed in the chapter titled “ <b>Our Management</b> ” beginning on page no. 111 of this prospectus.
MD	Managing Director
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board in accordance with the requirements of the SEBI (ICDR) Regulations
Memorandum/Memorandum of Association/MoA	The Memorandum of Association of our Company, as amended from time to time.
Nomination and Remuneration Committee	Nomination and Remuneration committee of our Company constituted in accordance with the Companies Act, 2013 as disclosed in the Section titled “ <b>Our Management</b> ” on page no. 111 of this prospectus.
Non-Residents	A person resident outside India, as defined under FEMA Regulations, 2000
Peer Review/Statutory Auditor	The Statutory Auditors of our Company having a valid Peer Review certificate in our case being “M/s. Dhanunjaya & Haranath” Chartered Accountants, having its office at 302, Wings, 8-3-960/6/2, Srinagar Colony, Hyderabad, Telangana-TG, India-500073
Promoters	Shall mean promoters of our Company as mentioned in this prospectus.
Promoter Group	Includes such Persons and entities constituting our promoter group covered under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations as enlisted in the section titled “ <b>Our Promoter and Promoter Group</b> ” beginning on page no. 121 of this prospectus.
Registered Office	Registered Office of the Company is presently situated at H. No. 3-13-142/ 341P, 342, Gokul Nagar, Marriguda, Mallapur, Secunderabad, Hyderabad – 500076, Telangana, India
Restated Financial Statement	Audited Financial Statements as at and for the financial Years ended on 31 <sup>st</sup> March 2022, 31 <sup>st</sup> March 2021 and 31 <sup>st</sup> March 2020, as restated in accordance with SEBI (ICDR) Regulations, comprises of (i) Financial Information as per Restated Summary Financial Statements and (ii) Other Financial Information.
RoC/Registrar of Companies	The Registrar of Companies, Hyderabad, Telangana.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
Shareholders	Shareholders of our Company
Subscriber to MOA / Initial Promoters	Initial Subscriber to MOA
WTD	Whole Time Director
Stakeholders Relationship Committee	Stakeholder’s relationship committee of our Company constituted in accordance with the Companies Act, 2013 as disclosed in the Section titled “ <b>Our Management</b> ” on page no. 111 of this prospectus.
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 on wilful defaulter or a fraudulent borrowers issued by the Reserve Bank of India, as defined under Regulation 2(1) (III) of SEBI ICDR Regulations 2018.

**Issue Related Terms**

<b>TERMS</b>	<b>DESCRIPTIONS</b>
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of having accepted the Application Form.
Allot/Allotment of/ Allotted Equity Shares	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue of Equity Shares to the successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allottee(s)	A successful Applicant (s) to whom the Equity Shares are being/have been issued/allotted.
Applicant/Investor	Any prospective investor who makes an application pursuant to the terms of the prospectus and the Application Form.
Application	An indication to make an offer 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 Amount	The number of Equity Shares applied for and as indicated in the Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.
Application Form	The form in terms of which an Applicant shall make an Application and which shall be considered as the application for the Allotment pursuant to the terms of this prospectus.
Application Supported by Blocked Amount/ASBA or UPI	An application, whether physical or electronic, used by ASBA Bidders, to make a Bid authorizing a SCSB to block the Bid Amount in the ASBA Account including the bank account linked with UPI ID.  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 investor.
ASBA Account	A bank account linked with or without UPI ID, maintained with an SCSB and specified in the ASBA Form submitted by Applicants for blocking the Bid Amount mentioned in the ASBA Form
ASBA Applicant(s)	Any prospective investors in this Issue who apply for Equity Shares of our Company through the ASBA process in terms of this prospectus.
ASBA Forms	An application form (with or without the use of UPI, as may be applicable), whether physical or electronic, used by ASBA Applicants, which will be considered as the application for Allotment in terms of the prospectus.
ASBA Application Location(s)/Specified Cities	Such Branches of the SCSBs which shall collect the Application Forms used by the Applicants applying through the ASBA process and a list of which is available on <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time
Banker to the Issue	Bank which are clearing members and registered with SEBI as banker to an issue and with whom the Public Issue Account will be opened, in this case being “ <b>ICICI Bank Limited</b> ”
Banker to the Issue Agreement	Agreement dated August 18, 2022 entered into amongst the Company, Lead Manager, the Registrar and the Banker of the Issue.
Basis of Allotment	The basis on which the Equity Shares will be Allotted to successful Applicants under the Issue, as described in the Section titled, “ <b>Issue Procedure, - Basis of Allotment</b> ” beginning on page no. 187 of this prospectus.
Broker Centers	Broker centers notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centers, along with the names and contact details of the Registered Brokers, are available on the website of the BSE i.e., <a href="http://www.bseindia.com">www.bseindia.com</a> .
Broker to the Issue	All recognized members of the stock exchange of BSE would be eligible to act as the Broker to the Issue.
Business Day	Monday to Saturday (except 2nd & 4th Saturday of a month and public holidays).
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.

TERMS	DESCRIPTIONS
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collection Centers	Centers at which the Designated Intermediaries shall accept the ASBA Forms.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, issued by SEBI.
Controlling Branches of SCSBs	Such branches of the SCSBs which coordinate Applications under this Issue made by the Applicants with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is provided on <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 and Bank Account details.
Depository/Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time, being NSDL and CDSL.
Depository Participant/DP	A depository participant as defined under the Depositories Act, 1966.
Designated CDP Locations	Such locations of the CDPs where Applicant can submit the Application Forms to Collecting Depository Participants.  The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e., <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated Date	The date on which the funds are transferred by the Escrow Collection Bank from the Escrow Account(s) or the instructions are given to the SCSBs to unblock the ASBA Accounts including the accounts linked with UPI ID and transfer the amounts blocked by SCSBs as the case may be, to the Public Issue Account, as appropriate in terms of the prospectus and the aforesaid transfer and instructions shall be issued only after finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange.
Designated Intermediaries/Collecting Agent	An SCSB with whom the bank account to be blocked, is maintained, a syndicate member (or sub-syndicate member), a Registered Broker, Designated CDP Locations for CDP, a registrar to an issue and share transfer agent (RTA) (whose names is mentioned on website of the stock exchange as eligible for this activity).
Designated RTA Locations	Such locations of the RTAs where Applicant can submit the Application Forms to RTAs. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange i.e., <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated Stock Exchange	BSE Limited
Draft prospectus	The Draft prospectus dated August 03, 2022 issued in accordance with Section 26 & 32 of the Companies Act, 2013 filed with BSE Limited under SEBI (ICDR) Regulations.
DP	Depository Participant.
DP ID	Depository Participant's Identity number.
Eligible NRI(s)	NRI(s) from such jurisdiction outside India where it is not unlawful to make an Issue or invitation under the Issue and in relation to whom this prospectus constitutes an invitation to subscribe for the Equity Shares Issued herein on the basis of the terms thereof.
Eligible QFIs	Qualified Foreign Investors from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the prospectus constitutes an invitation to purchase the Equity Shares Issued thereby and who have opened demat accounts with SEBI registered qualified depository participants.
Electronic Transfer of Funds	Refunds through ECS, NEFT, Direct Credit or RTGS as applicable.
Equity Shares	Equity Shares of our Company of face value ₹10/- each.
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	The Applicant whose name appears first in the Application Form or Revision Form.
Foreign Venture Capital Investors	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
FPI / Foreign Portfolio Investor	A Foreign Portfolio Investor who has been registered pursuant to the Securities And Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, provided that any FII who holds a valid certificate of registration shall be deemed to be a foreign portfolio investor till the expiry of the block of three years for which fees have been paid as per the SEBI (Foreign Institutional Investors) Regulations, 1995, as amended

TERMS	DESCRIPTIONS
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.
GIR Number	General Index Registry Number.
IPO	Initial Public Offering
Issue/Public Issue/Issue Size Initial Public Issue/IPO	Public issue of <b>17,44,000</b> Equity Shares of face value of <b>₹10/-</b> each of our Company for cash at a price of <b>₹ 15/-</b> per Equity Share ( <i>including a share premium of ₹ 5/- per Equity Share</i> ) aggregating to <b>₹261.60</b> Lakhs by our Company, in terms of this prospectus.
Issue Agreement	The Issue Agreement dated July 25, 2022 between our Company and Lead Manager.
Issue Closing Date	The date on which Issue Closes for Subscription.
Issue Opening Date	The date on which Issue Opens for Subscription.
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which prospective Investors may submit their application.
Issue Price	The price at which the Equity Shares are being issued by our Company being <b>₹15/-</b> per Equity Share.
Issue Proceeds	The proceeds of the Issue as stipulated by the Company. For further information about the use of the Issue Proceeds please refer to the Section titled “ <i>Objects of the Issue</i> ” beginning on page no. 57 of this prospectus.
Lead Manager/LM	means a merchant banker registered with the SEBI and appointed by the issuer to manage the issue and in case of a book-built issue, the lead manager(s) appointed by the issuer shall act as the book running lead manager(s) for the purposes of book building. Lead Manager to the Issue, in this case being “ <i>Finshore Management Services Limited</i> ”.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the BSE Limited.
Market Maker	Market Maker appointed by our Company from time to time, in this case being <i>Nikunj Stock Brokers Limited</i> who 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 any other period as may be notified by SEBI from time to time.
Market Making Agreement	The Market-Making Agreement dated August 18, 2022 between our Company, Lead Manager and Market Maker.
Market Maker Reservation Portion	Up to <b>88,000</b> Equity Shares of <b>₹10/-</b> each fully paid-up of our Company for cash at a price of <b>₹15/-</b> per Equity Share aggregating to <b>₹13.20</b> Lakhs only.
Mutual Fund(s)	Mutual fund (s) registered with SEBI pursuant to the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of up to <b>16,56,000</b> Equity Shares of face value <b>₹10/-</b> each for cash at an Issue price of <b>₹15/-</b> per Equity Share (the “Issue Price”), including a share premium of <b>₹5/-</b> per equity share aggregating up to <b>₹248.40</b> Lakhs Only.
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company.
NPCI	National Payments Corporation of India (NPCI), a Reserve Bank of India (RBI) initiative, is an umbrella organization for all retail payments in India. It has been set up with the guidance and support of the Reserve Bank of India (RBI) and Indian Banks Association (IBA)
Non-Institutional Investors or NIIs	All Applicants, including sub-accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Investors and who have applied for Equity Shares for an amount of more than ₹2 Lakh (but not including NRIs other than Eligible NRIs).
BSE	BSE Limited
BSE SME	SME Platform of BSE Limited as per the Rules and Regulations laid down by SEBI for listing of equity shares
Other Investor	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body/OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB’s) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. <i>OCBs are not allowed to invest in this Issue.</i>

TERMS	DESCRIPTIONS
Other Investors	Investors other than Retail Individual Investors. These include individual Applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Person/ 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 dated September 14, 2022 registered with the RoC in accordance with the provisions of Section 26 & 32 of the Companies Act, 2013 and SEBI ICDR Regulations.
Public Issue Account	The Bank Account opened with the Banker(s) to this Issue under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Accounts on the Designated Date.
Qualified Institutional Buyers or QIBs	A qualified institutional buyer as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations.
Registered Brokers	Stockbrokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate.
Registrar and Share Transfer Agents or 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/Registrar to this Issue/RTI	Registrar to the Issue in our case being “ <i>Cameo Corporate Services Limited</i> ”.
Registrar Agreement	The agreement dated July 14, 2022 entered into between our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar pertaining to the Issue.
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time.
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion.
Retail Individual Bidder(s) or RIB(s) or Retail Individual Investor(s) or RII(s)	Individual Bidders, who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs)
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares or the Application Amount in any of their Application Forms or any previous Revision Form(s), as applicable.
Self-Certified Syndicate Bank(s) or SCSB(s)	Banks registered with SEBI, Issuing Services in relation to ASBA, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>
SME Exchange	“SME exchange” means a trading platform of a recognised stock exchange having nationwide trading terminals permitted by the SEBI to list the specified securities issued in accordance with Chapter IX of SEBI ICDR and includes a stock exchange granted recognition for this purpose but does not include the Main Board;
Specified Locations	Collection Centres where the SCSBs shall accept application forms, a list of which is available on the website of the SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time.
Sponsor Bank	Sponsor Bank means a Banker to the Issue registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the retail investors into the UPI
SEBI (ICDR) Regulations / ICDR Regulation / Regulation	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 issued by SEBI on September 11, 2018, as amended from time to time, including instructions and clarifications issued by SEBI from time to time.
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations or SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time.
SEBI Listing Regulations, 2015/ SEBI Listing Regulations/ Listing Regulations/ SEBI (LODR)	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 / Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2020 and as amended thereto, including instructions and clarifications issued by SEBI from time to time.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time.

TERMS	DESCRIPTIONS
Transaction Registration Slip /TRS	The slip or document issued by a member of the Syndicate or an SCSB (only on demand), as the case may be, to the applicants, as proof of registration of the Application
UPI	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, SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and any subsequent circulars or notifications issued by SEBI in this regard.
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI linked mobile application and by way of an SMS on directing the RIB to such UPI linked mobile application) to the RIB initiated by the Sponsor Bank to authorise blocking of funds on the UPI application equivalent to Bid Amount and subsequent debit of funds in case of Allotment. In accordance with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, Retail Individual Investors Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appears on the website of the SEBI ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> ) and ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=43</a> ) respectively, as updated from time to time
Underwriters	M/s. Finshore Management Services Limited
Underwriting Agreement	The Underwriting Agreement dated August 18, 2022 entered into between our Company and the Underwriters.
U.S. Securities Act	U.S. Securities Act of 1933, as amended
Working Days	“Working day” means all days on which commercial banks in the city as specified in the offer document are open for business. However, till issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the offer document are open for business. The time period between the bid/issue closing date and the listing of the specified securities on the stock exchanges, working day shall mean all trading days of the stock exchanges, excluding Sundays and bank holidays, as per circulars issued by the SEBI, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 and in terms of regulation 2(1)(mmm) of SEBI ICDR Regulations 2018.

#### Conventional and General Terms

TERMS	DESCRIPTIONS
ACIT	Assistant Commissioner of Income Tax.
AIF(s)	The alternative investment funds, as defined in, and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
Air Act, 1981	Air (Prevention and Control of Pollution) Act, 1981.
Category I Foreign Portfolio Investor(s)	FPIs who are registered as “Category I foreign portfolio investor” under the SEBI FPI Regulations.
Category II Foreign Portfolio Investor(s)	FPIs who are registered as “Category II foreign portfolio investor” under the SEBI FPI Regulations.
Category III Foreign Portfolio Investor(s)	FPIs who are registered as “Category III foreign portfolio investor” under the SEBI FPI Regulations.
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made there under.

TERMS	DESCRIPTIONS
Companies Act/Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules made there under.
Competition Act	The Competition Act, 2002.
Consolidated FDI Policy	Consolidated FDI Policy dated October 15, 2020, 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.
CST Act	Central Sales Tax Act, 1956.
FCNR Account	Foreign currency non-resident account.
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 2000.
FII(s)	Foreign Institutional Investors as defined under the SEBI FPI Regulations.
Financial Year/ Fiscal/ Fiscal Year/F.Y.	Period of twelve (12) months ended March 31 of that particular year, unless otherwise stated.
Foreign Portfolio Investor or FPI	Foreign Portfolio Investors, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
Fugitive economic offender	“Fugitive economic offender” shall mean an individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018 (17 of 2018)
FVCI	Foreign Venture Capital Investor, registered under the FVCI Regulations.
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
Hazardous Waste Rules, 2008	Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008.
Income Tax Act or the I.T. Act	The Income Tax Act, 1961.
Ind AS	New Indian Accounting Standards notified by Ministry of Corporate Affairs on February 16, 2015, applicable from Financial Year commencing April 1, 2016, as amended.
LLP Act	The Limited Liability Partnership Act, 2008.
Notified Sections	The sections of the Companies Act, 2013, that have been notified by the Government as having come into effect prior to the date of this prospectus.
NRE Account	Non-resident external account.
NRO Account	Non-resident ordinary account.
RBI Act	Reserve Bank of India Act, 1934.
SCRA	Securities Contracts (Regulation) Act, 1956.
SCRR	Securities Contracts (Regulation) Rules, 1957.
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act.
SEBI Act	Securities and Exchange Board of India Act, 1992.
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012.
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000.
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time.
SEBI (LODR) Regulations/ SEBI Listing Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
SEBI VCF Regulations	The erstwhile Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996.
Securities Act	U.S. Securities Act of 1933, as amended.
State Government	The government of a state of the Union of India.
STT	Securities Transaction Tax.
Sub-account	Sub-accounts registered with SEBI under the SEBI FII Regulations other than sub-accounts which are foreign corporate or foreign individuals.
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI VCF Regulations.
Water Act, 1974	Water (Prevention and Control of Pollution) Act, 1974.

**Technical and Industry related terms**

<b>TERMS</b>	<b>DESCRIPTIONS</b>
ASSOCHAM	Associated Chambers of Commerce of India
BPM	Business Process Management
CAGR	Compounding Annual Growth Rate
CPI	Consumer Price Index
CSO	Central Statistics Office's
DGGI	Director General of Goods & Services Tax Intelligence
DIPP	Department of Industries Policy and Promotion
EDP	Electronic Data Processing
EPFO	Employees' Provident Fund Organisation
ESI	Employee State Insurance
EU	European Union
FCNR	Foreign Currency Non-Resident
FDI	Foreign Direct Investment
FY	Financial Year
GDP	Gross Domestic Product
GST	Goods and Service Tax
GVA	Gross Value Added
G-sec	Government Securities
IBEF	Indian Brand Equity Foundation
IMF	International Monetary Fund
IMP/HRS	Impression per Hour
INR	Indian Rupee Rates
MNC	Multinational Corporation
MOU	Memorandum of Understanding
MSMEs	Micro, Small and Medium Enterprises
MVC	Model View Controller
MYEA	Mid-Year Economic Analysis
NITI Aayog	National Institution for transforming India
NMP	National Manufacturing Policy
OMR	Optical Marking Recognition
OSA	Out Sourcing Agent
PMA	Preferential Market Access
PSUs	Private Sector Units
RIMS	Records and Information Management Services
RBI	Reserve Bank of India
RTD	Ready to Drink Beverages
SED	Strategic Engineering Division
SEZ	Special Economic Zone
SMB	Server Message Block
TFA	Trade Facilitation Agreement
US	United States
VDP	Variable Data Printing
WPI	Wholesale Price Index

**Abbreviations**

<b>TERMS</b>	<b>DESCRIPTIONS</b>
₹ or ₹ or Rupees or INR	Indian Rupees.
AGM	Annual General Meeting.
AIS	Automobile Industry Standards
APN	Access Point Name
ARAI	Automotive Research Association of India
AS/Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India.
A.Y.	Assessment year.
BC	Before Christ.
BPLR	Bank Prime Lending Rate.
BS	Bharat Stage
BSE	BSE Limited.

TERMS	DESCRIPTIONS
BSNL	Bharat Sanchar Nigam Limited
CARO	Companies (Auditor's Report) Order, 2003.
CDSL	Central Depository Services (India) Limited.
CEO	Chief Executive Officer.
CIN	Corporate Identity Number.
CLB	Company Law Board.
CMVR	Central Motor Vehicle Rules
COP	Conformity of Production
CRM	Customer Relationship Management
CrPC	Criminal Procedure Code, 1973, as amended.
CSR	Corporate Social Responsibility.
DIN	Director Identification Number.
DOT	Department of Telecommunication
DP ID	Depository participant's identification.
EBITDA	Earnings before Interest, Tax Depreciation and Amortisation.
ECM	Engine Control Module
ECS	Electronic Clearing System.
EFRT	Electronic Fuel Regulator
EGM	Extraordinary General Meeting of the Shareholders of the Company.
EMS	Electronics Manufacturing Services
EPI	Electronic Pedal Interface
EPS	Earnings Per Share.
ESOS	Employee Stock Option Scheme.
FDI	Foreign direct investment.
FIPB	Foreign Investment Promotion Board.
GAAR	General anti avoidance rules.
GBP	Great Britain Pound.
GIR	General index register.
GoI/Government	Government of India.
GPRS	General Packet Radio Service
GPS	Global Positioning System
GSM	Global System for Mobile Communication
GSMA	Global System for Mobile Communication Association
GST	Goods & Service Tax
HNI	High Net Worth Individual.
HUF	Hindu Undivided Family.
ICAI	Institute of Chartered Accountants of India.
ICAT	International Centre for Automotive Technology
ICCC	Integrated Command and Control Centre
IFRS	International Financial Reporting Standards.
Indian GAAP	Generally Accepted Accounting Principles in India.
IoT	Internet of Things
IRNSS	Indian Regional Navigation Satellite System
ISO	International Organization for Standardization.
IT Act	The Income Tax Act, 1961, as amended.
IT Rules	The Income Tax Rules, 1962, as amended.
ITMS	Information Technology Management System
JV	Joint Venture.
M2M	Machine-to-Machine
MCA	Ministry of Corporate Affairs, Government of India.
MIS	Management Information System
MoU	Memorandum of Understanding.
MVL	Motor Vehicle Licensing
N.A.	Not Applicable.
NAV/Net Asset Value	Net asset value being paid up equity share capital plus free reserves (excluding reserves created out of revaluation) less deferred expenditure not written off (including miscellaneous expenses not written off) and debit balance of profit and loss account, divided by number of issued Equity Shares.

TERMS	DESCRIPTIONS
NECS	National Electronic Clearing Services.
NEFT	National Electronic Fund Transfer.
NoC	No Objection Certificate.
No.	Number.
NR	Non-Resident.
NSDL	National Securities Depository Limited.
NTA	Net Tangible Assets.
OEM	Original Equipment Manufacturers
p.a.	Per annum.
PAN	Permanent Account Number.
PAT	Profit After Tax.
PBT	Profit Before Tax.
PCB	Printed Circuit Board
P/E Ratio	Price per Earnings Ratio.
Pvt.	Private.
RBI	Reserve Bank of India.
RoC	Registrar of Companies.
RONW	Return on Net Worth.
RTGS	Real Time Gross Settlement.
SCN	Show Cause Notice.
SCSB	Self-Certified Syndicate Bank.
SIM	Subscriber Identity Module
SLD	Speed Limiting Device
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
TAC	Type Approval Certificate
TAN	Tax Deduction Account Number
TSRTC	Telangana State Road Transport Corporation
TSSPDCL	Telangana State Southern Power Distribution Company Limited
TIN	Taxpayers Identification Number
UIN	Unique Identification Number.
US	United States.
VAT	Value Added Tax.
VLTD	Vehicle Location Tracking Device
VTs	Vehicle Tracking System
w.e.f.	With effect from
YoY	Year on Year.

The words and expressions used but not defined in this prospectus will have the same meaning as assigned to such terms under the Companies Act, the Securities and Exchange Board of India Act, 1992 (the “SEBI Act”), the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, the terms defined -

- a) In the section titled “*Description of Equity Shares and Terms of the Articles of Association*” beginning on page 207 of this prospectus, shall have the meaning given to such terms in that section;
- b) In the chapter titled “*Financial Statements as Restated*” beginning on page 128 of this prospectus, shall have the meaning given to such terms in that chapter;
- c) In the section titled “*Risk Factors*” beginning on page 20 of this prospectus, shall have the meaning given to such terms in that section;
- d) In the chapter titled “*Statement of Possible Tax Benefits*” beginning on page 63 of this prospectus, shall have the meaning given to such terms in that chapter; and
- e) In the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 157 of this prospectus, shall have the meaning given to such terms in that chapter.

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

### Certain Conventions

Unless otherwise specified or the context otherwise requires, all references to “India” in this prospectus are to the Republic of India.

Unless stated otherwise, all references to page numbers in this prospectus are to the page numbers of this prospectus.

In this prospectus, the terms “the Company”, “our Company”, “Issuer”, “Issuer Company”, “Containe”, “CTPL”, and “Containe Technologies Limited” unless the context otherwise indicates or implies, refers to “Containe Technologies Limited”.

In this prospectus, the terms “we”, “us”, “our”, unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries, Associates and Group Companies, if any.

In this prospectus, unless the context otherwise requires, all references to one gender also refers to another gender and the word “Lac / Lakh” means “one hundred thousand”, the word “million (mn)” means “Ten Lacs / Lakhs”, the word “Crore” means “ten millions” and the word “billion (bn)” means “one hundred crores”. In this prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

### Financial Data

Unless stated otherwise, the financial information in this prospectus are extracted from the restated Financial Statements of our Company as at and financial Years ended on 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2021 and 31<sup>st</sup> March, 2020 prepared in accordance with Indian GAAP and the Companies Act, and restated in accordance with the SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled “*Financial Statements as Restated*” beginning on page no. 128 of this prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12 months period ended 31st March of that year. In this prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

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 the 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.

Unless otherwise indicated, any percentage amounts, as set forth in this prospectus, including in the Sections titled “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page no. 20, 82, and 157 respectively, have been calculated on the basis of the restated audited financial statements of our Company included in this prospectus.

### Currency and Units of Presentation

All references to “Rupees”, “Rs.”, “INR” or “₹” are to Indian Rupees, the official currency of the Republic of India. All references to “£” or “GBP” are to Great Britain Pound, the official currency of the United Kingdom. All references to “\$”, “US\$”, “USD”, “U.S. \$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America

Our Company has presented certain numerical information in this prospectus in “Lakh” units. One lakh represents 1,00,000. In this prospectus, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off.

All references to ‘million’ / ‘Million’ / ‘Mn’ refer to one million, which is equivalent to ‘ten lacs’ or ‘ten lakhs’, the word ‘Lacs / Lakhs / Lac’ means ‘one hundred thousand’ and ‘Crore’ means ‘ten million and ‘billion / bn./ Billions’ means ‘one hundred crores’

### **Industry and Market Data**

Unless stated otherwise, industry and market data used throughout this prospectus has been derived from Ministry of Statistics and Programme Implementation (MOSPI), RBI, Press Information Bureau, Department of Industrial Policy & Promotion, India Brand Equity Foundation and industry publications etc. Industry 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, we believe that the industry and market data used in this prospectus is reliable, neither we nor the Lead Manager nor any of their respective affiliates or advisors have prepared or verified it independently. The extent to which the market and industry data used in this prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the Section titled "**Risk Factors**" beginning on page no. 20 of this prospectus. Accordingly, investment decisions should not be based on such information.

### **Exchange Rates**

This prospectus may contain conversions of certain other currency amounts into Indian Rupees that have 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

The Company has included statements in this prospectus which contain words or phrases such as “may”, “will”, “aim”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “potential” and similar expressions or variations of such expressions, that are or may be deemed to be forward looking statements.

All statements regarding the expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements as to the business strategy, the revenue, profitability, planned initiatives. These forward-looking statements and any other projections contained in this prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Important factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the Section titled “**Risk Factors**”; “**Industry Overview**”; “**Our Business**”; and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**”; beginning on page no. 20, 66, 82 and 157, respectively, of this prospectus.

The forward-looking statements contained in this prospectus are based on the beliefs of our management, as well as the assumptions made by and information currently available to our management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materializes, or if any of the underlying assumptions prove to be incorrect, the actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

Certain important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- Changes in laws and regulations relating to the Sectors in which we operate;
- Emergence of alternate products which may be technologically advanced and our inability to keep pace with the change
- Political instability or changes in the Government in India or in the government of the states where we operate could cause us significant adverse effects;
- Our dependence on limited number of customers/suppliers/brands for a significant portion of our revenues;
- Any failure to comply with the financial and restrictive covenants under our financing arrangements;
- Our ability to retain and hire key employees or maintain good relations with our workforce;
- Impact of any reduction in sales of our products;
- Increased competition in industries/sector in which we operate;
- Our ability to expand our geographical area of operation;
- General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
- Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
- Occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition;
- Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact our profitability; and
- COVID-19 pandemic and similar circumstances

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Our Company, the Lead Manager, or their respective affiliates do not have any obligation to, and do not intend 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 and the Lead Manager will ensure that investors are informed of material developments until the time of the grant of final listing and trading permissions with respect to Equity Shares being issued in this Issue, by the Stock Exchanges. Our Company will ensure that investors are informed of material developments in relation to statements about our Company in this prospectus until the Equity Shares are allotted to the investors.

## SECTION II: SUMMARY OF PROSPECTUS

### SUMMARY OF PROSPECTUS

#### (A) PRIMARY BUSINESS OF OUR COMPANY AND THE INDUSTRY IN WHICH IT OPERATES:

##### ❖ Primary Business of our Company:

Our Company is founded and promoted by Mr. Anand Kumar Seethala in the year 2008 and is engaged in the business of Automobile Safety and GPS solutions in Automobile Sector.

Containe Technologies Limited is an ISO 9001:2015 certified organization engaged in the business of Design, Development, Manufacturing, Supply & Service of Electronic Speed Limiting Devices and GSM/GPRS/GPS/IRNSS based Communication & Controlling Vehicle Location Tracking Devices, Marketing & Sales of IOT Devices & Lithium Ion Battery Operated 2-wheeler & 3-wheeler Auto Rickshaws. We are committed to provide quality work to our customers that meets the industry standards.

Our Company is manufacturing electronic Speed Limiting Device (SLD), “MOTOREYE & LIMITS” Brand Electronic Fuel Regulator & Pedal Interface, suitable for the latest Vehicle of BS-IV Standards to the Oldest Vehicles. The Speed Limiting Devices are Tested and Approved by Automotive Research Association of India (ARAI), Pune. It is suitable for all types of commercial transport category of vehicles and educational institutions Buses. Our Company is also manufacturing Vehicle Location Tracking Devices (VLTD), “TRANOPRO” Brand, suitable for all types of vehicles. The Vehicle Location Tracking Devices are Tested and Approved by International Centre for Automotive Technology (ICAT).

We have one manufacturing unit at Marriguda, Secunderabad, Hyderabad. We employ an extensive and stringent quality control mechanism at each stage of the manufacturing process in these facilities to ensure that our finished product conforms to the exact requirements of Central Motor Vehicle (CMV) Rules, Government of India.

Our products are mainly sold through distributors and dealers. Our Company appoints Distributors in various states and the distributors appoint dealers under them. Our Company supplies products to the distributors and in turn distributors supplies the products to the dealers. We have built strong and long-standing relationships with our distributors by aligning our offerings with their business needs.

Our devices are successfully tested and approved on various models of Maruti Suzuki, Mahindra & Mahindra Ashok Leyland, TATA Motors, Eicher, Swaraj Mazda, Force Motors, Toyota, Hyundai and General Motors. We have installed our devices in vehicles across PAN India.

*(For Detailed information on our business, please refer to chapter titled “Our Business” beginning from page no. 82 of this prospectus.)*

##### ❖ Summary of the industry in which our Company operates:

The Indian auto-components industry has experienced healthy growth over the last few years. The auto-components industry expanded by a CAGR of 3.28% over FY16 to FY20 to reach US\$ 45.90 billion in FY21. The industry is expected to reach US\$ 200 billion by FY26.

Due to high development prospects in all segments of the vehicle industry, the auto component sector is expected to rise by double digits in FY22.

Auto-components industry accounts for 7.1% of India’s Gross Domestic Product (GDP) and employs as many as 5 million people directly and indirectly. A stable government framework, increased purchasing power, large domestic market, and an ever-increasing development in infrastructure have made India a favourable destination for investment.

The industry can be broadly classified into organised and unorganised sectors. The organised sector caters to original equipment manufacturers (OEMs) and consist of high-value precision instruments while the unorganised sector comprises low-valued products and caters mostly to the aftermarket category.

The automobile component industry turnover stood at Rs. 1.96 lakh crore (US\$ 26.6 billion) between April–September 2021 and is expected to witness revenue growth of 15-17% during the fiscal year. In first half of FY22, exports of auto components grew by 76% to Rs. 68,746 crore (US\$ 9.3 billion). As per the Automobile Component

Manufacturers Association (ACMA) forecast, automobile component exports from India are expected to reach US\$ 80 billion by 2026. The Indian auto components industry is expected to reach US\$ 200 billion in revenue by 2026.

Strong international demand and resurgence in the local original equipment and aftermarket segments are predicted to help the Indian auto component industry grow by 20-23% in FY22.

(For further detailed information, please refer to chapter titled “Industry Overview” beginning from page no. 66 of this prospectus.)

**(B) NAME OF THE PROMOTERS OF OUR COMPANY:**

(1) Mr. Anand Kumar Seethala and 2) Mrs. Botcha Bhavani are the promoters of our company. (For further details, please refer chapter “Our Promoters and Promoters Group” beginning from page no. 121 of this prospectus.)

**(C) SIZE OF THE ISSUE:**

Initial Public issue of 17,44,000 equity shares of face value of ₹10/- each (“Equity Shares”) of Containe Technologies Limited (“The Company” or “The Issuer”) for cash at a price of ₹15/- per equity share, including a share premium of ₹5/- per equity share (“The Issue Price”), aggregating to ₹261.60 Lakhs (“The Issue”), of which 88,000 equity shares of face value of ₹10/- each for cash at a price of ₹15/- per equity share, aggregating to ₹13.20 lakhs will be reserved for subscriptions by the Market Maker to the issue (The “Market Maker Reservation Portion”). The issue less market maker reservation portion i.e., Issue of 16,56,000 equity shares of face value of ₹10/- each for cash at a price of ₹15/- per equity share, aggregating to ₹248.40 lakhs is here-in after referred to as the “Net Issue”. The issue and the net issue will constitute 27.93% and 26.52% respectively of the post issue paid up equity share capital of the company.

**(D) OBJECTS OF THE ISSUE:**

Our Company proposes to utilize the funds which are being raised through this Issue towards the below mentioned objects:

(Rs. In lakhs)

Sr. No.	Particulars	Estimated Amount	% of total issue size	Amount to be financed from Issue Proceeds
A	To meet the working capital requirements	206.60	78.98%	206.60
B	General corporate purposes	31.65	12.10%	31.65
C	Issue related expenses	23.35	8.92%	23.35
	<b>Total IPO Proceeds</b>	<b>261.60</b>	<b>100.00%</b>	<b>261.60</b>

For further details, please refer chapter “Objects of the Issue” beginning from page no. 57 of this prospectus.

**(E) PRE-ISSUE SHAREHOLDING OF OUR PROMOTERS AND PROMOTERS GROUP AS ON THE DATE OF THIS PROSPECTUS:**

Particulars	Pre-Issue Shareholding	
	Number of Shares	Percentage holding
<b>Promoters</b>		
Anand Kumar Seethala	16,99,950	37.77%
Botcha Bhavani	28,00,000	62.22%
<b>Total Promoters Shareholding (A)</b>	<b>44,99,950</b>	<b>99.99%</b>
<b>Promoter Group</b>		
Nil	-	-
<b>Total Promoters Group Shareholding (B)</b>	<b>-</b>	<b>-</b>
<b>Total Promoters &amp; Promoters Group (A+B)</b>	<b>44,99,950</b>	<b>99.99%</b>

**(F) SUMMARY OF RESTATED FINANCIAL STATEMENTS:**

(Rs. In lakhs)

Particulars	31-03-2022	31-03-2021	31-03-2020
Total Share Capital	425.00	100.00	100.00
Total Net Worth	473.87	112.04	111.38
Total Revenue	206.98	60.43	292.29
Profit After Tax	4.34	0.66	5.39
Earnings Per Share (Basis & Diluted)	0.31	0.07	0.54
Net Asset Value per equity shares	11.15	11.20	11.14
Total Borrowings	238.93	549.76	446.32

(For further details, please refer chapter “Basis for Issue Price” and “Financial statement as Restated” beginning from page no. 61 and 128 respectively of this prospectus.)

**(G) AUDITOR QUALIFICATIONS WHICH HAVE NOT BEEN GIVEN EFFECT TO IN THE RESTATED FINANCIAL STATEMENT:**

The auditor report of Restated Financial information of Containe Technologies Limited, as at and for the financial Years ended on 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2021 and 31<sup>st</sup> March 2020 does not contain any qualification which have not been given effect to in restated financial statement.

**(H) SUMMARY OF OUTSTANDING LITIGATIONS:**

There are certain outstanding litigation pending against the company, directors, promoters, Promoters Group and Group Entity. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. Any adverse decision may make us liable to liabilities/penalties and may adversely affect our business and financial status. A summary of these legal and other proceedings are given below:

Sr No.	Outstanding Litigation	Number of Matter	Financial Implications to the Extent Quantifiable In INR
1.	<b>Filed against the Company</b>		
	<i>Direct Tax</i>	2	<b>1,72,600</b>
	<b>Total</b>	<b>2</b>	<b>1,72,600</b>

For further details, please refer chapter “Outstanding Litigation and Material Development” beginning from page no. 162 of this prospectus.

**(I) 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.)

**(J) SUMMARY OF CONTINGENT LIABILITIES:**

As per restated financial statement, the company has contingent liabilities towards Bank Guarantees provided for to the tune of Rs. 1.80 Lakhs as on March 31, 2022. (For further details, please refer chapter “Financial statement as Restated” beginning from page no. 128 of this prospectus.)

**(K) SUMMARY OF RELATED PARTY TRANSACTIONS FOR LAST 3 YEARS:**

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Remuneration	24.00	24.00	24.00
Sales	-	40.76	3.08
Unsecured Loan Taken/(Repaid)(Net)	(425.26)	96.26	130.54
Conversion of USL to Equity Shares	357.50	-	-
Balance Receivable/(Payable)	39.57	510.71	368.57

For details pertaining to Related Party Transactions, kindly refer to the chapter titled “Financial Statements as Restated – Related Party Transactions” beginning on page no. 150 of this prospectus

**(L) DETAILS OF FINANCING ARRANGEMENT:**

There are no financing arrangements whereby the promoters, member of promoter group, the directors of the company which is a promoter of the issuer, the directors of our company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the Business of the financing entity during the period of six months immediately preceding the date of filing of this prospectus.

**(M) WEIGHTED AVERAGE PRICE AT WHICH EQUITY SHARES WAS ACQUIRED BY OUR PROMOTERS IN THE LAST ONE YEAR FROM THE DATE OF THIS PROSPECTUS:**

Sl. No.	Name of the Promoter	No. of Shares Acquired during last one Year	Consideration	Weighted Average Price (In ₹ per Equity Share)
1	Anand Kumar Seethala	12,00,000	Cash	13.38
2	Botcha Bhavani	23,00,000	Cash	11.83

*(The Weighted Average Price for Equity Shares acquired during last one year has been calculated by taking into account the amount paid by the Promoter to acquire the Equity Shares of the Company and the net cost of acquisition has been divided by total number of shares acquired during last one year from the date of this prospectus.)*

**(N) AVERAGE COST OF ACQUISITION OF EQUITY SHARES FOR PROMOTERS:**

Sl. No.	Name of the Promoter	No. of Equity Shares Held	Avg. Cost of Acquisition (In ₹ per Equity Share)
1	Anand Kumar Seethala	16,99,950	12.38
2	Botcha Bhavani	28,00,000	11.50

*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 bonus issue and 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 of the prospectus.*

**(O) DETAILS OF PRE-IPO PLACEMENT:**

Our Company has not proposed any Pre-IPO placement from the date of this prospectus till the listing of the Equity Shares.

**(P) DETAILS OF ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR FROM THE DATE OF THIS PROSPECTUS:**

Date of Allotment	Number of Equity Shares allotted	Issue Price (In ₹)	Consideration	Reason for Allotment	Name of the Allottee	Benefit accruing to the company
30-12-2021	16,00,000	11.00	Other than Cash	Conversion of Loan	#	Reduction in Borrowings of the Company
30-03-2022	16,50,000	11.00	Other than Cash	Conversion of Loan	#	Reduction in Borrowings of the Company
13-05-2022	1,00,000	30.00	Other than Cash	Conversion of Loan	#	Reduction in Borrowings of the Company

*# For further details pertaining to Issue of Equity Shares for consideration other than cash, kindly refer to the chapter titled "Capital Structure" beginning on page no. 46 of this prospectus.*

**(Q) DETAILS OF SPLIT/CONSOLIDATION OF OUR EQUITY SHARES IN THE LAST ONE YEAR FROM THE DATE OF THIS PROSPECTUS:**

Our Company has not undertaken any split or consolidation of Equity Shares in the last one year till the date of this prospectus.

**(R) EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

The Company has not sought for any exemptions from complying with any provisions of securities laws.

## SECTION III: RISK FACTORS

### RISK FACTORS

*Any investment in equity securities involves a high degree of risk. Investor should carefully consider all the information in this prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a more complete understanding, you should read this section together with Sections titled, “Our Business”, “Particulars of the Issue”, “Industry Overview”, “Financial Statement as Restated”, “Outstanding Litigation and Other Material Developments”, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page no. 82, 57, 66, 128, 162, and 157 respectively, as well as the other financial and statistical information contained in this prospectus.*

*Any of the following risks, as well as the other risks and uncertainties discussed in this prospectus, could have an adverse effect on our business, financial condition, results of operations and prospects and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or a part of your investment. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.*

*This prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements because of certain factors, including the considerations described below and elsewhere in this prospectus.*

*The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. You should not invest in this Issuing unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the consequences to you of an investment in the Equity Shares.*

*The financial information in this section is, unless otherwise stated, derived from our Restated Financial Statements prepared in accordance with Indian GAAP, as per the requirements of the Companies Act, 2013, and SEBI (ICDR) Regulations.*

*The Risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality.*

1. *Some risks may not be material individually but may be material when considered collectively.*
2. *Some risks may have material impact qualitatively instead of quantitatively.*
3. *Some risks may not be material at present but may have a material impact in the future.*

#### **INTERNAL RISK FACTOR:**

1. ***Our Company is dependent on external suppliers/distributors for its component’s requirements. Any delay or failure on the part of the external suppliers/distributors to deliver products, may materially and adversely affect our business, profitability and reputation.***

We are into manufacturing of Speed Limiting Device, Vehicle Tracking Device and CTPL E-SIMs. We procure various components which are required in our product manufacturing, from various external suppliers both from foreign and domestic. Any delay or failure on the part of our suppliers/distributors to deliver components in a timely manner may materially and adversely affect our business, profitability and reputation. Further, any deterioration in the financial condition or business prospects of these suppliers could reduce their ability to meet our requirements and accordingly result in a significant decrease in our revenues. Certain factors affecting supplies and thereby impeding our access to products are political and economic instability in India or political instability in certain parts of the world in which our suppliers/distributors are located, the financial instability of the suppliers, labour problems experienced by our suppliers, transport availability and cost, transport security, inflation, and other factors. The operations of our suppliers are further subject to various operating risks. For instance, the COVID-19 pandemic impacted our suppliers’ business as a result of the nationwide lockdown imposed by the Government of India. These factors may result in delay of supply of the components we require for our manufacturing and could also have an adverse effect on our business.

2. ***Our technology infrastructure is critical to our business operations and growth prospects, and failure to improve or effectively utilise our technology infrastructure or prevent disruptions to our technology infrastructure could harm our business operations, reputation and growth prospects.***

Revenue stream of the Company is technology driven. In the world of rapid change/upgrade in technology, obsolescence of technology is a risk that might impact future revenue.

We have implemented various IT solutions and enterprise resource planning solutions to cover key areas of our operations. We extensively use technology for our products, real time monitoring, vehicle tracking, product life cycle management, customer order management and dispatches, production planning and reporting, manufacturing processes, financial accounting and scheduling raw material purchase.

We intend to continue to focus on and make investments in our IT systems and processes, including our backup systems, to improve our operational efficiency, customer service and decision-making process and to reduce manual intervention and the risk of system failures and the negative impacts these failures may have on our business thereby improving reliability and efficiency of our business and operations.

Our proprietary technology infrastructure powered by our self-developed software, applications and data-science capabilities orchestrate our Products. We also depend on our technology systems to control our product's operations, manage inventory, process and bill shipments, process payments and record cash payments by customers, amongst other processes. Accordingly, reliability, availability and consistent performance of our technology-based products is critical to our ability to operate our business and deliver high-quality customer service. Any errors, bugs or malfunctioning of our technology systems can adversely affect our financials and results of operations. Furthermore, any error in the system could disrupt our operations and impact our ability to provide support services, retain customers, attract new customers, or negatively impact overall customer experience.

3. ***Our failure to adapt to technological developments or industry trends could affect the performance and features of our products and services, and reduce our attractiveness to our customers.***

As our operations grow in scope and size, whether through offering of new products/services or expansion into new markets, we must continuously improve, upgrade, adapt and expand our systems and infrastructure to offer our customers enhanced services, features and functionality ahead of rapidly evolving customer demands, while maintaining the reliability and integrity of our systems and infrastructure in a cost-efficient and competitive manner. The systems, infrastructure and technologies we currently employ may become obsolete or be unable to support our increased size and scale. Even if we are able to maintain, upgrade or replace our existing systems or innovate or customize and develop new technologies and systems, we may not be as quick or efficient as our competitors in upgrading or replacing our systems. We may be unable to devote adequate financial resources or obtain sufficient financing on commercially acceptable terms in time, or at all, which may have a material adverse effect on our business, prospects, results of operation and financial condition.

Further, we may also not be able to attract talent to continue with the required upgrades and improvements to our systems. Our new systems, infrastructure and technologies may not perform satisfactorily, or be used effectively and we may also fail to adapt our products and services to our increased size and scale, customer requirements or emerging trends and industry standards. Further, there is no assurance that we will be able to downsize and scale back our systems and platforms quickly and efficiently enough to reduce unnecessary costs and expenses in the event that user demand falls below our expectations. In addition, to effectively manage our growth, we will also need to continue to improve our operational, financial and management controls, and our reporting systems and procedures.

Continued growth increases the challenges involved in, amongst others, continuous training and development of skilled and competent personnel and employees and developing and improving internal administrative infrastructure. These systems, enhancements and improvements will require significant capital expenditures and management resources. Failure to implement these improvements could adversely affect our ability to manage our growth. If we do not effectively manage our growth or appropriately expand and upgrade or downsize and scale back our systems and platforms, as the case may be, in a timely manner or at a reasonable cost, or both, or at all, we may lose market opportunities or damage our attractiveness and reputation with our customers, which may adversely affect our business, financial condition and results of operations.

**4. *Our business is depending on various government interventions, permissions, and compliances and regular check-ups and verifications.***

Our business is subject to various laws and regulations. If we are deemed to be not in compliance with any of these laws and regulations, our business, reputation, financial condition, cash flows and results of operations may be materially and adversely impacted. Our business is subject to regulation by the relevant governmental authorities, including pre-inspection and approval of our products from ICAT (International Centre for Automatic Technology) and ARAI (Automotive Research Association of India). The governmental authorities promulgate and enforce regulations that cover many aspects of our day-to-day operations, such as the Motor Vehicles Act, 1988, Central Motor Vehicles Rules, 1989, Carriage by Road Act, 2007, and various state-wise shops and establishments legislations and Contract Labour (Regulation and Abolition) Act, 1970.

The laws and regulations governing our businesses are evolving and may be amended, supplemented or changed at any time. The GoI may implement new laws or other regulations and policies that could affect our industry in general, including requiring additional approvals or licenses, imposing additional restrictions on our operations or tightening the enforcement of existing or new laws or regulations. We may be required to seek and follow additional procedures, modify or adjust certain activities, restructure our ownership structure, obtain new or additional licenses or incur additional expenses to comply with such laws and regulations, which could adversely affect our future development and business. In order to comply with evolving laws and regulations, we may need to devote significant management time and other resources, including restructuring affected businesses, changing our business practices and adjusting our processes and systems, which may materially and adversely affect our business, growth prospects and reputation. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy in the jurisdictions in which we operate, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time-consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

We are required to obtain and maintain a number of statutory and regulatory licenses and approvals. While we have obtained the necessary licenses and approvals required for our operations, in addition, we may apply for additional licenses and approvals in the ordinary course of our business, including renewing certain approvals which may expire from time to time. If we are unable to obtain, maintain or renew all necessary licenses and approvals required for our continued operations, we could be penalised, either in the form of fines, or in some cases, through the suspension of our approvals, licenses or registrations. Such events may affect our ability to continue operating our business and thereby, our results of operations. Our failure to obtain or renew licenses and approvals could also affect our ability to claim under our insurance policies. Furthermore, our current business activities and any future development and expansion into new areas could also raise new regulatory issues and licensing requirements. Some of the licenses and approvals that have been issued to us contain certain conditions and restrictions and we cannot assure you that we will be able to continuously meet such conditions. Failure to comply with such terms and conditions may result in the cancellation, revocation or suspension of the relevant licenses or approvals. We may also become subject to regulatory enforcement, fines, penalties or additional costs. Any of the foregoing could result in the interruption of all or some of our operations and may have a material adverse effect on our business, financial condition, cash flows and results of operations. Failure to comply with the laws and regulations applicable to our business could subject us to inspection, regulatory audit and enforcement actions by the relevant authority, suspension and revocation of the relevant license or approval, fines, confiscation of income, civil penalties including payment of damages to the aggrieved party, criminal penalties including payment of fines and imprisonment of concerned directors or employees, and mandatory conciliation and mediation with the aggrieved party. We could also be required to discontinue our business. Such events could adversely affect our business, results of operations, financial condition, cash flows or reputation. Any non-compliance on our part that results in a customer's non-compliance with applicable laws and regulations could also adversely affect our customer relationships. In addition, responding to any action or litigation may result in a diversion of our management's attention and resources and an increase in professional fees and compliance costs.

**5. *Our Company has grown consistently over the past few years utilizing the expertise of its experienced management team and its effectiveness in strategy implementation. A high turnover of its skilled staff will negatively impact the aggressive growth plans of the company to become a national player.***

Effective implementation of Artificial Intelligence and Predictive Analytics solutions requires qualified engineers and programmers experienced in Information Technology and statistical programming. A lack of skilled resources in the local market can negatively impact the growth plans of the Company.

Structured resource planning and succession planning strategy has been implemented by the Company to ensure knowledge transfer and employee retention in the company.

6. ***Our Company is party to certain litigation and claims. Any adverse decision may make us liable to liabilities/penalties and may adversely affect our reputation, business and financial status. A classification of these legal and other proceedings is given below:***

Sr No.	Outstanding Litigation	Number of Matter	Financial Implications to the Extent Quantifiable In INR
1.	<b>Filed against the Company</b>		
	<i>Direct Tax</i>	2	<b>1,72,600</b>
	<b>Total</b>	<b>2</b>	<b>1,72,600</b>

*Note: The amount mentioned above may be subject to additional interest, rates or Penalties being levied by the concerned authorities for delay in making payment or otherwise. For further details, please refer chapter “Outstanding Litigation and Material Development” beginning from page no. 162 of this prospectus.*

7. ***There are contingent liabilities of the Company which may result in financial iniquities in the company.***

Our Contingent liability as on March 31, 2022 was Rs. 1.80 Lakhs. If this contingent liability materializes, fully or partly, the financial condition of our Company could be affected.

**Classification of Contingent liabilities (as at 31.03.2022)**

*Rs. In Lacs*

Particulars	FY 2021-22	FY 2020-21	FY 2019-20
BG No.0382NDDG00002122 Dt.13/07/2021 in favour of TSRTC, Telangana State against PSO©II/37/SLD/2019-20, Dt.08/07/2021	1.80	-	-

*For more information, regarding our contingent liabilities, please refer Notes on Contingent Liability in the chapter titled “Financial Statement as Restated” beginning on page 128 of this Prospectus.*

8. ***Our business is dependent on developing and maintaining continuing relationships with our customers. The loss of any significant customer could have a material adverse effect on our business, financial condition and results of operations.***

Our customers are majorly the distributors and dealers operating in the segment of automobile parts for two-wheelers, three-wheelers, four-wheeler passenger vehicles, light commercial vehicles, heavy commercial vehicles, and tractors. We believe our competitive pricing policy coupled with our ability to offer customized solutions to our customers has enabled us to grow our presence in India.

Our revenue generated from customers within India in Fiscal 2022, Fiscal 2021 and Fiscal 2020, was ₹ 205.12 lakh, ₹ 58.71 lakh and ₹ 291.63 lakh, whereas the revenue generated from our customers outside India was ₹ 1.83 lakh, ₹ 0.20 lakh and ₹ 0.02 lakh, in the same period.

The purchase orders specify prices and quantities for the products. However, the delivery of the products ordered is based on delivery schedules that are independently negotiated with customers. These purchase orders are typically subject to conditions including such as ensuring that all products delivered to the customers have been inspected and are built to customers’ specifications and that orders are fulfilled according to predetermined delivery schedules. Our business is dependent on developing and maintaining a continuing relationship with our key customers. In the event of a significant decline in the demand for our products or services by our key clients, our business, results of operations and financial condition may be materially and adversely affected. There can be no assurance that we will be able to maintain the historic levels of business from these customers or that we will be able to replace these customers in case we lose any of them.

9. ***We have not entered into long-term contracts with our suppliers. An increase in material costs or other costs or loss of any of our suppliers due to delayed payments or otherwise, resulting in shortfall in the supply of the materials may adversely impact the pricing and supply of our Products and have an adverse effect on our business.***

One of the critical factors to develop and grow in our business is to possess the ability to source good quality materials at competitive prices. The essential materials used by our facilities for manufacturing our products are enclosures, solenoid valve, hose pipe, electronic components, Quectel GPS/IRNSS module etc. In addition, we also source bought out parts/components that we require for assembling our products.

We source our materials/components from both domestic and overseas sources. For the sourcing of material/parts, while we enter into supply agreements with our suppliers, we do not enter into any firm commitment for long-term contracts. In addition, for certain of our materials, we typically agree a fixed per-unit price for materials/components for each purchase

order and for that purchase order, we bear the material price risk. Depending on how material prices fluctuate, we may then be able to adjust the material prices for future purchase orders.

As we generally require components that are specifically designed and developed to meet our needs, we employ a component sourcing strategy that is targeted at developing relationships with long – term suppliers who can meet our component needs. Eventually, we have to develop a long – term supplier base with an established supply chain.

While we do not have any long – term contracts with any of our material suppliers. Any interruption in supply of materials from our regular suppliers may hamper our business. Due to the absence of any formal long-term contract with our suppliers, we are exposed to the risks of irregular supplies or no supplies at all or delayed supplies or volatility in the prices of materials that we normally procure. Our suppliers may be unable to provide us with a sufficient quantity of material at a suitable price for us to meet the demands. Additionally, there is a risk that one or more of these existing suppliers could discontinue their operations, which could adversely impact our ability to source quality materials at a suitable price and meet our order requirements. Identifying a suitable supplier or any delay, interruption or increased cost in the supply of materials arising from a lack of long-term contracts could have an adverse effect on our ability to meet customer demands and result in lower revenue from operations.

Further, any delay in payment to our creditors may impact our long-standing relations with our suppliers and may result in stoppage of timely or at all delivery of material. Any such disruption would impact the business and overall financial position of our Company.

**10. *Product development is a long, expensive and uncertain process and our current expenditure in product development may not provide a sufficient or timely return.***

The development of our products is a costly, complex and time-consuming process, and the investment in their development often involves a long wait until a return is achieved on such an investment. We have made, and will continue to make, significant investments in product development and related product opportunities. Investments in new technology and processes are inherently speculative. Commercial success depends on many factors, including the degree of innovation of the software products and services developed and effective distribution and marketing. Such expenditure may adversely affect our operating results if they are not offset by corresponding and timely revenue increases. We must continue to dedicate a significant amount of resources to our research and development efforts in order to maintain our competitive position. However, significant revenues from new product and service investments may not be achieved for a number of years, or at all. Moreover, software products and services may not be profitable, and even if they are profitable, operating margins for new products and services may not be in line with the margins we have experienced for our existing or historical products and services.

Moreover, we may determine that certain products or services do not have sufficient potential to warrant the continued allocation of resources and accordingly, we may elect to terminate the development of such products. If we terminate a product in development in which we have invested significant resources, our prospects may suffer, as we will have expended resources on a project that will not provide any return on our investment and also may have missed the opportunity to have allocated those resources to potentially more productive uses. In turn, this may adversely impact our business, operating results and financial condition.

**11. *We may become liable to our customers and lose customers if we have defects or disruptions in our products or if we provide poor service. We may also be liable in the event of misuse of our services or products.***

In the automotive component industry, adherence to quality standards is critical, since any defects in any of the products manufactured by our Company, or failure to comply with the specifications of our customers, may lead to cancellation of their purchase order. In order to maintain the quality standards and comply with the design specifications provided by our customers and to ensure that our products successfully pass all validations and quality checks, the quality control team, led by our Managing Director, is tasked not only with thorough pre-manufacturing checks and balances but also with employing an extensive and stringent quality control mechanism at each stage of the manufacturing process including inspection of raw materials; in-process inspection of products; and test of finished goods, among other processes.

We employ an extensive and stringent quality control mechanism at each stage of the manufacturing process to ensure that our finished product conforms to the exact requirement of our customers. All of our manufacturing facilities in India conform to the requirements of the CMVR Rules. Any failure in our products/services and any direct damages, expenses, costs, obligations could result in a claim for substantial damages against us, regardless of our responsibility for such failure. Any errors, defects, disruptions in our products/services or other performance problems with our services, whether in connection with the day-to-day operation of our products, upgrades or otherwise, could damage our customers' businesses.

If we have any errors, defects, disruptions in our products or other performance problems with our products, we may have to recall our products, or delay or withhold payments to us and we could lose future sales. Further, our customers may make claims against us, which could result in an increase in our provision for doubtful accounts, an increase in collection cycles for accounts receivable or litigation costs. We may in the future experience, misuse of our services or platforms. The occurrence of any such events in the future could lead to user dissatisfaction and discourage the use of our products and services. Such events may also give rise to complaints and actions against us. All these factors could adversely affect our business and results of operation.

Further, we have applied to various State Transportation Departments across the country to get our company empanelled with them in their list of registered/approved vendors for supply of our products. Presently, we have been empanelled with Telangana State Transportation Department and receiving regular orders through our distributors. In case of any defects/problems in our products/services we may get dis-empanelled from the list of registered/approved vendors, which could damage our reputation and our business will get seriously affected.

**12. Our Company had negative cash flow in recent fiscals, details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.**

The detailed break up of cash flows is summarized in below mentioned table and our Company has reported negative cash flow in certain financial years and which could affect our business and growth:

Particulars	Fiscal 2022	Fiscal 2021	Fiscal 2020
Net cash from operating activities	(502.22)	17.88	78.03
Net Cash (used in) / from investing activities	(5.70)	(33.05)	(78.80)
Net Cash used in financing activities	510.40	(12.67)	21.05
<b>Net increase/(decrease) in cash and cash equivalent</b>	<b>2.48</b>	<b>(27.85)</b>	<b>20.30</b>

**13. We may be subject to risks associated with product warranty for our products.**

Our Company provides after sale service on our products to our end user customers for a period of one year free of any cost under free service warrantee. For subsequent years our services are paid services and are done through our distributors. We in turn provide back-end services to our distributors. We also have to calibrate all the devises we have sold from time to time to maintain their effectiveness.

We are subject to risks and costs associated with product warranties on account of supply of defective or inferior quality products within the warranty periods. Any defects in the finished products may result in invocation of such warranties and may require repair resulting in additional costs for our Company. The defects in our products or any product liability claim against us could generate adverse publicity, leading to a loss of reputation, customers and/or increase our costs, thereby adversely affecting our reputation, business, results of operations, financial condition and cash flows.

**14. Interruptions or performance problems associated with our technology and infrastructure may harm our business and results of operations.**

Our continued growth depends in part on the ability of our existing and potential customers to receive our products & services in scheduled time. Although there have not been instances in the past where interruptions or problems with our technology and infrastructure have caused performance issues, we may in future experience disruptions, product loss, outages and other performance problems with our technology and infrastructure due to a variety of factors, including infrastructure changes, introductions of new functionality, human or software errors, capacity constraints, or other security-related incidents. In some instances, we may not be able to identify the cause or causes of these performance problems within an acceptable period of time. Any disruptions in our services, including as a result of actions outside of our control, would significantly impact the continued performance of our products. To the extent that we do not effectively address capacity constraints, upgrade our systems as needed, and continually develop our technology to accommodate actual and anticipated changes in technology, our business, results of operations and financial condition could be harmed.

**15. Our business is substantially dependent on certain key customers from whom we derive a significant portion of our revenues. The loss of any significant customer may have a material and adverse effect on our business and results of operations.**

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. The contribution of the top five and top ten customers of our Company for the Fiscal 2021 and 2022 are as follows:

(Rs. In Lakhs)

Particulars	March 31, 2022		March 31, 2021		March 31, 2020	
	Amount	In %	Amount	In %	Amount	In %
<b>Top 5 Customers</b>	191.72	92.64%	72.08	82.67%	250.22	85.79%
<b>Top 10 Customers</b>	204.81	98.97%	83.56	95.85%	270.04	92.59%

**16. Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.**

Modernization and technology up gradation is essential in our product line. Although we strive to keep our technology in line with the latest standards, we may be required to implement new technology or upgrade the existing technology employed by us. However, we keep on innovating new products with better technology. Further, the costs in upgrading our technology could be significant which could substantially affect our finances and operations.

**17. We have high Working Capital requirements. Our inability to meet our working capital requirements may have a material adverse effect on our business, financial condition and results of operations.**

Our business requires a significant amount of working capital which depends upon timely realization of our debtors and availability of cash. Our inability to meet our working capital requirements can adversely impact our business. The capital which will be raised from the present Issue will be utilised for meeting the requirement of working capital of the company.

**18. Our Promoter & Director was disqualified from their directorships in the past.**

Our promoter & Director is also a director in a company and due to non-filing of Annual Reports & Annual Returns by that Company, Mr. Anand Kumar Seethala was disqualified from directorship u/s 274 of the Companies Act, 2013 for a period of Five Years with effect from 01.11.2016 to 31.10.2021.

Subsequently, a Writ Petition was filed by before the Hon'ble High Court challenging the impugned Order of the Ministry of Corporate Affairs dated 08.09.2017 relating to listing of name of the petitioner as Disqualified Director U/s 164(2) of the Companies Act, 2013. Hon'ble High Court vide its order dated 13.02.2019 has granted an interim stay of the proceedings disabling the DIN of the petitioner. The matter is pending. However, we cannot assure you that, our directors will not be disqualified from their directorships in the future.

**19. Our Branch Office where we operate is not owned by us.**

Our Branch Office situated at G-22, Goverdhan Kunj, Badshahpur, Gurugram – 122001 and No. 3/25, Sahadev Gali, Vishwas Nagar, Shahadra, North East Delhi, Delhi – 110032, are not owned by us. The said properties has been taken on Leave on License basis from a third party for a period of 11 (eleven) months expiring on June 08, 2023. We cannot assure you that we will be able to continue the above arrangement on commercially acceptable /favourable terms in future. For further details, see section **“Our Business”** on page 82 of this prospectus. If we are required to vacate the current premises, we would be required to make alternative arrangements for new offices and other infrastructure, and we cannot assure that the new arrangements will be on commercially acceptable/favourable terms. If we are required to relocate our business operations during this period, we may suffer a disruption in our operations or have to pay higher charges, which could have an adverse effect on our business, prospects, results of operations and financial condition.

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

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us from banks and financial institutions. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders. For further information on the Financial Indebtedness please refer to page no. 154 of this Prospectus.

**21. A few trademarks  ,  and  that our Company is using have been registered in the name of the Promoter or Group Company.**

Certain Trademarks which the Company is using are not registered in the name of the Company. However, the Company has been given NOCs by the Promoter and the Group Company for the usage of these Trademarks, we cannot assure you that we will be able to continue to use these trademarks in future in case of revocation of such NOCs or in case of any

dispute in the terms of such usage. For details on the trademark applications, kindly refer to “Government Approvals” appearing on page no. 166 of this Prospectus.

**22. *We cannot assure you that we will be able to secure adequate financing in future on acceptable terms, in time, or at all.***

We may require additional funds in connection with future business expansion and development initiatives. In addition to our existing available funds, we may need additional sources of funding to meet our future requirements, which may include entering into new debt facilities with lending institutions or raising additional debt in the capital markets. If we decide to raise additional funds through the incurrence of debt, our interest obligations will increase, and we may be subject to additional covenants. Such financings could cause our debt to equity ratio to increase or require us to create charges or liens on our assets in favour of lenders. We cannot assure you that we will be able to secure adequate financing in the future on acceptable terms, in time, or at all. Our failure to obtain sufficient financing could result in the delay or abandonment of any of our business development plans and this may affect our business and future results of operations.

**23. *Our Directors and Promoter Group may have interest in our Company, other than reimbursement of expenses incurred or remuneration.***

Our Directors and Promoter Group may be deemed to be interested to the extent of the Equity Shares held by them, or their relatives or our Group Entities, and benefits deriving from their directorship in our Company. Further, the Persons in control of our Promoter are interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Entities. For further details, please refer to the chapters titled “Our Business” and “Our Promoters, Promoter’s Group and Group Companies”, beginning on pages 82 and 121 respectively and Related Party Transactions” on page 150 under chapter titled “Financial Statements as Restated” beginning on page 128 of the Prospectus.

**24. *The extent to which the Coronavirus pandemic (COVID-19) may affect our business and operations in the future is uncertain and cannot be predicted.***

During the first half of calendar year 2020, COVID-19 spread to a majority of countries across the world, including India. The COVID-19 pandemic has had, and may continue to have, significant repercussions across local, national and global economies and financial markets. In particular, a number of governments and organizations have revised GDP growth forecasts for calendar year 2020 downward in response to the economic slowdown caused by the spread of COVID-19. The global impact of the COVID-19 pandemic has been rapidly evolving and public health officials and governmental authorities have responded by taking measures, such as prohibiting people from assembling in large numbers, instituting quarantines, restricting travel, issuing “stay-at-home” orders and restricting the types of businesses that may continue to operate, among many others. On March 14, 2020, India declared COVID-19 as a “notified disaster” and imposed a nationwide lockdown beginning on March 25, 2020. The lockdown has been extended periodically by varying degrees by state governments and local administrations. The lifting of the lockdown across various regions has been regulated with limited and progressive relaxations being granted for movement of goods and people in other places and calibrated re-opening of businesses and offices. Despite the lifting of the lockdown, there is significant uncertainty regarding the duration and long-term impact of the COVID-19 pandemic, as well as possible future responses by the Government, which makes it impossible for us to predict with certainty the impact that COVID-19 will have on our business and operations in the future.

COVID -19 affected our business by the extension of the validity of documents related to Motor Vehicles Act, 1988 and Central Motor Vehicle Rules, 1989 and further to consider relaxation in permits, fees and taxes etc. Please refer to the order by Ministry of Home Affairs, vide No.40-3/2020-DMI(A), dated 24<sup>th</sup> March 2020, and the guidelines issued subsequently, pursuant to a decision to impose a complete lockdown, in view of the threat imposed by the spread of COVID-19 since 1<sup>st</sup> of February, 2020 or would expire by 30<sup>th</sup> September, 2021, the same may be treated to be valid till 30<sup>th</sup> September, 2021. Enforcement authorities are advised to treat such documents valid till 30<sup>th</sup> September, 2021.

We are closely monitoring the impact of COVID-19 on our financial condition, liquidity, operations, suppliers and workforce. Any intensification of the COVID-19 pandemic or any future outbreak of another highly infectious or contagious disease may adversely affect our business, results of operations and financial condition.

**25. *Changes in Technology may render our current technologies obsolete or require us to make substantial capital investments.***

Modernisation and technology Upgradation is essential in our industry to reduce costs and increase productivity. With latest technology and advancement of methods and machineries, our existing technology and machineries may become

obsolete or may not be upgraded timely, hampering our operations and financial conditions and we may lose our competitive edge. Although we strive to keep our technology, machinery in line with the latest technological standards, we may be required to implement new technology or upgrade the machineries and other equipment's employed by us. Further, the costs in upgrading our technology and modernizing the machineries are significant which could substantially affect our finances and operations.

**26. *Our success depends heavily upon our Promoters and Directors for their continuing services, strategic guidance and financial support.***

Our success depends heavily upon the continuing services of Promoter & Directors who are the natural person in control of our Company. Our Promoters has a vast experience in the field of automotive component industry. They have established cordial relations with various customers and suppliers over the past several years, which have immensely benefitted our Company's current customer and supplier relations. We believe that our relation with our Promoters, who have rich experience the industry, managing customers and handling overall businesses, has enabled us to experience growth and profitability. We benefit from our relationship with our Promoters and our success depends upon the continuing services of our Promoters who have been responsible for the growth of our business and are closely involved in the overall strategy, direction and management of our business. Further, our Promoters are also part of certain other ventures and may continue to do so. If they divert their attention to such other concerns, 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.

Further, we also depend significantly on our directors for executing their day-to-day activities. If our Promoters / Directors or any member of the senior management team is unable or unwilling to continue in his present position, we may not be able to replace him easily or at all, and our business, financial condition, results of operations and prospects may be materially and adversely affected.

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

Our Company has entered into related party transactions with our Promoters, Directors, Group Entities and their relatives. While our Company believes that all such transactions have been conducted on the arm's length basis, there can be no assurance that it could not have been achieved on more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that our Company will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details, please refer to "**Related Party Transactions**" under section titled "**Financial Statements**" on page no. 150 of this Prospectus.

**28. *If we are unable to manage our growth effectively or if our estimates or assumptions used in developing our strategic plan are inaccurate or we are unable to execute our strategic plan effectively, our business and prospects may be materially and adversely affected.***

Our revenue and our business operations have grown in recent years. Although we plan to continue to expand our scale of operations, we may not be able to sustain these rates of growth in future periods due to a number of factors, including, among others, our execution capability, our ability to retain, maintain & enter into new supplier and customer MOUs / agreements, our ability to maintain customer satisfaction, our ability to mobilise sufficient working capital, macroeconomic factors beyond our control such as decline in global economic conditions, competition with other players in the organized and unorganized segments, the greater difficulty of growing at sustained rates from a larger revenue base, our inability to control our expenses and the availability of resources for our growth. There can be no assurance that we will not suffer from capital constraints, operational difficulties or difficulties in expanding existing business operations.

Our development and expansion strategies will require substantial managerial efforts and skills and the incurrence of additional expenditures may subject us to new or increased risks. We may not be able to efficiently or effectively implement our growth strategies or manage the growth of our operations, and any failure to do so may limit future growth and have an adverse effect on our business. Further, our strategy to improve our debt – equity ratio may not materialise in the manner we intend to, and we may be required to obtain additional debt to meet immediate capital requirements, resulting in unfavourable ratios.

Also, the fund requirement and deployment for our strategies are based purely on management estimates and assumptions considering the current market scenario and are subject to revision in the light of changes in external circumstances or costs. If we are unsuccessful in executing our strategic plan, or if the underlying estimates or assumptions used to develop our strategic plan are materially inaccurate, our business and financial condition would have an adverse impact.

**29. *Our Company's insurance coverage may not be adequate to protect us against all material hazards which may result in disruptions of operations/monetary loss on account of stoppage of work.***

We procure insurance for our operations against third-party liability, manufacturing risks, stock insurance, building and plant & machinery. Our existing insurance coverage may be insufficient to cover all the risks associated with our business and operations and generally do not cover losses from business interruption. We also cannot assure you that we will renew our existing insurance policies in a timely manner or at all. In the case of an uninsured loss, a loss in excess of insured limits or a loss for which we do not have coverage or coverage is prohibitively expensive, including those caused by natural disasters and other events beyond our control, we may be required to pay for losses, damages and liabilities out of our own funds, which could materially and adversely affect our business, financial condition and results of operations. Even if our insurance coverage is adequate to cover our direct losses, we may not be able to take remedial actions or other appropriate measures. Furthermore, our claim records may affect the premiums which insurance companies may charge us in the future.

**30. *We are dependent on a number of key managerial personnel, including our senior management, and the loss of or our inability to attract or retain such persons with specialized technical know-how could adversely affect our business, results of operations, cash flows and financial condition.***

Our performance depends largely on the efforts and abilities of our senior management and other key managerial personnel, including our present officers who have specialized technical know-how. The inputs and experience of our senior management and key managerial personnel are valuable for the development of our business and operations strategy. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. Our Company does not maintain any director's and officer's insurance policy or any keyman insurance policy. The loss of the services of such persons could have an adverse effect on our business, results of operations, cash flows and financial condition.

**31. *Upon completion of the Issue, our Promoters / Promoter Group may continue to retain significant control, which will allow them to influence the outcome of matters submitted to the shareholders for approval.***

After completion of the Issue, our Promoters and Promoter Group will collectively own 72.07% of the total post issue Equity Shares. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring any strategic decision favourable to the Company or effecting a change in control of our Company for the betterment of the stakeholders.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

**32. *Employee misconduct, errors or fraud could expose us to business risks or losses that could adversely affect our business prospects, results of operations and financial condition.***

Employee misconduct, errors or frauds could expose us to business risks or losses, including regulatory sanctions, penalties and serious harm to our reputation. Such employee misconduct includes breach in security requirements, misappropriation of funds, hiding unauthorized activities, failure to observe our operational standards and processes, and improper use of confidential information. It is not always possible to detect or deter such misconduct, and the precautions we take to prevent and detect such misconduct may not be effective. In addition, losses caused on account of employee misconduct or misappropriation of petty cash expenses and advances may not be recoverable, which we may result in write-off of such amounts and thereby adversely affecting our results of operations. Our employees may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions in which case, our reputation, business prospects, results of operations and financial condition could be adversely affected.

**33. *We may not be successful in implementing our business strategies.***

The success of our business depends substantially on our ability to implement our business strategies effectively. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted clients. Changes in regulations applicable to us may also make it difficult to implement our business strategies.

Failure to implement our business strategies would have a material adverse effect on our business and results of operations.

**34. *Industry information included in this prospectus has been derived from industry reports. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.***

We have relied on the reports of certain independent third party for purposes of inclusion of such information in this prospectus. These reports are subject to various limitations and based upon certain assumptions that are subjective in nature. We have not independently verified data from such industry reports and other sources. Although we believe that the data may be considered to be reliable, their accuracy, completeness and underlying assumptions are not guaranteed and their dependability cannot be assured. While we have taken reasonable care in the reproduction of the information, the information has not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore, we make no representation or warranty, express or implied, as to the accuracy or completeness of such facts and statistics. Due to possibly flawed or ineffective 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 for other economies 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 may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ materially from those included in this prospectus.

**35. *Within the parameters as mentioned in the chapter titled “Objects of this Issue” beginning on page 57 of this prospectus, our Company’s management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.***

We intend to use entire Issue Proceeds towards meeting the working capital requirement and general corporate purpose. We intend to deploy the Net Issue Proceeds in financial year 2022-23 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled “*Objects of the Issue*” beginning on page 57 of this prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled “*Objects of the Issue*” beginning on page 57 of this prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Board of Directors and the Audit Committee will monitor the proceeds of this Issue.

**36. *The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.***

Since the Issue size is less than Rs.10,000 Lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our finances.

**37. *Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.***

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “*Dividend Policy*” on page 127 of this prospectus.

**38. Any future issuance of Equity Shares may dilute your shareholdings, and sale of the Equity Shares by our major shareholders may adversely affect the trading price of our Equity Shares.**

Any future equity issuance by our Company may lead to the dilution of investors' shareholdings in our Company. In addition, any sale of substantial Equity Shares in the public market after the completion of this Issue, including by our major shareholders, or the perception that such sales could occur, could adversely affect the market price of the Equity Shares and could significantly impair our future ability to raise capital through offerings of the Equity Shares. We cannot predict what effect, if any, market sales of the Equity Shares held by the major shareholders of our Company or the availability of these Equity Shares for future sale will have on the market price of our Equity Shares.

**39. The Issue Price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the Issue Price and you may not be able to sell your Equity Shares at or above the Issue Price.**

The Issue price is based on numerous factors. For further information, see the chapter titled **"Basis for Issue Price"** beginning on page no. 61 of this prospectus 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 fluctuations 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. Among the factors that could affect our share price are:

- Quarterly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

**40. Managing employee benefit pressures in India may prevent us from sustaining our competitive advantage which could adversely affect our business prospects and future financial performance.**

Employee benefits represent a major expense for us and our ability to maintain or reduce such costs is critical for our business operations. We may be required to increase employee compensation levels to remain competitive and manage attrition, and consequently we may need to increase the prices of our products and services. An increase in wages/ salaries paid to our employees may result in a material adverse effect on our profits in the event that we are unable to pass on such increased expenditure to our users or customers without losing their business to our competitors. Likewise, if we are unable to sustain or increase the number of employees as necessary to meet growing demand, our business, financial condition and results of operations could be adversely affected.

**41. The requirements of being a public listed company may strain our resources and impose additional requirements.**

With the increased scrutiny of the affairs of a public listed company by shareholders, regulators and the public at large, we will incur significant legal, accounting, corporate governance and other expenses that we did not incur in the past. We will also be subject to the provisions of the listing agreements signed with the Stock Exchange(s) which require us to file unaudited financial results on a half yearly basis. In order to meet our financial control and disclosure obligations, significant resources and management supervision will be required. As a result, management's attention may be diverted from other business concerns, which could have an adverse effect on our business and operations. There can be no assurance that we will be able to satisfy our reporting obligations and/or readily determine and report any changes to our results of operations in a timely manner as other listed companies. In addition, we will need to increase the strength of our management team and hire additional legal and accounting staff with appropriate public company experience and accounting knowledge and we cannot assure that we will be able to do so in a timely manner.

**EXTERNAL RISK FACTORS****1. *A slowdown in economic growth in India could cause our business to suffer.***

Our results of operations and financial condition are dependent on, and have been adversely affected by, conditions in financial markets in the global economy and, particularly in India. The Indian economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, business corruption, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, interest rates, inflation, commodity and energy prices and various other factor Any slowdown in the Indian economy may adversely affect our business, financial condition, results of operations and the price of our Equity Shares.

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

Our business and industry is 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.

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

Under current Indian tax laws, capital gains arising from the sale of equity shares within 12 months in an Indian company are classified as short-term capital gains and generally taxable. Any gain realized on the sale of listed equity shares on a stock exchange that are held for more than 12 months is considered as long-term capital gains and is taxable at 10%, in excess of Rs. 1,00,000. Any long-term gain realized on the sale of equity shares, which are sold other than on a recognized stock exchange and on which no STT has been paid, is also subject to tax in India. Capital gains arising from the sale of equity shares are exempt from taxation in India where an 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 to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

**4. *Public companies in India, including our Company, shall be required to prepare financial statements under Indian Accounting Standards.***

Our Company currently prepares its annual financial statements under Indian GAAP. The MCA, Government of India, has, through a notification dated February 16, 2015, set out the Indian Accounting Standards (Ind AS) and the timelines for their implementation. In accordance with such notification, our Company is required to prepare its financial statements in accordance with Ind AS. Ind AS is different in many aspects from Indian GAAP under which our financial statements are currently prepared. Accordingly, the degree to which the restated financial statements included in the 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.

**5. *Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.***

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include:

- Custom duties on imports of raw materials and components;
- Goods and Service Tax

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

**6. *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.

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

While facts and other statistics in the prospectus relating to India, the Indian economy and the industry in which we operate has been based on various web site data and IBEF 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 66 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.

**8. *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 and magnitude, which may negatively affect our stock prices.

**9. *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, transfer 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.

**10. *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 add 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.

**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.

**12. 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.

**13. Terrorist attacks, civil unrest 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 in India, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade 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.

## SECTION IV: INTRODUCTION

### THE ISSUE

The present Issue of **17,44,000** Equity Shares in terms of the prospectus has been authorized pursuant to a resolution of our Board of Directors held on **4<sup>th</sup> July, 2022** and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013, at the Extra Ordinary General Meeting of the members held on **6<sup>th</sup> July, 2022**

The following is the summary of the Issue:

<b>Present Issue <sup>(1)</sup></b>	Up to <b>17,44,000</b> Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of <b>₹15/-</b> per Equity Share aggregating to <b>₹261.60</b> Lakhs.
<b>Out of which:</b>	
Market Maker Reservation Portion	Up to <b>88,000</b> Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of <b>₹15/-</b> per Equity Share aggregating to <b>₹13.20</b> Lakhs.
Net Issue to the Public <sup>(2)</sup>	Up to <b>16,56,000</b> Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of <b>₹15/-</b> per Equity Share aggregating to <b>₹248.40</b> Lakhs.
<b>Out of which:</b>	
Allocation to Retail Individual Investors for <b>up to Rs. 2.00 lakh</b>	8,32,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of <b>₹15/-</b> per Equity Share aggregating to <b>₹124.80</b> Lakhs.
Allocation to other investors for <b>above Rs. 2.00 lakh</b>	8,24,000 Equity Shares of ₹10/- each fully paid-up of our Company for cash at a price of <b>₹15/-</b> per Equity Share aggregating to <b>₹123.60</b> Lakhs.
<b>Pre- and Post-Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	45,00,000 Equity Shares having face value of ₹10/- each
Equity Shares outstanding after the Issue*	62,44,000 Equity Shares having face value of ₹10/- each
<b>Objects of the Issue</b>	Please refer to the section titled <b>“Objects of the issue”</b> beginning on page no. 57 of this prospectus.
<b>Issue Open on</b>	September 20, 2022
<b>Issue Close on</b>	September 22, 2022

\*Assuming Full Allotment

<sup>(1)</sup> The present Issue is being made by our Company in terms of Regulation 229(1) 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> 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:

(a) Minimum 50% to the Retail individual investors; and

(b) remaining to:

- i. individual applicants other than retail individual investors; and
- ii. other investors including corporate bodies or institutions; irrespective of the number of specified securities applied for;

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

**Explanation:** For the purpose of Regulation 253, sub-Regulation (2), if the retail individual investor category is entitled to more than fifty percent of the issue size on proportionate basis, the retail individual investors shall be allocated that higher percentage.

For further details, kindly refer the chapter titled **“Terms of the Issue”** beginning on page 180 of this prospectus.

**SUMMARY OF FINANCIAL INFORMATION**
**RESTATED STATEMENT OF BALANCE SHEET**
**Statement of Standalone Assets & Liabilities, As Restated**
**(Rupees in Lakhs)**

Particulars	Note no	Figures as at the end of the period 31st March 2022	Figures as at the end of the period 31st March 2021	Figures as at the end of the period 31st March 2020
<b>I. EQUITY AND LIABILITIES</b>				
(1) Shareholders' funds				
(a) Share capital	I.1	425.00	100.00	100.00
(b) Reserves and surplus	I.2	48.87	12.04	11.38
(c) Money received against share warrants				
(2) Share application money pending allotment				
(3) Non-current liabilities				
(a) Long-term borrowings	I.3	191.92	23.78	17.84
(b) Deferred tax liabilities (Net)		-	-	-
(c) Other Long term liabilities		-	-	-
(d) Long-term provisions		-	-	-
(4) Current liabilities				
(a) Short-term borrowings	I.5	47.01	525.98	428.48
(b) Trade Payables:-	I.6			
(A) total outstanding dues of micro enterprises and small enterprises;		-	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		55.72	36.29	52.14
(c) Other current liabilities	I.7	27.01	19.33	13.28
(d) Short-term provisions	I.8	4.87	3.31	2.38
<b>TOTAL</b>		<b>800.40</b>	<b>720.73</b>	<b>625.50</b>
<b>II. ASSETS</b>				
Non-current assets				
(1) (a) Property, Plant and Equipment and Intangible assets				
(i) Property, Plant and Equipment	I.9	252.33	105.04	100.72
(ii) Intangible assets		-	-	-
(iii) Capital work-in-progress		-	150.62	128.95
(iv) Intangible assets under development		-	-	-
(b) Non-current investments	I.10	-	-	-
(c) Deferred tax assets (net)	I.4	0.51	1.15	1.19
(d) Long-term loans and advances	I.11	27.89	27.89	18.80
(e) Other non-current assets	I.12	0.90	0.90	0.70
(2) Current assets				
(a) Current investments		-	-	-
(b) Inventories	I.13	416.40	351.24	271.33
(c) Trade receivables	I.14	80.58	56.45	39.60
(d) Cash and cash equivalents	I.15	2.67	0.20	28.05
(e) Short-term loans and advances	I.16	5.29	3.67	10.04
(f) Other current assets	I.17	13.84	23.56	26.12
<b>TOTAL</b>		<b>800.40</b>	<b>720.73</b>	<b>625.50</b>

For further details, kindly refer the chapter titled "Financial statement as Restated" beginning on page 128 of this prospectus.

## Statement of Standalone Profit &amp; Loss, As Restated

(Rupees in Lakhs)

Particulars	Note no	Figures as at the end of current reporting period 31st March 2022	Figures as at the end of the previous reporting period 31st March 2021	Figures as at the end of the previous reporting period 31st March 2020
I. Revenue from operations	II.1	206.95	58.91	291.65
II. Other income	II.2	0.03	1.52	0.64
III. Total Income (I + II)		<b>206.98</b>	<b>60.43</b>	<b>292.29</b>
IV. Expenses:				
Cost of materials consumed	II.3	23.12	158.82	184.77
Purchases of Stock-in-Trade				
Changes in inventories of finished goods	II.4	41.38	-209.68	-33.33
Work-in-progress and Stock-in-Trade				
Employee benefits expense	II.5	67.87	57.94	71.66
Finance costs	II.7	19.06	9.73	9.23
Depreciation and amortisation expense	II.9	9.03	8.58	7.12
Other expenses	II.6	37.69	32.48	45.55
<b>Total expenses</b>		<b>198.15</b>	<b>57.87</b>	<b>285.00</b>
V. Profit before exceptional and extraordinary items and tax (III - IV)		<b>8.83</b>	<b>2.56</b>	<b>7.29</b>
VI. Exceptional items				
VII. Profit before extraordinary items and tax (V - VI)		<b>8.83</b>	<b>2.56</b>	<b>7.29</b>
VIII. Extraordinary items				
IX. Profit before tax (VII- VIII)		<b>8.83</b>	<b>2.56</b>	<b>7.29</b>
X. Tax expense:				
(1) Current tax		3.85	1.86	1.70
(2) Deferred tax	II.8	0.64	0.04	0.20
XI. Profit (Loss) for the period from continuing operations (IX-X)		<b>4.34</b>	<b>0.66</b>	<b>5.39</b>
XII. Profit/(loss) from discontinuing operations				
XIII. Tax expense of discontinuing operations				
XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-	-
XV. Profit (Loss) for the period (XI + XIV)		<b>4.34</b>	<b>0.66</b>	<b>5.39</b>
XVI. Earnings per equity share:(in Rs.)				
(1) Basic		<b>0.31</b>	<b>0.07</b>	<b>0.54</b>
(2) Diluted		<b>0.31</b>	<b>0.07</b>	<b>0.54</b>

For further details, kindly refer the chapter titled “Financial statement as Restated” beginning on page 128 of this prospectus.

## Statement of Standalone Cash Flow, As Restated

(Rupees in Lakhs)

Particulars	Note No	For the Year 2021-22	For the Year 2020-21	For the Year 2019-20
<b><u>Cash flows from operating activities</u></b>				
Net profit before taxation, and extraordinary item		8.83	2.56	7.29
<u>Adjustments to reconcile Profit for the year to net cash flows</u>				
<i>Depreciation</i>		9.03	8.58	7.12
<i>Interest income</i>		-	-1.52	-0.64
<i>Interest expense</i>		15.24	9.32	7.49
Operating profit before changes in Operating assets and liabilities		<b>33.10</b>	<b>18.94</b>	<b>21.26</b>
<u>Movement in Operating assets and liabilities</u>				
<i>(Increase)/ Decrease in Trade Receivables</i>		-24.13	-16.85	-28.42
<i>(Increase)/ Decrease in Inventories</i>		-65.16	-79.91	-75.51
<i>(Increase)/ Decrease in Other Current Assets</i>		9.73	2.57	0.77
<i>(Increase)/ Decrease in Short term Loans &amp; Advances</i>		-1.62	6.37	124.91
<i>Increase/ (Decrease) in Trade payables</i>		19.43	-15.85	39.84
<i>Increase/ (Decrease) in Short Term Borrowings</i>		-478.97	97.48	-14.72
<i>Increase/ (Decrease) in Other Current Liabilities</i>		7.69	6.06	10.73
<i>Increase/ (Decrease) in Provisions</i>		1.56	0.93	0.87
Cash generated from operations		<b>-498.37</b>	<b>19.74</b>	<b>79.73</b>
<i>Income taxes paid</i>		-3.85	-1.86	-1.70
<b>Net cash flow from operating activities</b>		<b>-502.22</b>	<b>17.88</b>	<b>78.03</b>
<b><u>Cash flows from investing activities</u></b>				
Purchase of fixed assets		-5.70	-34.57	-79.44
Interest received		-	1.52	0.64
<b>Net cash flow from investing activities</b>		<b>-5.70</b>	<b>-33.05</b>	<b>-78.80</b>
<b><u>Cash flows from financing activities</u></b>				
Proceeds from issuance of share capital		357.50	-	-
Proceeds from long-term borrowings		191.92	5.94	17.84
Repayment of long-term borrowings		-23.78	-	-
(Increase)/ Decrease in Other Non Current Assets		-	-0.20	-0.70
(Increase)/ Decrease in Long term Loans & Advances		-	-9.09	11.40
Interest paid		-15.24	-9.32	-7.49
<b>Net cash flow used in financing activities</b>		<b>510.40</b>	<b>-12.67</b>	<b>21.05</b>
<b>Net Increase/(Decrease) in cash and cash equivalents</b>		<b>2.48</b>	<b>-27.85</b>	<b>20.30</b>
<b>Effect of Exchange Difference on cash and cash Equivalents held in foreign Currency</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>0.20</b>	<b>28.05</b>	<b>7.75</b>
<b>Cash and cash equivalents at end of year</b>		<b>2.67</b>	<b>0.20</b>	<b>28.05</b>
Reconciliation of cash and cash equivalents as per statement of cash flow				
<b>Cash and Cash equivalents</b>	I.15			
Balances With Banks		0.61	0.05	2.36
Cash on Hand		0.26	0.15	0.11
Bank Deposits		-	-	25.58
Balances with banks (Margin Money / Security)		1.80	-	-
		<b>2.67</b>	<b>0.20</b>	<b>28.05</b>

For further details, kindly refer the chapter titled "Financial statement as Restated" beginning on page 128 of this prospectus.

## SECTION V: GENERAL INFORMATION

### GENERAL INFORMATION

Our Company was originally incorporated as a Private Limited Company in the name of “*Containe Technologies Private Limited*” on September 16, 2008 under the provisions of the Companies Act, 1956 bearing Corporate Identification Number U72200TG2008PTC061063 issued by the Registrar of Companies – Hyderabad, Telangana. Further, our company was converted into Public Limited Company under the provisions of the Companies Act, 2013 and the name of our Company was changed to “*Containe Technologies Limited*” vide a fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company dated March 21, 2022 bearing Corporate Identification Number U72200TG2008PLC061063 issued by the Registrar of Companies - Hyderabad, Telangana. For further details of change in name and registered office of our Company, please refer to section titled “*Our History and Certain Corporate Matters*” beginning on page no 108 of the Prospectus.

Brief of Company and Issue Information	
<b>Registered &amp; Corporate Office</b>	<b>Containe Technologies Limited</b> H. No. 3-13-142/ 341P, 342, Gokul Nagar, Marriguda, Mallapur, Secunderabad, Hyderabad – 500076, Telangana, India Tel No: +91 91007 77440 Email: <a href="mailto:cs@containe.in">cs@containe.in</a> Website: <a href="http://www.containe.in">www.containe.in</a>
<b>Date of Incorporation</b>	16 <sup>th</sup> September, 2008
<b>Corporate Identification Number</b>	U72200TG2008PLC061063
<b>Company Category</b>	Company Limited by Shares
<b>Company Subcategory</b>	Indian Non-Government Company
<b>Address of Registrar of Companies</b>	<b>Registrar of Companies – Hyderabad</b> 2nd Floor, Corporate Bhawan, GSI Post Tattiannaram, Bandlaguda, Nagole, Hyderabad, Telangana – 500068, India
<b>Designated Stock Exchange</b>	BSE Limited, SME Platform of BSE Limited (“BSE SME”) P.J. Towers, Dalal Street, Mumbai – 400 001
<b>Company Secretary and Compliance Officer</b>	<b>Nikitha Sarda</b> Containe Technologies Limited H. No. 3-13-142/ 341P, 342, Gokul Nagar, Marriguda, Mallapur, Secunderabad, Hyderabad – 500076, Telangana, India Tel No: +91 81432 24767 Email: <a href="mailto:cs@containe.in">cs@containe.in</a>
<b>Chief Financial Officer</b>	<b>Vijay Kumar Jojoda</b> Containe Technologies Limited H. No. 3-13-142/ 341P, 342, Gokul Nagar, Marriguda, Mallapur, Secunderabad, Hyderabad – 500076, Telangana, India Tel No: +91 90003 35583 Email: <a href="mailto:finance@containe.in">finance@containe.in</a>
<b>Peer Review / Statutory Auditor of the company</b>	<b>“M/s. Dhanunjaya &amp; Haranath”</b> <i>Chartered Accountants,</i> <b>Contact Person:</b> Dhanunjaya Kumar Alla <b>Contact No:</b> +91 98490 26446 <b>E-mail ID:</b> <a href="mailto:ca@dhara.com">ca@dhara.com</a> <b>Designation:</b> Partner <b>Membership No:</b> 206446 <b>Firm Registration No:</b> 014288S <b>Peer Review Certificate No:</b> 013982

^ In compliance with Regulation 230(1)(a) of SEBI (ICDR) Regulation, 2018, we have made an application to SME platform of BSE Limited only for listing of our equity shares.

### Board of Directors of Our Company

Our Company's Board comprises of the following Directors:

Sl. No.	Name of the Director	DIN	Designation	Age	Address
1	Anand Kumar Seethala	01575973	Managing Director	48	Flat No. 966 -968, Defence Colony, Near Sainikpuri Park, Sainikpuri, Tirumalgi, Hyderabad, Telangana-500094, India.
2	Botcha Bhavani	02299110	Whole Time Director	48	Flat No. 966 -968, Defence Colony, Near Sainikpuri Park, Sainikpuri, Tirumalgi, Hyderabad, Telangana-500094, India.
3	Botcha Vijaya Kumari	09475695	Non-Executive Director	61	16-6-120-5, Balaji Nagar Hayathi Nagaram, Srikakulam, Gujarathipeta, Srikakulam Andhra Pradesh-532005, India.
4	D Madhi Gounder	09475483	Independent Director	48	226, 8th Cross Bapuji Layout Bangalore North Vijaynagar, Bangalore
5	Sunmeet Singh	09475107	Independent Director	43	Hanspal, D- 98, Sudershan Park, Ramesh Nagar, West Delhi, Delhi-110015

For further details of the Board of Directors, please refer to the Section titled "Our Management" beginning on page no 111 of this prospectus.

### Details of Key Intermediaries pertaining to this Issue and our Company:

LEAD MANAGER	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>CAMEO CORPORATE SERVICES LIMITED</b> "Subramanian Building", #1, Club House Road, Chennai - 600 002, India <b>Telephone:</b> +91-44-40020700, 28460390 <b>Facsimile:</b> +91-44-28460129 <b>Email:</b> investor@cameoindia.com <b>Contact Person:</b> Mr. R.D. Ramasamy, Director <b>Website:</b> www.cameoindia.com <b>SEBI Registration Number:</b> INR000003753 <b>CIN No:</b> U67120TN1998PLC041613
BANKER TO THE ISSUE AND SPONSOR BANK	LEGAL ADVISOR TO THE ISSUE
<b>ICICI Bank Limited</b> Capital Market Division, 5 <sup>th</sup> Floor, HT Parekh Marg, Churchgate, Mumbai-400020 <b>Tel No.:</b> 022 - 68052182 <b>Email:</b> sagar.welekar@icicibank.com <b>Website:</b> www.icicibank.com <b>Contact Person:</b> Mr. Sagar Welekar <b>SEBI Registration No:</b> INBI00000004	<b>J MUKHERJEE &amp; ASSOCIATES</b> D-1, MMS Chambers, 1 <sup>st</sup> Floor, 4A Council House Street, Kolkata-700001, West Bengal, India <b>Telephone:</b> +91 9830640366 <b>Email ID:</b> jmukherjeeandassociates@gmail.com <b>Contact Person:</b> Mr. Jayabrata Mukherjee

Note: Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Issue and/or the Lead Manager, in case of any pre-issue or post-issue related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc. For all Issue related queries and for redressal of complaints, Applicants may also write to the Lead Manager. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Lead Manager, who shall respond to the same.

All grievances in relation to the application through ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant Designated Intermediary with whom the ASBA Form was submitted, giving details such as the full name of the sole or First Applicant, ASBA Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, date of submission of ASBA Form, address of Bidder, the name and address of the relevant Designated Intermediary, where the ASBA Form was submitted by the Bidder, ASBA Account number in which the amount equivalent to the Bid Amount was blocked and UPI ID used by the Retail Individual Investors. Further, the Bidder shall enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents or information mentioned hereinabove.

**Statement of Inter Se Allocation of Responsibilities**

Finshore Management Services Limited is the sole Lead Manager to this Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

**Self-Certified Syndicate Banks (“SCSBs”)**

The lists of banks that have been notified by SEBI to act as SCSB for the ASBA process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details of the Designated Branches which shall collect Application Forms, please refer to the above-mentioned SEBI link.

**Issuer Banks for UPI**

The list of Self Certified Syndicate Banks that have been notified by SEBI to act as Issuer Bank for UPI mechanism are provide on the website of SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the above-mentioned SEBI link.

**Registered Brokers**

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the Stock Exchange, at BSE Limited at [http://www.bseindia.com/Markets/PublicIssues/brokercentres\\_new.aspx?expandable=3](http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3) as updated from time to time.

**Brokers to This Issue**

All brokers registered with SEBI and members of the Recognised Stock Exchange can act as brokers to the Offer.

**Registrar to Issue 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 Stock Exchange at BSE Limited, as updated from time to time.

**Collecting Depository Participants**

The list of the CDPs eligible to accept Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at BSE Limited, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

**Credit Rating**

This being an Issue of Equity Shares, credit rating is not required.

**Trustees**

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

**Debenture Trustees**

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

**IPO Grading**

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

**Monitoring Agency**

As per regulation 262(1) of the SEBI ICDR Regulations 2018, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs.10,000 Lakhs. Since the Issue size is only of ₹261.60 Lakhs, our Company has not appointed any monitoring agency for 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.

**Appraising Entity**

No appraising entity has been appointed in respect of any objects of this Issue.

### Filing of Draft Prospectus/Prospectus with the SEBI/ROC

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://siportal.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 – Hyderabad**.

### Issue Programme

Issue Opening Date	September 20, 2022
Issue Closing Date	September 22, 2022
Finalisation of Basis of Allotment with BSE SME	September 27, 2022
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	September 28, 2022
Credit of Equity Shares to demat accounts of the Allottees	September 29, 2022
Commencement of trading of the Equity Shares on BSE SME	September 30, 2022

### Expert Opinion

Our Company has not obtained any expert opinions except we have received consent from the Peer review Auditors of the Company to include their name as an expert in this prospectus in relation to the (a) Peer review Auditors' reports on the restated Audited financial statements; and (b) Statement of Tax Benefits by the Peer review Auditors and such consent has not been withdrawn as on the date of this prospectus.

### Change in Auditors during the last three (3) years

Name of the Auditor	Dhanunjaya & Haranath	SS Reddy & Co.
FRN No	014288S	011525S
Peer Review No.	013982	--
Date of Appointment	15/03/2022	29/09/2008
Date of Resignation	--	25/01/2022
Period From	15/03/2022	01/04/2018
Period to	Till the Conclusion of next AGM	31/03/2023
E-mail ID	<a href="mailto:ca@dhara.com">ca@dhara.com</a>	<a href="mailto:cassreddy@gmail.com">cassreddy@gmail.com</a>
Address	302, Wings,8-3-960/6/2, Srinagar Colony, Hyderabad, Telangana-TG, India-500073	8-2-269, Flat No-10, 2nd Floor, Lumbini Jewel Mall, Road No.2, Banjara Hills, Hyderabad – 500034, Telangana
Reason for Change	Holds a valid Peer Review Certificate	Due to pre-occupation and other business commitments.

### Underwriter

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 August 18, 2022 and pursuant to the terms of the underwriting agreement, obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being offered through this Issue

Name, Address, Telephone, and Email of the Underwriter	Indicated number 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> www.finshoregroup.com <b>Email:</b> ramakrishna@finshoregroup.com <b>Investor Grievance Email:</b> info@finshoregroup.com <b>Contact Person:</b> Mr. S. Ramakrishna Iyengar <b>SEBI Registration No:</b> INM000012185	17,44,000 Equity Shares *	₹261.60 Lakhs	100.00%

\*Includes 88,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker vide their agreement dated August 18, 2022 in order to comply with the requirements of Regulation 261 of the SEBI (ICDR) Regulations, as amended.

In the opinion of the Board of Directors of our Company, the resources of the above-mentioned Underwriter and Market Maker are sufficient to enable them to discharge their respective underwriting obligations in full.

#### Details of Market Making Arrangement for This Issue

Our Company and the Lead Manager has entered into Market Making Agreement dated August 18, 2022 with the following Market Maker to fulfil the obligations of Market Making for this Issue:

<b>Name</b>	<b>Nikunj Stock Brokers Limited</b>
<b>Address</b>	A-92, Ground Floor, Left Portion, Kamla Nagar, New Delhi- 110092
<b>Telephone</b>	011 – 49863109
<b>E-mail</b>	<a href="mailto:complianceofficer@nikunjonline.com">complianceofficer@nikunjonline.com</a>
<b>Website</b>	<a href="http://www.nikunjonline.com">www.nikunjonline.com</a>
<b>Contact Person</b>	Mr. Anshul Aggarwal
<b>CIN</b>	U74899DL1994PLC060413
<b>SEBI Registration No</b>	INZ000169335
<b>Market Maker Registration with BSE</b>	SMEMM0664523112017

M/s. Nikunj Stock Brokers Limited, registered with BSE Limited, 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 in SEBI (ICDR) Regulations as amended from time to time.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, as amended from time to time and the circulars issued by the BSE and SEBI in 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 BSE 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 BSE Limited.*
- *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 “M/s. 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 BSE SME 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, BSE 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 BSE SME (in this case currently the minimum trading lot size is 8,000 equity shares; however, the same may be changed by the BSE SME 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 SME Platform of BSE Limited and market maker will remain present as per the guidelines mentioned under BSE 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 BSE 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 Containe 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 Containe Technologies Limited shall not be eligible for offering to the Market Maker during the Compulsory Market Making Period. However, the promoters' holding of Containe Technologies Limited which is not locked-in as per the SEBI (ICDR) Regulations, 2018 as amended, can be traded with prior permission of the SME Platform of BSE Limited, 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 Containe 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:** BSE SME will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
15. **Punitive Action in case of default by Market Maker(s):** BSE SME 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:
    - i. 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.
    - ii. 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 BSE SME.*
- *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 BSE SME: Provided that market maker shall not sell in lots less than the minimum contract size allowed for trading on the BSE SME.*

**SECTION VI: CAPITAL STRUCTURE**
**CAPITAL STRUCTURE**

Our Equity Share capital before the Issue and after giving effect to the Issue, as at the date of this prospectus, is set forth below:  
*(Rs. in Lakhs except share data)*

No.	Particulars	Aggregate Nominal Value	Aggregate Value at Issue Price
A.	<b>Authorized Share Capital</b>		
	10,00,00,000 Equity Shares of ₹10/- each	1000.00	--
B.	<b>Issued, Subscribed &amp; Paid-up Share Capital prior to the Offer <sup>(1)</sup></b>		
	45,00,000 Equity Shares of ₹10/- each	450.00	--
C.	<b>Present issue in terms of the prospectus <sup>(2)</sup></b>		
	17,44,000 Equity Shares of ₹10/- each for cash at a price of ₹15/- per share	174.40	261.60
<b>Which Comprises of</b>			
D.	<b>Reservation for Market Maker portion</b>		
	88,000 Shares of ₹10/- each for cash at a price a ₹ 15/- per Equity Share	8.80	13.20
E.	<b>Net Issue to the Public</b>		
	16,56,000 Equity Shares of ₹ 10/- each for cash at a price a ₹ 15/- per Equity Share, <b>out of which:</b>	165.60	248.40
	8,32,000 Equity Shares of ₹ 10/- each for cash at a price a ₹ 15/- per Equity Share will be available for allocation for allotment to Retail Individual Investors of <b>up to ₹ 2.00 lakhs</b>	83.20	124.80
	8,24,000 Equity Shares of ₹10/- each for cash at a price a ₹ 15/- per Equity Share will be available for allocation for allotment to Other Investors of <b>above ₹ 2.00 lakhs</b>	82.40	123.60
F.	<b>Paid up Equity capital after the Issue</b>		
	62,44,000 Equity Shares of ₹10/- each	624.40	
G.	<b>Securities Premium Account</b>		
	Before the Issue	82.50	
	After the Issue	169.70	

<sup>(1)</sup> Our Company has only one class of share, i.e., Equity Shares having face value of ₹10/- each and there are no partly paid-up Equity Shares or preference shares or convertible securities outstanding for conversion as on the date of this prospectus.

<sup>(2)</sup> The present Issue of 17,44,000 Equity Shares in terms of prospectus has been authorized pursuant to a resolution of our Board of Directors dated 04<sup>th</sup> July, 2022 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the Extra Ordinary General meeting of the members held on 06<sup>th</sup> July, 2022.

**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	16-09-2008	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	28-01-2010	EOGM	50,00,000	Increase in Authorized Share Capital from ₹1,00,000 comprising of 10,000 Equity Shares of ₹10/- each to ₹ 50,00,000 comprising of 5,00,000 Equity Shares of ₹10/- each.
3	18-12-2017	EOGM	1,00,00,000	Increase in Authorized Share Capital from ₹50,00,000 comprising of 5,00,000 Equity Shares of ₹10/- each to ₹1,00,00,000 comprising of 10,00,000 Equity Shares of ₹10/- each.
4	28-12-2021	EOGM	10,00,00,000	Increase in Authorized Share Capital from ₹1,00,00,000 comprising of 10,00,000 Equity Shares of ₹10/- each to ₹10,00,00,000 comprising of 1,00,00,000 Equity Shares of ₹10/- each.

## Notes to Capital Structure

## Share capital history of our Company

## (a) Equity shares capital history of our Company:

The following is the history of the equity share capital of our Company:

Date of Allotment	No. of Equity Shares	Face Value (In ₹)	Issue Price (In ₹)	Nature of Consideration	Nature of Allotment	Cumulative No. of Equity Shares	Cumulative Paid-up Capital (in ₹)	Cumulative Share Premium (in ₹)
16-09-2008	10,000	10.00	10.00	Cash	Subscription to MOA <sup>(1)</sup>	10,000	1,00,000	-
18-06-2014	2,35,240	10.00	10.00	Cash	Preferential Allotment <sup>(2)</sup>	2,45,240	24,52,400	-
28-12-2017	7,54,760	10.00	10.00	Cash	Preferential Allotment <sup>(3)</sup>	10,00,000	1,00,00,000	
30-12-2021	16,00,000	10.00	11.00	Cash	Conversion of Loan <sup>(4)</sup>	26,00,000	2,60,00,000	16,00,000
30-03-2022	16,50,000	10.00	11.00	Cash	Conversion of Loan <sup>(5)</sup>	42,50,000	4,25,00,000	32,50,000
13-05-2022	1,50,000	10.00	30.00	Cash	Rights Issue <sup>(6)</sup>	44,00,000	4,40,00,000	62,50,000
13-05-2022	1,00,000	10.00	30.00	Cash	Conversion of Loan <sup>(7)</sup>	45,00,000	4,50,00,000	82,50,000

<sup>(1)</sup> Allotment on Initial subscription to the Memorandum of Association dated 16-09-2008:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Anand Kumar Seethala	10.00	10.00	Subscription to MOA	9,500
2	Botcha Bhavani	10.00	10.00	Subscription to MOA	500
<b>Total</b>					<b>10,000</b>

<sup>(2)</sup> Further on 18-06-2014, Company has allotted 2,35,240 Equity Shares of the face value of Rs. 10/- each as per the details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Anand Kumar Seethala	10.00	10.00	Preferential Allotment	1,17,620
2	Botcha Bhavani	10.00	10.00	Preferential Allotment	1,17,620
<b>Total</b>					<b>2,35,240</b>

<sup>(3)</sup> Further on 28-12-2017, Company has allotted 7,54,760 Equity Shares of the face value of Rs. 10/- each as per the details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Anand Kumar Seethala	10.00	10.00	Preferential Allotment	3,77,380
2	Botcha Bhavani	10.00	10.00	Preferential Allotment	3,77,380
<b>Total</b>					<b>7,54,760</b>

<sup>(4)</sup> Further on 30-12-2021, Company has allotted 16,00,000 Equity Shares of the face value of Rs. 10/- each as per the details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Botcha Bhavani	10.00	11.00	Conversion of Loan	16,00,000
<b>Total</b>					<b>16,00,000</b>

<sup>(5)</sup> Further on 30-03-2022, Company has allotted 16,50,000 Equity Shares of the face value of Rs. 10/- each as per the details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Anand Kumar Seethala	10.00	11.00	Conversion of Loan	10,50,000
2	Botcha Bhavani	10.00	11.00	Conversion of Loan	6,00,000
<b>Total</b>					<b>16,50,000</b>

<sup>(6)</sup> Further on 13-05-2022, Company has allotted 1,50,000 Equity Shares of the face value of Rs. 10/- each as per the details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Anand Kumar Seethala	10.00	30.00	Rights Issue	1,50,000
<b>Total</b>					<b>1,50,000</b>

<sup>(7)</sup> Further on 13-05-2022, Company has allotted 1,00,000 Equity Shares of the face value of Rs. 10/- each as per the details given below:

Sl. No.	Name of the allottee	Face Value (₹)	Issue Price (₹)	Nature of Allotment	Number of Equity Shares allotted
1	Botcha Bhavani	10.00	30.00	Conversion of Loan	1,00,000
<b>Total</b>					<b>1,00,000</b>

As on the date of this prospectus, our Company does not have any preference share capital.

**(b) Equity shares issued for consideration other than cash:**

As on the date of this prospectus, Our Company has not issued Equity shares for consideration other than cash except as mentioned below.

Date of Allotment	Number of Equity Shares allotted	Issue Price (In ₹)	Consideration	Reason for Allotment	Name of the Allottee	Benefit accruing to the company
30-12-2021	16,00,000	11.00	Other than Cash	Conversion of Loan	#	Reduction in Borrowings of the Company
30-03-2022	16,50,000	11.00	Other than Cash	Conversion of Loan	#	Reduction in Borrowings of the Company
13-05-2022	1,00,000	30.00	Other than Cash	Conversion of Loan	#	Reduction in Borrowings of the Company

#For list of allottees, see note above of paragraph titled "Equity Share Capital History of our Company" mentioned above.

**(c) Revaluation of our assets:**

We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

**(d) If shares have been issued in terms of any scheme approved under section 230-234 of the Companies Act, 2013:**

Our Company has not issued any Equity Shares in terms of any scheme approved section 230-234 of the Companies Act, 2013.

**(e) If shares have been issued under one or more employee stock option schemes:**

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this prospectus.

**(f) Issue of Equity Shares in the last one year below the Issue Price:**

Our company has issued equity shares at a price lower than the issue price of Rs. 15/- each during the preceding one year from the date of this prospectus as per below mentioned details.

Date of Allotment	No. of Equity Shares	Face Value (In ₹)	Issue Price (In ₹)	Nature of Consideration	Nature of Allotment
30-12-2021	16,00,000	10.00	11.00	Other than Cash	Conversion of Loan
30-03-2022	16,50,000	10.00	11.00	Other than Cash	Conversion of Loan

**(g) Shareholding Pattern of our Company:**

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 (Sb)
								Class: X	Class: Y	Total								
A1	Promoter	2	44,99,950	-	-	44,99,950	99.99%	44,99,950	-	44,99,950	99.99%	-	-	-	-	-	44,99,950	
A2	Promoter Group	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
B	Public	5	50	-	-	50	0.01%	50	-	50	0.01%	-	-	-	-	-	50	
C	Non-Promoter-Non-Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
C2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
		7	45,00,000	-	-	45,00,000	100.00%	45,00,000	-	45,00,000	100.00%	-	-	-	-	-	45,00,000	

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 SME Platform of BSE Limited.

In terms of regulation 230(1)(d) of SEBI ICDR Regulation 2018, all specified securities held by promoters are dematerialized.

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the Listing Regulation, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of BSE Limited before commencement of trading of such Equity Share.

- (i) List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to at least 80% of capital of our Company as on the date of the prospectus:

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the Pre-Issue paid-up capital
1	Anand Kumar Seethala	16,99,950	37.77%
2	Botcha Bhavani	28,00,000	62.22%
<b>Total</b>		<b>44,99,950</b>	<b>99.99%</b>

- (ii) List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to atleast 80% of capital of our Company as on a date 10 days before the date of the prospectus:

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the Pre-Issue paid-up capital
1	Anand Kumar Seethala	16,99,950	37.77%
2	Botcha Bhavani	28,00,000	62.22%
<b>Total</b>		<b>44,99,950</b>	<b>99.99%</b>

- (iii) List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to atleast 80% of capital of our Company as on a date 1 (one) year before the date of the prospectus:

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the Pre-Issue paid-up capital
1	Anand Kumar Seethala	5,00,000	50.00%
2	Botcha Bhavani	5,00,000	50.00%
<b>Total</b>		<b>10,00,000</b>	<b>100.00%</b>

- (iv) List of Major Shareholders holding 1% or more of the paid-up equity share capital aggregating to atleast 80% of capital of our Company as on a date 2 (two) year before the date of the prospectus:

Sl. No.	Name of Shareholders	Number of Equity Shares	% of the Pre-Issue paid-up capital
1	Anand Kumar Seethala	5,00,000	50.00%
2	Botcha Bhavani	5,00,000	50.00%
<b>Total</b>		<b>10,00,000</b>	<b>100.00%</b>

- (h) **Proposal or intention to alter our capital structure within a period of 6 months from the date of opening of the Issue:**

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.

- (i) **The Details of Shareholding of Promoter's and Promoter Group of Our Company;**

**Capital Build-up of our Promoter's in our Company:** The current promoters of our Company are Mr. Anand Kumar Seethala and Mrs. Botcha Bhavani.

Pursuant to Regulation 236 of SEBI (ICDR) Regulations 2018, minimum promoters' contribution should be not less than 20% of the post Issue equity share capital of our Company. As on the date of this prospectus, our Promoters collectively hold 44,99,950 Equity Shares, which constitutes approximately 99.99% of the pre-IPO issued, subscribed and paid-up Equity Share capital of our Company and approximately 72.81% of the post-IPO issued, subscribed and paid-up Equity Share capital assuming full allotment of the shares offered in IPO. The Details are as under:

Particulars	Pre-Issue Shareholding		Post-Issue Shareholding	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
<b>Promoters</b>				
Mr. Anand Kumar Seethala	16,99,950	37.77%	16,99,950	27.23%
Mrs. Botcha Bhavani	28,00,000	62.22%	28,00,000	44.84%
<b>Total Promoters Shareholding</b>	<b>44,99,950</b>	<b>99.99%</b>	<b>44,99,950</b>	<b>72.07%</b>

All the Equity Shares allotted and held by our Promoters were fully paid at the time of allotment itself. Further, none of the Equity Shares held by our Promoters are subject to any pledge.

Set forth below is the build-up of the equity shareholding of our Promoters since the incorporation of our Company.

i) **Mr. Anand Kumar Seethala:**

Date of Allotment/ Acquisition/Sale	Number of Equity Shares	Face Value	Issue/Transfer Price per Equity Share	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post-issue Share Holding%	Pledge
16-09-2008	9,500	10.00	10.00	Cash	Subscription to MoA	0.21	0.15	No
04-06-2010	-4,500	10.00	10.00	Cash	Transferred to Botcha Bhavani	-0.10	-0.07	No
18-06-2014	1,17,620	10.00	10.00	Cash	Private Placement	2.61	1.88	No
28-12-2017	3,77,380	10.00	10.00	Cash	Private Placement	8.39	6.04	No
30-12-2021	-10	10.00	10.00	Cash	Transferred to Srinu Babu Botch	-0.00	-0.00	No
30-12-2021	-10	10.00	10.00	Cash	Transferred to Madan Babu Botch	-0.00	-0.00	No
30-12-2021	-10	10.00	10.00	Cash	Transferred to Padamavathi Konchada	-0.00	-0.00	No
30-12-2021	-10	10.00	10.00	Cash	Transferred to Saraswathi Botcha	-0.00	-0.00	No
30-12-2021	-10	10.00	10.00	Cash	Transferred to Vijayakumari Botcha	-0.00	-0.00	No
30-03-2022	10,50,000	10.00	11.00	Conversion of Loan	Conversion of Loan	23.33	16.82	No
13-05-2022	1,50,000	10.00	30.00	Cash	Rights Issue	3.33	2.40	No
<b>TOTAL</b>	<b>16,99,950</b>					<b>37.77</b>	<b>27.23</b>	

ii) **Mrs. Botcha Bhavani**

Date of Allotment/ Acquisition/Sale	Number of Equity Shares	Face Value	Issue/Transfer Price per Equity Share	Nature of Consideration	Nature of transaction	Pre-issue Share Holding%	Post-issue Share Holding%	Pledge
16-09-2008	500	10.00	10.00	Cash	Subscription to MoA	0.01	0.01	No
04-06-2010	4,500	10.00	10.00	Cash	Transferred from Anand Kumar Seethala	0.10	0.07	No
18-06-2014	1,17,620	10.00	10.00	Cash	Private Placement	2.61	1.88	No
28-12-2017	3,77,380	10.00	10.00	Cash	Private Placement	8.39	6.04	No
30-12-2021	16,00,000	10.00	11.00	Conversion of Loan	Conversion of Loan	35.56	25.62	No
30-03-2022	6,00,000	10.00	11.00	Conversion of Loan	Conversion of Loan	13.33	9.61	No
13-05-2022	1,00,000	10.00	30.00	Conversion of Loan	Conversion of Loan	2.22	1.60	No
<b>TOTAL</b>	<b>28,00,000</b>					<b>62.22</b>	<b>44.84</b>	

The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

Sl. No.	Name of the Promoter	No. of Equity Shares Held	Avg. Cost of Acquisition (In ₹ per Equity Share)
1	Mr. Anand Kumar Seethala	16,99,950	12.38
2	Mrs. Botcha Bhavani	28,00,000	11.50

Note: All the Equity Shares held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares and there are no partly paid-up Equity Shares as on the date of filing of this prospectus.

- (j) As on date of this prospectus, our Company has 7 (Seven) shareholders only.
- (k) The aggregate shareholding of the Promoters and Promoter Group and of the directors of the promoters, where the promoter is a body corporate:

Our Promoters doesn't include any Body corporates. The Aggregate shareholding of the Promoters & Promoter Group are as under:

Particulars	Pre-Issue Shareholding		Post-Issue Shareholding	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
<b>Promoters</b>				
Mr. Anand Kumar Seethala	16,99,950	37.77%	16,99,950	27.23%
Mrs. Botcha Bhavani	28,00,000	62.22%	28,00,000	44.84%
<b>Total Promoters Shareholding (A)</b>	<b>44,99,950</b>	<b>99.99%</b>	<b>44,99,950</b>	<b>72.07%</b>
<b>Promoter Group</b>				
Nil	-	-	-	-
<b>Total Promoters Group Shareholding (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Promoters &amp; Promoters Group (A+B)</b>	<b>44,99,950</b>	<b>99.99%</b>	<b>44,99,950</b>	<b>72.07%</b>

- There are no financing arrangements whereby the promoter group, the directors of the company which is a promoter of the issuer, the directors of the issuer and their relatives have financed the purchase by any other person of securities of the issuer other than in the normal course of the business of the financing entity in the six months immediately preceding the date of filing of the offer document.

(l) **Promoter's Contribution:**

(i) **Details of Promoter's Contribution Locked-in of Equity Shares for Three (3) Years**

Pursuant to Regulation 236 of SEBI (ICDR) Regulations 2018, the minimum promoters' contribution should be not less than 20% of the post Issue equity share capital of our Company.

Further, in terms of Regulation 238(a) of SEBI ICDR Regulations, minimum promoter's contribution will be locked-in for a period of three years from the date of Allotment or date of commencement of commercial production, whichever is later and the Equity Shares held by Promoter of our Company in excess of minimum promoter's contribution will be locked-in for a period of one year from the date of Allotment.

As on the date of this prospectus, our Promoters collectively hold 44,99,950 Equity Shares constituting 72.07% of the Post offer issued, subscribed and paid-up Equity Share capital of our Company, out of which 12,48,800 equity shares being 20% of the post Issue equity share capital of our Company are eligible for the Promoter's Contribution margin.

An aggregate of minimum 20.00% of the post-issue capital, held by our Promoters shall be considered as Promoter's Contribution ("Minimum Promoter's Contribution") and locked-in for a period of three years from the date of allotment. The lock-in of the Promoter's Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoters have granted their consents to include such number of Equity Shares held by them as may constitute minimum 20.00% of the post-issue Equity Share Capital of our Company as Promoter's Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoter's Contribution from the date of filing of this prospectus until the completion of the lock-in period specified above.

*The details of lock-in of shares for 3 (three) years are as under:*

Sr. No.	Name of the Promoter Shareholder	Number of Shares held	Number of Shares held for lock-in	Post-IPO Share Locked in (In%)	Lock in Period
1	Mr. Anand Kumar Seethala	16,99,950	6,48,800	10.39%	3 Years
2	Mrs. Botcha Bhavani	28,00,000	6,00,000	9.61%	3 Years
<b>Total</b>		<b>44,99,950</b>	<b>12,48,800</b>	<b>20.00%</b>	

*12,48,800 Pre-IPO equity shares of our company held by Our Promoter will be locked-in for 3 (three) years as mentioned above prior to listing of shares.*

In terms of Regulation 237 of SEBI ICDR Regulations, our Company confirms that none of the Equity Shares forming part of minimum promoter's contribution –

- Are acquired by our Promoter during preceding three financial years;
  - For consideration other than cash and where revaluation of assets or capitalization of intangible assets was involved; or
  - Through bonus issue of Equity Shares made by utilizing the revaluation reserves or unrealized gain or through bonus issue against equity shares which are ineligible for minimum promoter's contribution;
- Are pledged by our Promoter with any creditor;
- Consist of Equity Shares acquired by our Promoter during preceding one year at a price lower than the Issue Price.

Our Company was incorporated under the Companies Act, 1956 and was not incorporated by converting the partnership firm(s) or LLP(s).

The Promoters have severally confirmed that the Equity Shares are eligible in terms of Regulation 237 of SEBI (ICDR) Regulations and that they have not been prohibited from dealings in securities market and the Equity Shares are free from any lien, encumbrance or third-party rights. The Promoters have also severally confirmed that they are the legal and beneficial owners of the Equity.

All the Equity Shares held by our Promoters were fully paid up as on the respective dates of acquisition of such Equity Shares. Our Promoters have confirmed to our Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed of by them for such purpose.

**(ii) Details of Equity Shares Locked-in for one (1) year**

In excess of minimum 20% of the post-Issue shareholding of our Company held by the Promoter (locked in for three years as specified above), the balance pre-issue share capital of our Company held by promoters shall be locked in for of one year from the date of Allotment in this Issue as provided in clause 238(b) of SEBI (ICDR) Regulations 2018.

Further, in terms of Regulation 239 of SEBI ICDR Regulations, entire pre-Issue equity shares capital of our Company held by persons other than our Promoter will be locked-in for a period of one year from the date of Allotment in the Issue.

***The details of lock-in of shares for 1 (one) year are as under:***

<b><i>Name of Shareholders</i></b>	<b><i>Category</i></b>	<b><i>No of Shares Held</i></b>	<b><i>Lock-in for 3 Years</i></b>	<b><i>Lock-in for 1 Years</i></b>
Mr. Anand Kumar Seethala	Promoter	16,99,950	6,48,800	10,51,150
Mrs. Botcha Bhavani	Promoter	28,00,000	6,00,000	22,00,000
Srinu Babu Botch	Public	10	-	10
Madan Babu Botch	Public	10	-	10
Padamavathi Konchada	Public	10	-	10
Saraswathi Botcha	Public	10	-	10
Vijayakumari Botcha	Public	10	-	10
<b>Total</b>		<b>45,00,000</b>	<b>12,48,800</b>	<b>32,51,200</b>

**(iii) Other requirements in respect of lock-in**

➤ **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.

➤ **Pledge of Locked-in Equity Shares**

Pursuant to Regulation 242 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoter, as specified above, can be pledged with any scheduled commercial banks or public financial institutions or systemically important non-banking finance company or housing finance company as collateral security for loans granted by such scheduled commercial banks or public financial institutions or systemically important non-banking finance company or housing finance company, subject to fulfilment of following conditions:

- i. In respect of Equity Shares which are locked in for a period of one year, the pledge of the Equity Shares is one of the terms of the sanction of the loan;
- ii. In respect of Equity Shares which are locked in for a period of three years, the loan has been granted by such scheduled commercial bank or public financial institution or systemically important non-banking finance company or housing finance company to our Company or our Subsidiary (ies) for the purpose of financing one or more of the objects of the Issue and the pledge of the Equity Shares is one of the terms of the sanction of the loan.

➤ **Transfer of Locked-in Equity Shares**

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) 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 Promoters' 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 Promoter and Promoters' 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.
- (iv) **Sale/Purchase by Promoter Group and/or by directors of Company which is promoter of our company and/or by the director of our company and their immediate relatives during six months preceding the date of this prospectus:**
- There is no other Sale/Purchase by Promoter Group and/or by directors of Company which is promoter of our company and/or by the director of our company and their immediate relatives during six months preceding the date of this prospectus except as mentioned in this chapter and prospectus.
- (m) Our Company, its Directors, Promoters or the Lead Manager have not entered into any buy-back or standby arrangements for the purchase of the Equity Shares of our Company.
  - (n) The Equity Shares issued pursuant to this Issue shall be fully paid-up.
  - (o) The Lead Manager and its associates do not hold any Equity Shares in our Company as on the date of filing this prospectus.
  - (p) There are no options granted or equity shares issued under any scheme of employee stock option or employee stock purchase of issuer, in the preceding three years (separately for each year) and on a cumulative basis for all options or equity shares issued prior to the date of the prospectus.
  - (q) There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into Equity Shares as on the date of this prospectus.

**Other miscellaneous disclosures:**

1. None of the Equity Shares of our Company are subject to any pledge as on the date of this prospectus.
2. None of the shareholding of the Promoters & Promoter Group is subject to lock-in as on date of this prospectus.
3. Except as disclosed in the chapter titled "**Our Management**" beginning on page 111 of this prospectus, none of our directors or Key Managerial Personnel holds any Equity Shares in our Company.
4. None of our Promoters, Promoter Group, our directors and their relatives has entered into any financing arrangements or financed the purchase of the Equity shares of our Company by any other person during the period of six (6) months immediately preceding the date of filing of the prospectus.

5. We hereby confirm that there will be no further issue of capital whether by the way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the prospectus until the Equity shares offered have been listed or application money unblocked on account of failure of issue.
6. Our Company undertakes that there shall be only one (1) denomination for the Equity Shares of our Company, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as specified by SEBI from time to time.
7. Our Company has not issued Equity Shares out of Revaluation Reserves.
8. Our Company shall comply with such disclosures and accounting norms as may be specified by BSE, SEBI and other regulatory authorities from time to time.
9. Our Company has not made any public issue of any kind or class of securities of our Company within the immediately preceding two (2) years prior to filing this prospectus.
10. Our Company has not raised any bridge loan against the proceeds of this issue.
11. Our Company, Directors, Promoters or members of our Promoter Group shall not make any payments, direct or indirect, discounts, commissions, allowances or otherwise under this Issue except as disclosed in this prospectus.
12. Our Company has not revalued its assets since incorporation.
13. An over-subscription to the extent of 10% of the Net 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 Net 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 Promoter and subject to three (3) years lock-in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.
14. 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 effected in accordance with applicable laws, rules, regulations and guidelines.
15. In case of over-subscription in all categories the allocation in the issue shall be as per the requirements of SEBI (ICDR) Regulations.
16. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
17. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
18. There are no Equity Shares against which depository receipts have been issued.
19. Other than the Equity Shares, there is no other class of securities issued by our Company.
20. This issue is being made through Fixed Price method.
21. 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:
  - (a) Minimum 50% to the Retail individual investors; and
  - (b) remaining to:
    - i. individual applicants other than retail individual investors; and
    - ii. other investors including corporate bodies or institutions; irrespective of the number of specified securities applied for;

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

**Explanation:** For the purpose of Regulation 253, sub-Regulation (2), if the retail individual investor category is entitled to more than fifty percent of the issue size on proportionate basis, the retail individual investors shall be allocated that higher percentage.

**22. *Our Promoters and members of our Promoter Group will not participate in the Issue.***

## SECTION VII: PARTICULARS OF THE ISSUE

### OBJECT OF THE ISSUE

The Issue includes a fresh Issue of **17,44,000** Equity Shares of our Company at an Issue Price of **₹15/-** per Equity Share aggregating to **₹261.60** Lakhs. Our Company proposes to utilize the funds which are being raised through this Issue towards the below mentioned objects and gain benefits of listing on Stock Exchange.

**The Objects of the Issue are:**

- A. To meet the working capital requirements
- B. To meet the Issue Expenses
- C. General Corporate Purposes

Our Company believes that listing will enhance our Company's corporate image, brand name and create a public market for its Equity Shares in India. It will also make future financing easier and affordable in case of expansion or diversification of the business. Further, listing attracts interest of institutional investors as well as foreign institutional investors.

The main objects clause of our Memorandum enables our Company to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution.

**Requirement of Funds**

The following table summarizes the requirement of funds:

(Rs. In Lakhs)

Sr. No.	Particulars	Estimated Amount	% of total issue size	Amount to be financed from Issue Proceeds
A	To meet the working capital requirements	206.60	78.98%	206.60
B	General corporate purposes	31.65	12.10%	31.65
C	Issue related expenses	23.35	8.92%	23.35
	<b>Total IPO Proceeds</b>	<b>261.60</b>	<b>100.00%</b>	<b>261.60</b>
	Less: Issue-Related Expenses	23.35	8.92%	23.35
	<b>Net Issue Proceeds</b>	<b>238.25</b>	<b>91.08%</b>	<b>238.25</b>

**Details breakup of the Use of the Proceeds**

**A. Working Capital Requirement and basis of estimation:**

Our business is working capital intensive and our company funds a majority of our working capital requirement through internal accruals. For the expansion of our business and to enter new geographical areas, our company requires additional working capital which is based on our management estimations of the future business plan for the FY 2022-23. However, the management may start utilising the IPO proceeds with in March 2023 for achieving the business plan, subject to listing and trading approval received from exchange within March 2023.

**Details of estimation of working capital requirement are as follows:**

(Rs. In Lakhs)

Particulars	31-03-2020	31-03-2021	31-03-2022	31-03-2023
	Restated Standalone			Estimated
Cash & Bank Balance	28.05	0.20	2.67	51.90
Current Investment	-	-	-	-
Sundry Debtors	39.60	56.45	80.58	250.00
Inventory	271.33	351.24	416.40	450.00
Short Term Loans and Advances	10.04	3.67	5.29	25.00
Other Current Assets	26.12	23.57	13.83	75.00
<b>Total Current Assets</b>	<b>375.14</b>	<b>435.13</b>	<b>518.77</b>	<b>851.90</b>
Sundry Creditors	52.14	36.29	55.72	43.50
Other Current Liabilities	15.66	22.64	31.88	35.50
<b>Total Current Liabilities</b>	<b>67.80</b>	<b>58.93</b>	<b>87.60</b>	<b>79.00</b>
<b>Working Capital Gap</b>	<b>307.34</b>	<b>376.20</b>	<b>431.17</b>	<b>772.90</b>

Particulars	31-03-2020	31-03-2021	31-03-2022	31-03-2023
	Restated Standalone			Estimated
<b>Source of Working Capital</b>				
Proceeds from IPO	-	-	-	206.60
Short Term Borrowings	307.34	376.20	47.01	50.00
Internal Accrual	-	-	384.16	516.30
<b>Total</b>	<b>307.34</b>	<b>376.20</b>	<b>431.17</b>	<b>772.90</b>

**Assumption on working capital requirement:**

We have estimated our working capital requirement based on the following holding periods which are as per industry standard:

Particulars	31-03-2020	31-03-2021	31-03-2022	31-03-2023
Sundry Debtors Holding period (Months)	1.63	11.50	4.67	5.00
Inventory Holding Period (Months)	11.16	71.55	24.14	9.00
Sundry Creditor Holding Period (Months)	2.76	14.99	5.16	1.50

**Justification for Holding Period:**

Particulars	Details
Sundry Debtors Holding period	In Fiscal 2020, 2021 and 2022 our average Debtor holding period was 1.63 months, 11.50 months and 4.67 months respectively. We are estimating to maintain the Debtor holding period at levels of 5.00 months for Fiscal 2023 as per our projected financials and market condition.
Inventory Holding Period	In Fiscal 2020, 2021 and 2022 our average Inventory holding period was 11.16 months, 71.55 months and 24.14 months respectively. Inventory level for Fiscal 2021 is not comparable due to Covid Impact. We are estimating to maintain the Inventory holding period at levels of 9.00 months for Fiscal 2023 as per our projected financials and market condition.
Sundry Creditor Holding Period	In Fiscal 2020, 2021 and 2022 our average Creditor holding period was 2.76 months, 14.99 months and 5.16 months respectively. However, going forward we are estimating to maintain the Creditor holding period at levels of 1.50 months for Fiscal 2023.

**B. General Corporate Purpose:**

The Net Proceeds will be first utilized towards the Objects as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount being raised by our Company through this issue, in compliance with the Chapter IX, Regulation 230 (2) of SEBI ICDR Regulations, 2018. Our Company intends to deploy the balance Net Proceeds i.e., Rs. 31.65 Lakhs, which is 12.10% of the amount being raised by our company through this issue, towards general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- (i) Strategic initiatives
- (ii) brand building and strengthening of marketing activities; and
- (iii) ongoing general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head "General Corporate Purposes" and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the balance Net Proceeds for general corporate purposes, as mentioned above.

### C. Issue Related Expense:

The expenses for this Issue include issue management fees, underwriting fees, selling commission, registrar fees, legal advisor fees, printing and distribution expenses, issue related advertisement expenses, depository charges and listing fees, statutory expenses etc. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

Activity	Estimated Expenses (Rs. In Lakhs)	% of Total Issue Expenses	% of the Total Issue Size
Lead Manager Fees including other intermediaries Fees	21.75	68.72%	8.31%
Regulators Including Stock Exchanges	5.65	17.85%	2.16%
Advertising and Marketing Expenses	3.00	9.48%	1.15%
Printing and distribution of Issue Stationary	1.25	3.95%	0.48%
<b>Total</b>	<b>31.65</b>	<b>100.00%</b>	<b>12.10%</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.

### Means of Finance:

We propose to meet the requirement of funds for the stated objects of the Issue from the IPO Proceeds and internal accruals. Accordingly, we confirm that we are in compliance with the requirements 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 for 75% of the stated means of finance, excluding the Issue Proceeds and existing identifiable internal accruals).

The fund requirement and deployment are based on internal management estimates 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, other financial conditions, business or strategy, as discussed further below. In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.

We may have to revise our fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail re-scheduling, revising or cancelling the fund requirements and increasing or decreasing the fund requirements for a particular purpose from its fund requirements mentioned below, at the discretion of our management. In case of any shortfall or cost overruns, we intend to meet our estimated expenditure from internal accruals and/or debt. In case of any such re-scheduling, it shall be made by compliance of the relevant provisions of the Companies Act, 2013 / Companies Act, 1956.

### Appraisal by Appraising Fund:

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 Issue are currently based on 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 variations in interest rate structures, changes in our financial condition and current commercial

conditions 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 this prospectus, we have not raised any bridge loans which are proposed to be repaid from the Net Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement/cash credit facility with our lenders, to finance additional working capital needs until the completion of the Issue.

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

Pending utilization for the purposes described above, our Company intends to invest the funds in with scheduled commercial banks included in the second schedule of Reserve Bank of India Act, 1934. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds. Further, our Board of Directors hereby undertake that full recovery of the said interim investments shall be made without any sort of delay as and when need arises for utilization of process for the objects of the issue.

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

As the Issue size is less than Rs. 10,000 Lakh, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. 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 Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

No part of the Issue Proceeds will be paid by our Company as consideration to our Promoters, our Directors, Key Management Personnel or companies promoted by the Promoters, except as may be required in the usual course of business and for working capital requirements.

#### **Variation in Objects**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013, our Company shall not vary the objects of the Initial Public Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through a postal ballot. Further, pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half- yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (“Postal Ballot Notice”) shall specify the prescribed details as required under the Companies Act. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Hindi, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price as may be prescribed by SEBI, in this regard.

#### **Other Confirmations**

There are no material existing or anticipated transactions with our Promoters, 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

The Issue Price of ₹15/- per Equity Share has been determined by our Company, in consultation with the Lead Manager and justified by our Company, in consultation with the Lead Manager on the basis of an assessment of market demand for the Equity Shares through the Fixed Price Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Share of our Company is ₹10/- and Issue Price is ₹15/- which is 1.5 times the face value. Investors should also refer “*Our Business*”, “*Risk Factors*” and “*Financial Statements as Restated*” beginning on page no. 82, 20 and 128 respectively, of this prospectus, to have an informed view before making an investment decision.

### QUALITATIVE FACTORS:

Some of the qualitative factors, which form the basis for computing the price, are –

- Established and proven track record;
- Leveraging the experience of our Promoters;
- Experienced management team and a motivated and efficient work force;
- Cordial relations with our customers
- Quality Assurance & Control

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to Section titled, “*Our Business*”, beginning on page no. 82 of this prospectus.

### QUANTITATIVE FACTORS:

The information presented in this section is derived from our Company’s restated financial statements for the financial year ended on 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2021 and 31<sup>st</sup> March 2020 prepared in accordance with Indian GAAP, the Companies Act and Restated in accordance with SEBI (ICDR) Regulations. For details, refer chapter titled “*Financial Statements as Restated*” beginning on page no 128 of this prospectus. Some of the quantitative factors, which form the basis for computing the price, are as follows:

#### 1. Basic & Diluted Earnings per share (EPS) as adjusted for changes in capital for last 3 years:

**Earnings Per Share:** As per the Company’s restated financial information:

Particulars	Basic & Diluted EPS	Weight
Year ended March 31, 2020	0.54	1
Year ended March 31, 2021	0.07	2
Year ended March 31, 2022	0.31	3
<b>Weighted Average</b>	<b>0.27</b>	

- a. **Basic & Diluted EPS:** EPS has been calculated as PAT/Weighted average no. of shares outstanding for particular period/year in accordance with Accounting Standard 20 (AS-20) ‘Earnings per Share’ issued by ICAI.
- b. **Weighted average:** Aggregate of weights i.e. [(EPS x Weight) for each year] / [Total of weights]

#### 2. Price to Earning (P/E) Ratio in relation to the Issue Price of ₹15/- per equity share of face value of Rs. 10/- each

Particulars	P/E Ratio
P/E ratio based on the Basic & Diluted EPS as on March 31, 2022	48.39

#### 3. Average Return on Net Worth (RoNW) for last 3 years

Particulars	RONW in %	Weight
Year ended March 31, 2020	4.84%	1
Year ended March 31, 2021	0.59%	2
Year ended March 31, 2022	0.92%	3
<b>Weighted Average</b>	<b>1.46%</b>	

**Weighted average:** Aggregate of year-wise weighted Return on Net Worth divided by the aggregate of weights i.e. [(Return on Net Worth x Weight) for each year] / [Total of weights]

**Note:** Net worth has been computed by aggregating share capital and reserves and surplus as per the audited restated financial information. Revaluation reserve or miscellaneous expenditure (to the extent not written off) is not considered for calculating Reserve & Surplus.

**4. Net Assets Value:**

Particulars	Amount
Net Asset Value per Equity Share as of March 31, 2022	11.15
<i>Net Asset Value per Equity Share after the Issue</i>	12.98
<i>Issue Price per equity share</i>	15.00

*Note: Net Asset Value per equity share represents "total assets less total liability (excluding deferred tax) as per the restated financial information as divided by the number of equity shares outstanding as at the end of year/period.*

**5. Comparison with other listed companies/Industry peers:**

We believe that none of the listed companies in India offer products or services across the various business segments in which we operate. Hence a strict comparison is not possible.

The Company in consultation with the Lead Manager and after considering various valuation fundamentals including Book Value and other relevant factors believes that the issue price of ₹15/- per equity share for the Public Issue is justified in view of the above parameters. The investors may also want to pursue the "**Risk Factors**" beginning on page no 20 of this prospectus and Financials of the company as set out in the "**Financial Statements as Restated**" beginning on page no 128 of this prospectus to have more informed view about the investment proposition. The Face Value of the Equity Shares is Rs. 10/- per share and the Issue Price is 1.5 times of the face value i.e., ₹15/- per share.

## STATEMENT OF POSSIBLE TAX BENEFITS

To,  
 The Board of Directors  
**CONTAINTE TECHNOLOGIES LIMITED,**  
 Plot No.794, H.No.37-18/28,  
 2nd Floor Defence Colony,  
 Sainikpuri,  
 Secunderabad,  
 Telangana-500094, India.  
 Dear Sirs,

**Sub: Statement of possible Special tax benefit ('the Statement') available to CONTAINTE TECHNOLOGIES LIMITED and its shareholders prepared in accordance with the requirements under Schedule VI-Clause 9L of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the 'Regulations')**

We hereby confirm that the enclosed annexure, prepared by **CONTAINTE TECHNOLOGIES LIMITED ('the Company')** states the possible special tax benefits available to the Company and the shareholders of the Company under the Income – tax Act, 1961 ('Act') as amended time to time, the Gift Tax Act, 1958, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the company may or may not choose to fulfil.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and its Shareholders and do not cover any general tax benefits. Further, these benefits are neither exhaustive nor conclusive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her 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.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

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

- the Company or its Shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable have been/would be met.

**The contents of this annexure are based on 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 provisions of the tax laws.**

**No assurance is given that the revenue authorities / courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the view, consequence to such change.**

We shall not be liable to Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct.

The enclosed Annexure is intended solely for your information and for inclusion in the Draft Prospectus/Prospectus or any other issue related material in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

**Signed in terms of our separate report of even date.**

For Dhanunjaya & Haranath

Chartered Accountants

Firm's Registration Number:014288S

Peer Review Certificate No.013982

Sd/-

Dhanunjay Kumar Alla

Partner

Membership No:206446

UDIN: 22206446AMYDQM4820

Place of Signature: Hyderabad

Date:15/07/2022

### **Annexure to the statement of possible Tax Benefits**

Outlined below are the possible Special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 presently forced in India. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Investors are advised to consult their own tax consultant with respect to the tax implications of an investment in the Equity Shares particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have different interpretation on the benefits, which an investor can avail.

YOU SHOULD CONSULT YOUR OWN TAX ADVISORS CONCERNING THE INDIAN TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN YOUR PARTICULAR SITUATION.

#### **1. Special Tax Benefits available to the Company under the Act:**

The Company is not entitled to any Special tax benefits under the Act.

#### **2. Special Tax Benefits available to the shareholders of the Company**

The Shareholders of the company are not entitled to any Special tax benefits under the Act.

#### **Notes:**

1. All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.

No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

#### **Signed in terms of our separate report of even date.**

For Dhanunjaya & Haranath  
Chartered Accountants  
Firm's Registration Number:014288S  
Peer Review Certificate No.013982

Sd/-

Dhanunjay Kumar Alla  
Partner  
Membership No:206446  
UDIN: 22206446AMYDQM4820  
Place of Signature: Hyderabad  
Date:15/07/2022

**SECTION VIII: ABOUT THE COMPANY AND THE INDUSTRY**

**INDUSTRY OVERVIEW**

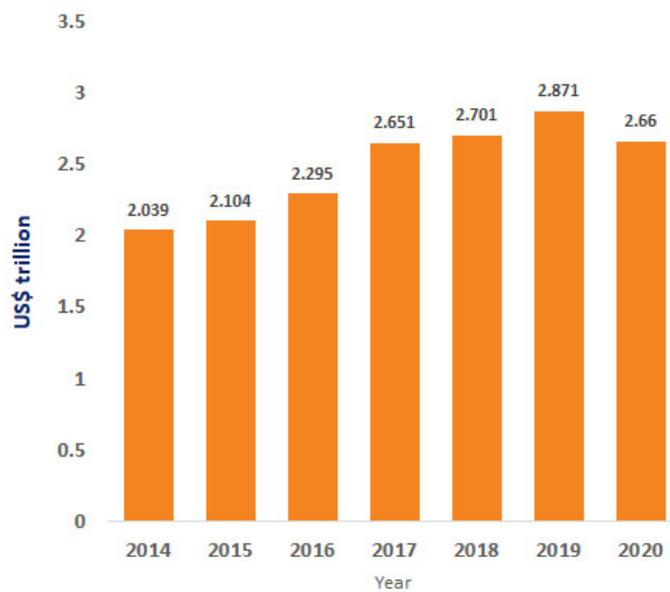
**INDIAN ECONOMY**

**INTRODUCTION**

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

**MARKET SIZE**

**India's Gross Domestic Production**



- India's nominal gross domestic product (GDP) at current prices is estimated to be at Rs. 232.15 trillion (US\$ 3.12 trillion) in FY22.
- India is the third-largest unicorn base in the world with over 100 unicorns with a total valuation of US\$ 332.7 billion.
- India needs to increase its rate of employment growth and create 90 million non-farm jobs between 2023 and 2030.
- 023 and 2030s, for productivity and economic growth according to McKinsey Global Institute. The net employment rate needs to grow by 1.5% per year from 2023 to 2030 to achieve 8-8.5% GDP growth between 2023 and 2030.
- According to data from the Department of Economic Affairs, as of January 28, 2022, foreign exchange reserves in India reached the US\$ 634.287 billion mark.

**RECENT DEVELOPMENTS**

Recent economic developments in India are as follows:

- With an improvement in the economic scenario, there have been investments across various sectors of the economy. The private equity - venture capital (PE-VC) sector recorded investments worth US\$ 5.8 billion across 117 deals in February 2022, 24% higher than in January 2022. Some of the important recent developments in the Indian economy are as follows:
- India's merchandise exports were at an all-time high of US\$ 417.81 billion in FY22. In April 2022, the Manufacturing Purchasing Managers' Index (PMI) in India stood at 54.7.
- The gross Goods and Services Tax (GST) revenue collection hit an all-time high of Rs. 1.68 trillion (US\$ 21.73 billion) in April 2022. This is a 20% increase over the previous year.
- According to the Department for Promotion of Industry and Internal Trade (DPIIT), FDI equity inflow in India stood at US\$ 572.80 billion between April 2000-December 2021.
- India's Index of Industrial Production (IIP) for January 2022 stood at 138.4 against 136.6 for January 2021.
- Consumer Food Price Index (CFPI) – Combined inflation was 2.9% in 2021-22 (April-December) against 9.1% in the corresponding period last year.
- Consumer Price Index (CPI) – Combined inflation was 5.20% in 2021-2022 (April-December) against 6.6% in 2020-21

- Foreign portfolio investors (FPIs) invested Rs.50,009 crore (US\$ 6.68 billion) in the Calendar year 2021.
- The wheat procurement in Rabi 2021-22 and the anticipated paddy purchase in Kharif 2021-22 would include 1208 lakh (120.8 million) metric tonnes of wheat and paddy from 163 lakh (16.7 million) farmers, as well as a direct payment of MSP value of Rs. 2.37 lakh crore (US\$ 31.74 billion) to their accounts.

## GOVERNMENT INITIATIVES

The Government of India has taken several initiatives to improve the economic condition of the country. Some of these are:

- As of April 2022, India signed 13 Free Trade Agreements (FTAs) with its trading partners including major trade agreements like the India-UAE Comprehensive Partnership Agreement (CEPA) and the India-Australia Economic Cooperation and Trade Agreement (IndAus ECTA).
- The Union Budget of 2022-23 was presented on February 1, 2022, by the Minister for Finance & Corporate Affairs, Ms. Nirmala Sitharaman. The budget had four priorities PM GatiShakti, Inclusive Development, Productivity Enhancement and Investment and Financing of Investments. In the Union Budget 2022-23, effective capital expenditure is expected to increase by 27% at Rs. 10.68 lakh crore (US\$ 142.93 billion) to boost the economy. This will be 4.1% of the total Gross Domestic Production (GDP).
- Under PM GatiShakti Master Plan the National Highway Network will develop 25,000 km of new highways network which will be worth Rs. 20,000 crore (US\$ 2.67 billion). In 2022-23. Increased government expenditure is expected to attract private investments, with a production-linked incentive scheme providing excellent opportunities. Consistently proactive, graded, and measured policy support is anticipated to boost the Indian economy.
- In February 2022, Minister for Finance and Corporate Affairs Ms. Nirmala Sitharaman said that productivity linked incentive (PLI) schemes would be extended to 14 sectors to achieve the mission of AtmaNirbhar Bharat and create 60 lakh jobs with an additional production capacity of Rs. 30 lakh crore (US\$ 401.49 billion) in the next five years.
- In the Union Budget of 2022-23, the government announced funding for the production linked incentive (PLI) scheme for domestic solar cells and module manufacturing of Rs. 24,000 crore (US\$ 3.21 billion).
- In the Union Budget of 2022-23, the government announced a production linked incentive (PLI) scheme for Bulk Drugs which was an investment of Rs. 2500 crore (US\$ 334.60 million).
- In the Union Budget of 2022, Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman announced that a scheme for design-led manufacturing in 5G would be launched as part of the PLI scheme.
- In September 2021, Union Cabinet approved major reforms in the telecom sector, which are expected to boost employment, growth, competition, and consumer interests. Key reforms include rationalization of adjusted gross revenue, rationalization of bank guarantees (BGs), and encouragement of spectrum sharing.
- In the Union Budget of 2022-23, the government has allocated Rs. 44,720 crore (US\$ 5.98 billion) to Bharat Sanchar Nigam Limited (BSNL) for capital investments in the 4G spectrum.
- Minister for Finance & Corporate Affairs Ms. Nirmala Sitharaman allocated Rs. 650 crore (US\$ 86.69 million) for the Deep Ocean mission that seeks to explore vast marine living and non-living resources. Department of Space (DoS) has got Rs. 13,700 crore (US\$ 1.83 billion) in 2022-23 for several key space missions like Gaganyaan, Chandrayaan-3, and Aditya L-1 (sun).
- In May 2021, the government approved the production linked incentive (PLI) scheme for manufacturing advanced chemistry cell (ACC) batteries at an estimated outlay of Rs. 18,100 crore (US\$ 2.44 billion); this move is expected to attract domestic and foreign investments worth Rs. 45,000 crore (US\$ 6.07 billion).
- Minister for Finance & Corporate Affairs Ms Nirmala Sitharaman announced in the Union Budget of 2022-23 that the Reserve Bank of India (RBI) would issue Digital Rupee using blockchain and other technologies.
- In the Union Budget of 2022-23, Railway got an investment of Rs. 2.38 lakh crore (US\$ 31.88 billion) and over 400 new high-speed trains were announced. The concept of "One Station, One Product" was also introduced.
- To boost competitiveness, Budget 2022-23 has announced reforming the 16-year-old Special Economic Zone (SEZ) act.
- In June 2021, the RBI (Reserve Bank of India) announced that the investment limit for FPI (foreign portfolio investors) in the State Development Loans (SDLs) and government securities (G-secs) would persist unaffected at 2% and 6%, respectively, in FY22.

- To boost the overall audit quality and transparency and add value to businesses, in April 2021, the RBI issued a notice on new norms to appoint statutory and central auditors for commercial banks, large urban co-operatives, and large non-banks and housing finance firms.
- In May 2021, the Government of India allocated Rs. 2,250 crore (US\$ 306.80 million) for the development of the horticulture sector in 2021-22.
- In November 2020, the Government of India announced Rs. 2.65 lakh crore (US\$ 36 billion) stimulus package to generate job opportunities and provide liquidity support to various sectors such as tourism, aviation, construction, and housing. Also, India's cabinet approved the production-linked incentives (PLI) scheme to provide ~Rs. 2 trillion (US\$ 27 billion) over five years to create jobs and boost production in the country.
- Numerous foreign companies are setting up their facilities in India on account of various Government initiatives like Make in India and Digital India. Prime Minister of India Mr. Narendra Modi launched the Make in India initiative with an aim to boost the country's manufacturing sector and increase the purchasing power of an average Indian consumer, which would further drive demand and spur development, thus benefiting investors. The Government of India, under its Make in India initiative, is trying to boost the contribution made by the manufacturing sector with an aim to take it to 25% of the GDP from the current 17%. Besides, the government has also come up with the Digital India initiative, which focuses on three core components: the creation of digital infrastructure, delivering services digitally, and increasing digital literacy.
- On January 29, 2022, the National Asset Reconstruction Company Ltd (NARCL) will acquire bad loans worth up to Rs. 50,000 crore (US\$ 6.69 billion) about 15 accounts by March 31, 2022. India Debt Resolution Co. Ltd (IDRCL) will control the resolution process. This will clean up India's financial system and help fuel liquidity and boost the Indian economy.
- National Bank for Financing Infrastructure and Development (NaBFID) is a bank that will provide non-recourse infrastructure financing and is expected to support projects from the first quarter of FY2022-23; it is expected to raise Rs. 4 lakh crore (US\$ 53.58 billion) in the next three years.
- By November 1, 2021, India and the United Kingdom hope to begin negotiations on a free trade agreement. The proposed FTA between these two countries is likely to unlock business opportunities and generate jobs. Both sides have renewed their commitment to boost trade in a manner that benefits all.
- In August 2021, NITI Aayog and Cisco collaborated to encourage women's entrepreneurship in India.
- In August 2021, Prime Minister Mr. Narendra Modi announced an initiative to start a national mission to reach the US\$ 400 billion merchandise export target by FY22.
- In August 2021, Prime Minister Mr. Narendra Modi launched a digital payment solution, e-RUPI, a contactless and cashless instrument for digital payments.
- In June 2021, RBI Governor Mr. Shaktikanta Das announced the policy repo rate unchanged at 4%. He also announced various measures, including Rs. 15,000 crores (US\$ 2.05 billion) liquidity support to contact-intensive sectors such as tourism and hospitality.
- In June 2021, Finance Ministers of G-7 countries, including the US, the UK, Japan, Italy, Germany, France and Canada, attained a historic contract on taxing multinational firms as per which the minimum global tax rate would be at least 15%. The move is expected to benefit India by increasing foreign direct investments in the country.
- In June 2021, the Indian government signed a US\$ 32 million loan with World Bank for improving healthcare services in Mizoram.
- In May 2021, the Government of India (GoI) and European Investment Bank (EIB) signed the finance contract for the second tranche of EUR 150 million (US\$ 182.30 million) for the Pune Metro Rail project.
- According to an official source, as of September 15, 2021, 52 companies have filed applications under the Rs. 5,866 crore (US\$ 796.19 million) production-linked incentive scheme for the white goods (air conditioners and LED lights) sector.
- In May 2021, Union Cabinet approved the signing of a memorandum of understanding (MoU) on migration and mobility partnership between the Government of India, the United Kingdom of Great Britain and Northern Ireland.
- In April 2021, Minister for Railways and Commerce & Industry and Consumer Affairs, Food & Public Distribution, Mr. Piyush Goyal, launched the 'DGFT Trade Facilitation' app to provide instant access to exporters/importers anytime and anywhere.

- In April 2021, Dr. Ahmed Abdul Rahman AlBanna, Ambassador of the UAE to India and Founding Patron of IFIICC, stated that trilateral trade between India, the UAE and Israel is expected to reach US\$ 110 billion by 2030.
- India is expected to attract investment of around US\$ 100 billion in developing the oil and gas infrastructure during 2019-23.
- The Government of India is going to increase public health spending to 2.5% of the GDP by 2025.

## ROAD AHEAD

Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution Mr. Piyush Goyal, on January 21, 2022 said that Indian industry to raise 75 unicorns in the 75 weeks leading up to the country's 75th anniversary next year.

Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles Mr. Piyush Goyal said that India will achieve exports worth US\$ 1 trillion by 2030.

India's electronic exports are expected to reach US\$ 300 billion by 2025-26. This will be nearly 40 times the FY2021-22 exports (till December 2021) of US\$ 67 billion.

As per the data published in a Department of Economic Affairs report, in the first quarter of FY22, India's output recorded a 20.1% YoY growth, recovering >90% of the pre-pandemic output in the first quarter of FY20. India's real gross value added (GVA) also recorded an 18.8% YoY increase in the first quarter of FY22, posting a recovery of >92% of its corresponding pre-pandemic level (in the first quarter of FY20). Also, in FY21, India recorded a current account surplus of 0.9% of the GDP. The growth in the economic recovery is due to the government's continued efforts to accelerate vaccination coverage among citizens. This also provided an optimistic outlook to further revive industrial activities.

As per RBI's revised estimates for July 2021, the real GDP growth of the country is estimated at 21.4% for the first quarter of FY22. The increase in the tax collection, along with the government's budget support to states, strengthened the overall growth of the Indian economy.

India is focusing on renewable sources to generate energy. It is planning to achieve 40% of its energy from non-fossil sources by 2030. In line with this, in May 2021, India, along with the UK, jointly launched a 'Roadmap 2030' to collaborate and combat climate change by 2030.

India is expected to be the third-largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to a shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report. It is estimated to surpass the USA to become the second-largest economy in terms of purchasing power parity (PPP) by 2040, as per a report by PricewaterhouseCoopers.

## AUTO COMPONENTS INDUSTRY OVERVIEW

### INTRODUCTION

The Indian auto-components industry has experienced healthy growth over the last few years. The auto-components industry expanded by a CAGR of 3.28% over FY16 to FY20 to reach US\$ 45.90 billion in FY21. The industry is expected to reach US\$ 200 billion by FY26.

Due to high development prospects in all segments of the vehicle industry, the auto component sector is expected to rise by double digits in FY22.

Auto-components industry accounts for 7.1% of India's Gross Domestic Product (GDP) and employs as many as 5 million people directly and indirectly. A stable government framework, increased purchasing power, large domestic market, and an ever-increasing development in infrastructure have made India a favourable destination for investment.

### MARKET SIZE

The industry can be broadly classified into organised and unorganised sectors. The organised sector caters to original equipment manufacturers (OEMs) and consist of high-value precision instruments while the unorganised sector comprises low-valued products and caters mostly to the aftermarket category.

The automobile component industry turnover stood at Rs. 1.96 lakh crore (US\$ 26.6 billion) between April–September 2021 and is expected to witness revenue growth of 15-17% during the fiscal year. In first half of FY22, exports of auto components grew by 76% to Rs. 68,746 crore (US\$ 9.3 billion). As per the Automobile Component Manufacturers Association (ACMA) forecast, automobile component exports from India are expected to reach US\$ 80 billion by 2026. The Indian auto components industry is expected to reach US\$ 200 billion in revenue by 2026. Strong international demand and resurgence in the local original equipment and aftermarket segments are predicted to help the Indian auto component industry grow by 20-23% in FY22.

### INVESTMENTS

To keep up with the growing demand, several auto makers have started investing heavily in various segments of the industry during the last few months. The industry attracted Foreign Direct Investment equity inflow (FDI) worth US\$ 30.78 billion between April 2000-September 2021, accounting for 5.49% of the total equity FDI during the period.

Some of the recent/planned investments and developments in the automobile sector in India are as follows:

- In February 2022, a memorandum of understanding (MoU) was signed between electric two-wheeler company Ather Energy and Electric Supply Companies (ESCOMs) of Karnataka for setting up 1,000 fast charging stations across the state.
- In February 2022, Tata Power and Apollo Tyres Ltd announced a strategic partnership for the establishment of 150 public charging stations across India.
- In January 2021, leading commercial vehicle manufacturer Ashok Leyland teamed up with Aidrivers, a global leader in AI-enabled autonomous solutions for industrial mobility, to develop AI-enabled autonomous vehicles to fulfil the demands of a sustainable future.
- Two-wheeler EV maker HOP Electric Mobility, a diversified business venture of Rays Power Infra, is looking at investing Rs. 100 crore (US\$ 13.24 million) over the next two years to expand manufacturing capacity for its EVs.
- In December 2021, TVS Motor Company and BMW Motorrad, announced a partnership in the two-wheeler EV space, with plans to release their first electric two-wheeler within the next two years.
- In December 2021, Hyundai announced plans to invest Rs, 4,000 crores (US\$ 530.25 million) in R&D in India, with the goal of launching six EVs by 2028.
- In November 2021, Indian Oil Corporation (IOC) and two other public sector oil firms announced that they will install 22,000 EV charging stations in India over the next 3–5 years.

- In November 2021, Skoda Auto announced plans to locally manufacture electric cars in India. However, the firm may bring its first EV, the Enyaq, through the CBU route, before committing to local manufacturing.
- In November 2021, Hero Motor (HMC), the parent company of Hero Cycles, entered a joint venture partnership with Yamaha, a Japanese two-wheeler major, to make electric motors for e-bicycles for the global market.
- In October 2021, Tata Motors announced that private equity group TPG along with ADQ of Abu Dhabi has agreed to invest Rs. 7,500 crore (US\$ 1 billion) in its EV division.
- A cumulative investment of Rs. 12.5 trillion (US\$ 180 billion) in vehicle production and charging infrastructure would be required until 2030 to meet India’s EV ambitions

**GOVERNMENT INITIATIVES**

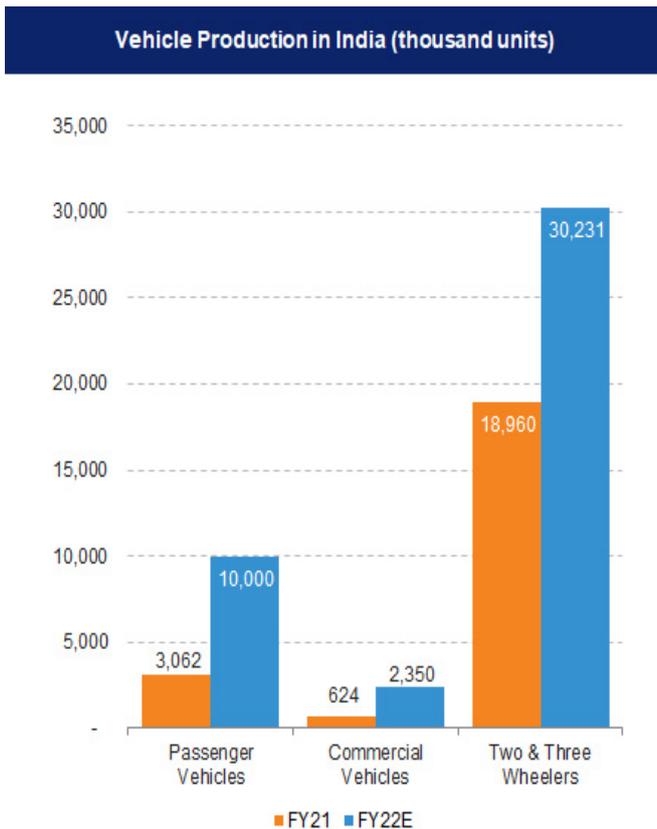
The Government of India’s Automotive Mission Plan (AMP) 2006-2026 has come a long way in ensuring growth for the sector. Indian Automobile industry is expected to achieve a turnover of US\$ 300 billion by 2026 and will grow at a CAGR of 15% from its current revenue of US\$ 74 billion.

In November 2020, the Union Cabinet approved PLI scheme in automobile and auto components with an approved financial outlay over a five-year period of Rs. 57,042 crore (US\$ 8.1 billion). In September 2021, the Indian government issued notification regarding a PLI scheme for automobile and auto components worth Rs. 25,938 crore (US\$ 3.49 billion). In February 2022, the government has received investment proposals worth Rs. 45,016 crore (US\$ 6.04 billion) from 20 automotive companies under the PLI Auto scheme. This scheme is expected to create an incremental output of Rs. 2,31,500 crore (US\$ 31.08 billion).

Government has come out with Automotive Mission Plan (AMP) 2016-26 which will help the automotive industry to grow and will benefit Indian economy in the following ways: -

- Contribution of auto industry in the country’s GDP will rise to over 12%.
- Around 65 million incremental number of direct and indirect jobs will be created.
- End of life Policy will be implemented for old vehicles.

**ACHIEVEMENTS**



Following are Government’s achievements in the past four years:

- Production of two wheelers, passenger vehicles, commercial vehicles and three wheelers reached 18.34 million, 3.06 million, 0.62 million, and 0.61 million, respectively, in FY21.
- FAME - India Scheme formulated by Department of Heavy Industry, led to a continuous increase in registered OEMs and vehicle models. Also, the scheme enhanced the sales of EVs and about 261,507 electric/hybrid vehicles were supported under the scheme up to December 6, 2018. In February 2019, the Government approved FAME-II scheme with a fund requirement of Rs. 10,000 crore (US\$ 1.39 billion) for FY20-22.
- Under National Automotive Testing and research and development (R&D) Infrastructure Project (NATRIp), various facilities including passive safety labs comprising of crash core facility and crash instrumentations including dummies were established at ICAT-Manesar and ARAI-Pune.
- To give a fresh thrust to E-mobility in public transport, Department of Heavy Industry announced the launch of public and shared mobility based on electric powertrain.

## ROAD AHEAD

The rapidly globalising world is opening newer opportunities for the transportation industry, especially while it makes a shift towards electric, electronic and hybrid cars, which are deemed more efficient, safe, and reliable mode of transportation. Over the next decade, this will lead to newer verticals and opportunities for auto-component manufacturers, who would need to adapt change via systematic R&D.

As per ACMA forecasts, automobile component export from India is expected to reach US\$ 80 billion by 2026. With shift in global supply chains, the Indian global automotive component trade is likely to expand at ~4-5% by 2026.

In December 2020, Power PSU JV EESL announced plan to install ~500 electric vehicle (EV) charging stations in the country in fiscal 2020-21. As of March 2021, there were 1,800 charging stations and this is expected to reach 4 lakh by 2026.

The Indian auto-components industry is set to become the third largest in the world by 2025. Indian auto-component makers are well positioned to benefit from the globalisation of the sector as export potential could be increased by up to US\$ 30 billion by 2021E.

*References: International Organization of Motor Vehicle Manufacturers, Media Reports, Press Releases, Department for Promotion of Industry and Internal Trade (DPIIT), Automotive Component Manufacturers Association of India (ACMA), Society of Indian Automobile Manufacturers (SIAM)*

*Note: Conversion rate used in November 2021, Rs. 1 = US\$ 0.01336*

*Note: \* - Includes automobile and auto-components, E - Estimated*

**EXECUTIVE SUMMARY**

**1. Robust growth**

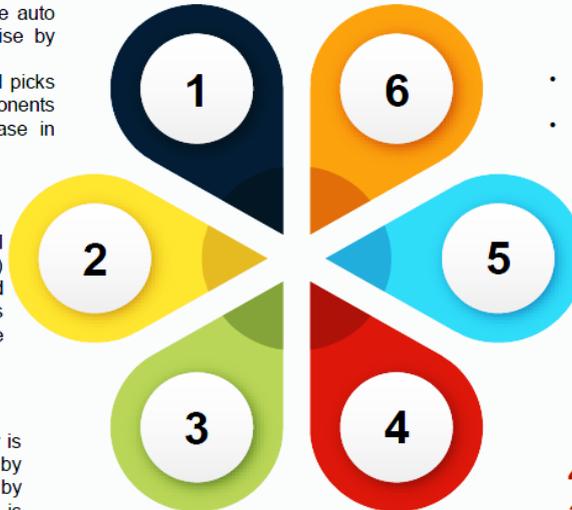
- Due to a shift in supply chains, India can possibly increase its share in the global auto component trade to 4-5% by 2026.
- Due to high development prospects in all segments of the vehicle industry, the auto component sector is expected to rise by double digits in FY22.
- As the domestic and export demand picks up, the Indian automotive components sector could record a ~23% increase in revenue in the next fiscal year.

**2. Rising indigenisation**

- The growth of global original equipment manufacturers’ (OEM) sourcing from India & the increased indigenisation of global OEMs is turning the country into a preferable designing and manufacturing base.

**3. Increasing turnover**

- The Indian auto components industry is expected to grow to US\$ 200 billion by FY26. This growth will be backed by strong export demand which is expected to rise at an annual rate of 23.9% to reach US\$ 80 billion by 2026.
- The automobile component industry’s turnover was Rs 3.40 lakh crore (US\$ 45.9 billion) in FY21, down 3% from the previous year.



**6. Electric vehicles push**

- The global move towards electric vehicles will generate new opportunities for automotive suppliers. The mass conversion to electric vehicles may generate a US\$ 300 billion domestic market for electric vehicle (EV) batteries in India by 2030\*.
- By 2025, 4 million EVs could be sold each year and 10 million by 2030.
- By 2026, India will need 4 lakh charging stations.

**5. Growing automobile industry**

- In 2020, India was the sixth-largest automobile producer worldwide, after China, the US, Japan, Germany and South Korea. The auto components industry is expected to become the third-largest in the world by 2025.

**4. Contribution to GDP and employment**

- The auto components industry accounted for 7.1% of India’s GDP, contributed 49% to its manufacturing GDP and provided employment to 50 lakh people in FY21.

Note: OEM: Original Equipment Manufacturer, EV – Electric Vehicles, \*As per NITI Aayog

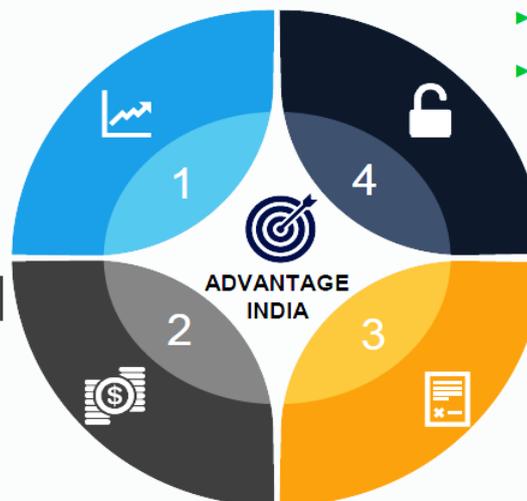
**ADVANTAGE INDIA**

**1 Robust demand**

- ▶ Growing working population and expanding middle class are expected to remain the key demand drivers. India is the fifth-largest automobile market globally.
- ▶ By 2025, 4 million of EVs could be sold each year and 10 million by 2030. The market is expected to reach US\$ 206 billion.
- ▶ With plans to reduce auto components’ import dependence domestic players are expected to witness demand surge.

**2 Competitive advantages**

- ▶ A cost-effective manufacturing base keeps costs lower by 10-25% relative to operations in Europe and Latin America.
- ▶ Presence of a large pool of skilled & semi-skilled workforce amidst a strong educational system.
- ▶ Second-largest steel producer globally, hence a cost advantage.



**4 Export opportunities**

- ▶ India is emerging as a global hub for auto component sourcing and the industry exports over 25% of its production annually.
- ▶ Auto component exports are expected to grow at 23.9% annually to reach US\$ 80 billion by 2026.
- ▶ India has a competitive advantage in auto components categories such as shafts, bearings and fasteners due to large number of players. This factor is likely to result into higher exports in coming years.

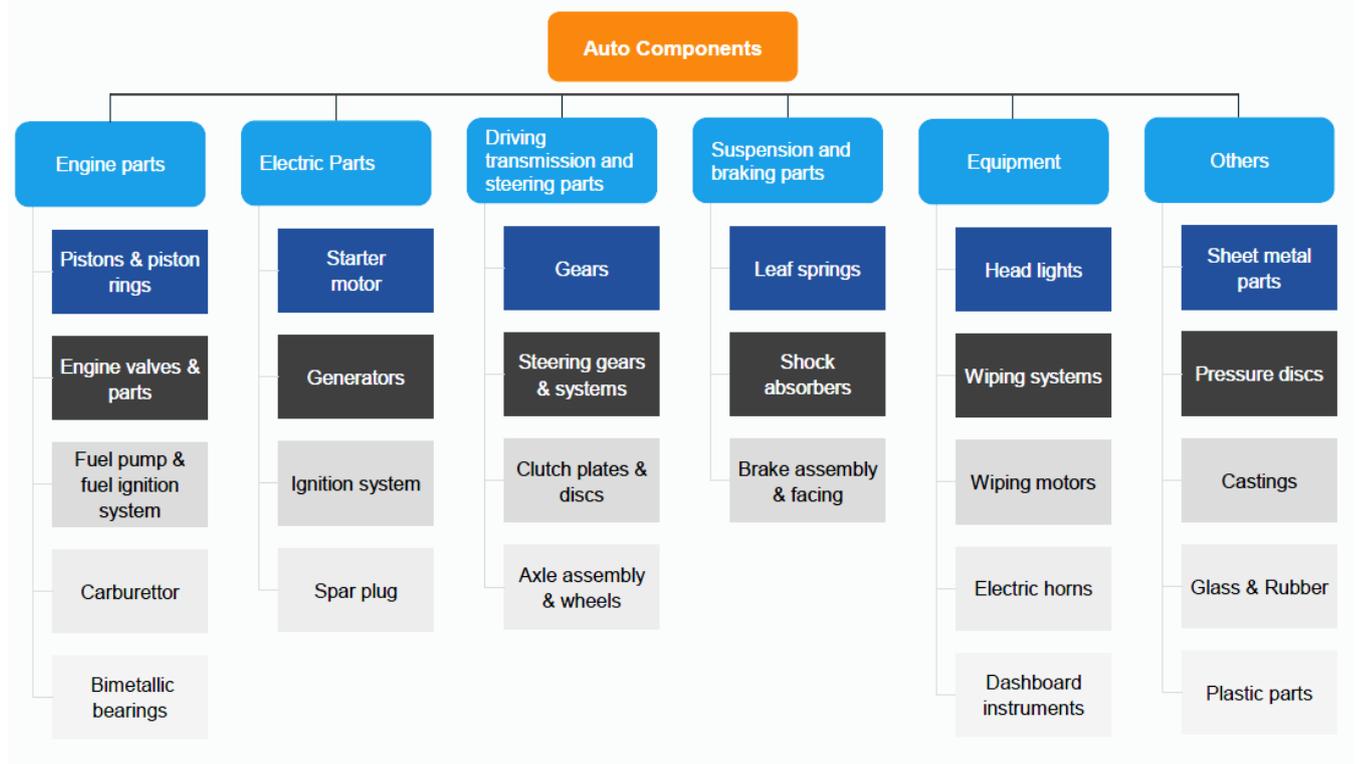
**3 Policy support**

- ▶ Strong support for R&D and product development by establishing NATRiP centres.
- ▶ A dedicated policy FAME II was launched to incentivize electric vehicle consumption and support manufacturing.
- ▶ 100% FDI allowed under automatic route for auto components sector.
- ▶ The Indian government has outlined US\$ 7.8 billion for the automobile and auto components sector in production-linked incentive (PLI) schemes under the Department of Heavy Industries.
- ▶ In September 2021, the Indian government issued notification regarding a PLI scheme for automobile and auto components worth Rs. 25,938 crore (US\$ 3.49 billion). This scheme is expected to bring investments of >Rs. 42,500 (US\$ 5.74 billion) by 2026.

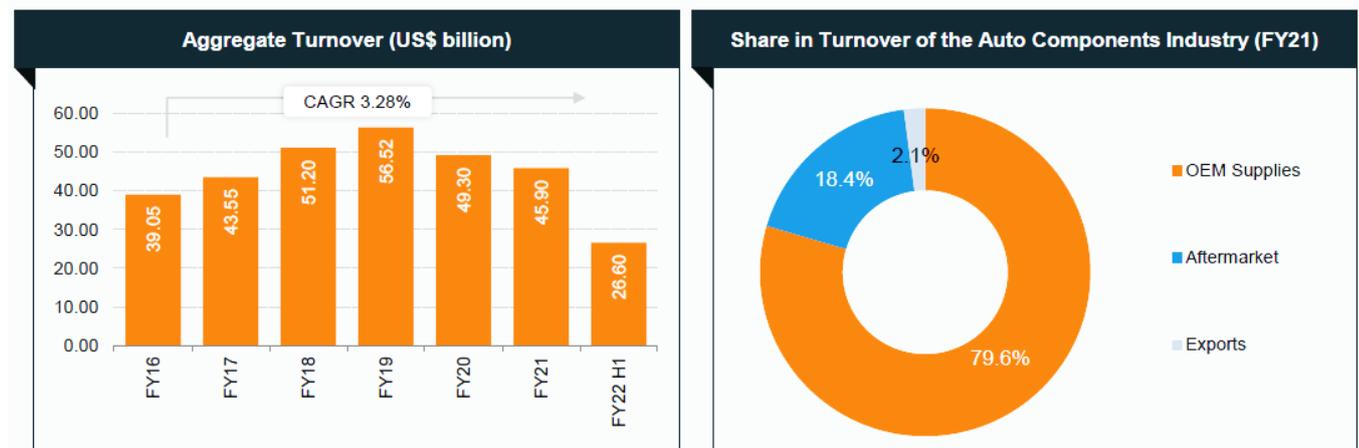
Notes: NATRiP - National Automotive Testing and R&D Infrastructure Project, FY - Indian Financial Year (April to March), R&D – Research and Development

## MARKET OVERVIEW

### Product Segments

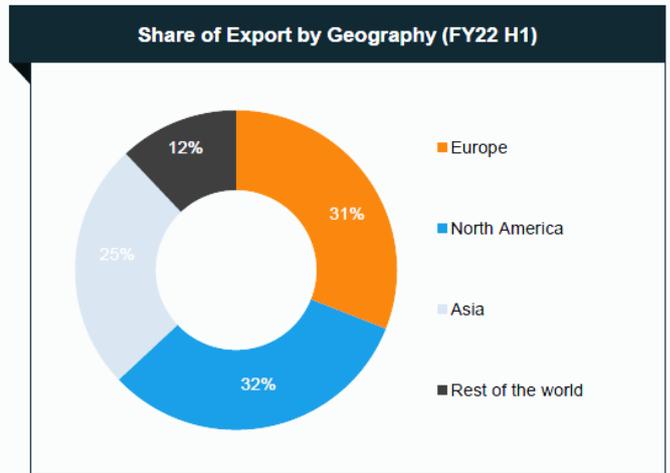
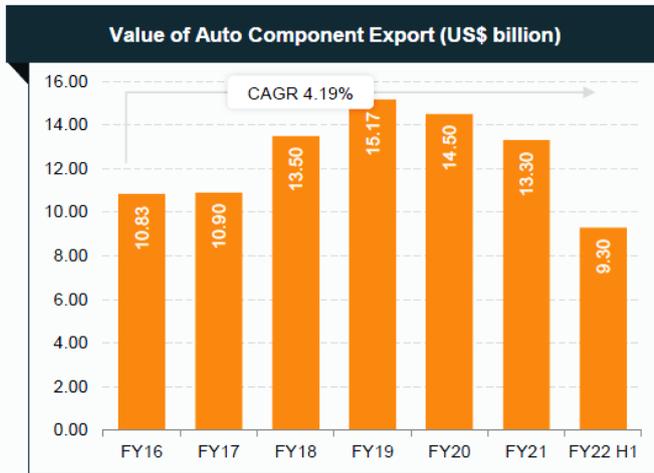


### Robust Growth



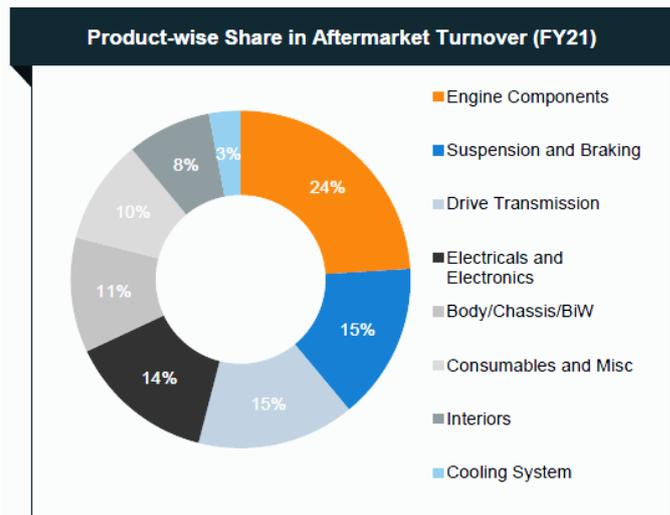
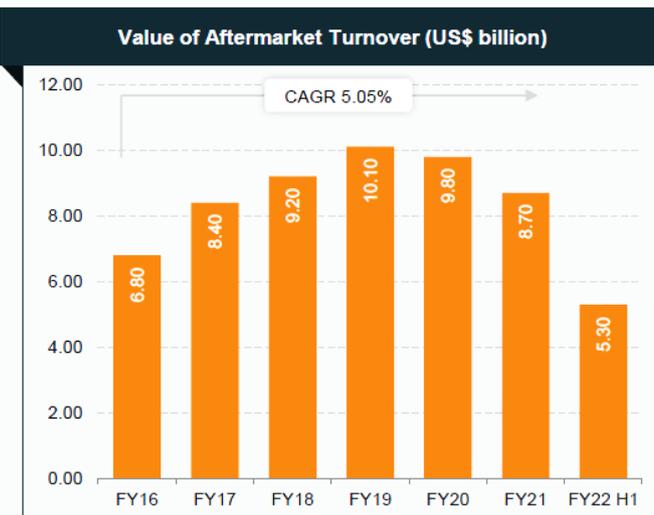
- The automobile component industry turnover stood at Rs. 1.96 lakh crore (US\$ 26.6 billion) between April-September 2021 the industry is expected to have a revenue growth of 15-17% this fiscal.
- Domestic OEM supplies contributed ~79.6% to the industry's turnover, followed by domestic aftermarket (~18.4%) and exports (2.1%), in FY21.
- Between April-September 2021, exports of auto components grew by 76% to Rs. 68,746 crore (US\$ 9.3 billion). As per the Automobile Component Manufacturers Association (ACMA) forecast, automobile component exports from India is expected to reach US\$ 80 billion by 2026.
- The aftermarket for auto components grew by 25% in the first half of 2021-22, reaching Rs. 38,895 crore (US\$ 5.3 billion), up from Rs. 31,116 crore (US\$ 4.1 billion) in the first half of 2020-21.

### Export Growth



- Exports of automobile components from India increased, at a CAGR of 4.19%, from US\$ 10.83 billion in FY16 to US\$ 13.30 billion in FY21.
- Exports of auto components grew by 76% from Rs. 39,003 crore (US\$ 5.2 billion) in the first half of FY21 to Rs. 68,746 crore (US\$ 9.3 billion) in the first half of FY22. Auto components exports are expected to grow at 23.9% annually to reach US\$ 80 billion by 2026.
- Europe accounted for 31% volume share of the total auto component export during first half of FY22, followed by North America (32%) and Asia (25%) of the total auto component export.

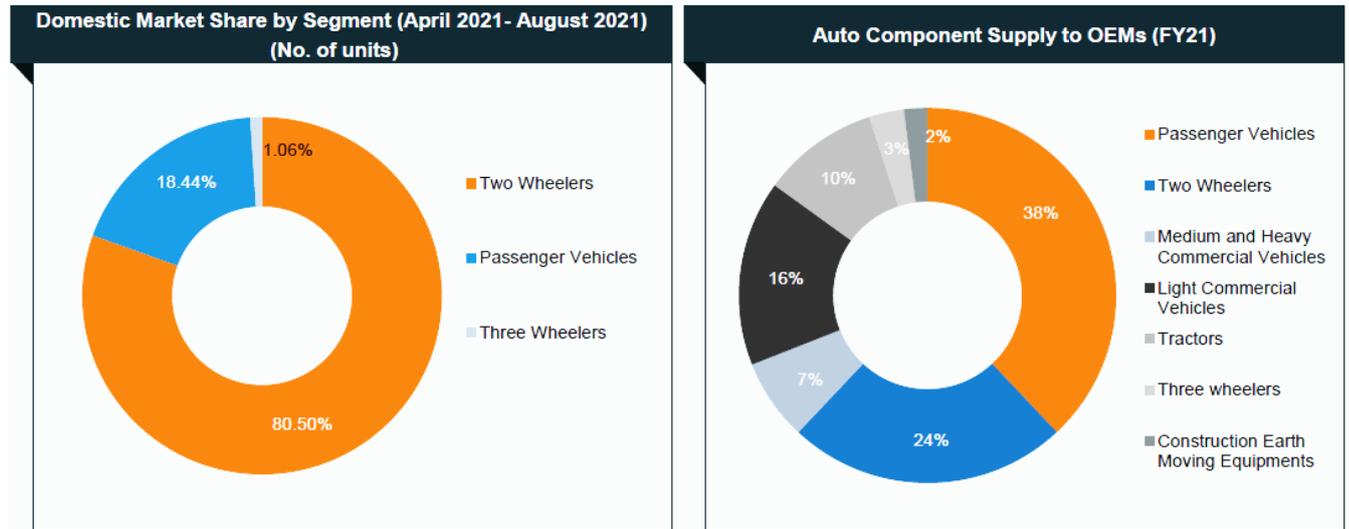
### Aftermarket Growth



- India's auto components aftermarket witnessed a 25% growth from Rs. 31,116 crore (US\$ 4.1 billion ) in the first half of 2020-21 to Rs. 38,895 crore (US\$ 5.3 billion) in the first half of 2021-22.
- Aftermarket turnover increased at a CAGR of 5.05% from US\$ 6.8 billion in FY16 to US\$ 8.7 billion in FY21 and is expected to reach US\$ 32 billion by 2026.
- The 'Drive Transmission and Steering' product category accounted for 21% of the aftermarket share followed by 'Engine Components', and 'Electricals and Electronic Components' with 19% and 18%, respectively.
- To support local auto parts suppliers, the auto component sector has tied up with Tesla to manufacture electric vehicles in August 2021.

Source: ACMA

### Shares In Production and Supply



- Domestic sales of passenger vehicles, three-wheelers and two-wheelers, reached 254,287, 24,091, and 1,128,293 units respectively, in January 2022.
- Passenger vehicles had the highest share of total auto component supplies to OEMs in FY20, distantly followed by two-wheelers and light commercial vehicles (LCV).
- In January 2022, the total output of passenger vehicles, three-wheelers, two-wheelers and quadricycles was 1,860,809 units.

Source: ACMA, SIAM

### Major Players by Segment

Engine & engine parts	Transmission & steering parts	Suspension & braking parts	Electrical	Equipment
<ul style="list-style-type: none"> <li><b>Pistons</b> - Goetze, Shriram Pistons &amp; Rings, India Pistons, Anand I-Power Ltd.</li> <li><b>Engine Valves</b> - Rane Engine Valves, Shriram Pistons and Rings, SSV Valves</li> <li><b>Carburetors</b> - UCAL Fuel Systems and Spaco Carburetors &amp; Escorts Auto Components</li> <li><b>Diesel-based fuel-injection systems</b> - MICO, Delphi-TVS Diesel System and Tata Cummins</li> </ul>	<ul style="list-style-type: none"> <li><b>Steering Systems</b> - Sona Koyo Steering Systems, Rane NSK Steering Systems and Rane TRW Systems</li> <li><b>Gears</b> - Bharat Gears, Gajra Bevel Gears, ZF Steering Gear (India) Ltd, Eicher, Graziano Trasmissioni and SIAP Gears India</li> <li><b>Clutch</b> - Clutch Auto, Ceekay Daikin, Amalgamations Repco, LuK Clutches</li> <li><b>Driveshafts</b> - Gkn Driveshafts, Spicer India Private Ltd., Delphi and Sona Koyo Steering Systems</li> </ul>	<ul style="list-style-type: none"> <li><b>Brake Systems</b> - Brakes India, Kalyani Brakes, Mando India Ltd. &amp; Automotive Axles and GNA Axles Limited</li> <li><b>Brake Lining</b> - Rane Brake Lining, Sundaram Brake Lining, Hindustan Composites and Allied Nippon</li> <li><b>Leaf Springs</b> - Jamna Auto &amp; Jai Parabolic</li> <li><b>Shock Absorbers</b> - Gabriel India, Delphi, Mando India Ltd. and Munjal Showa, Rane Holdings Limited</li> </ul>	<ul style="list-style-type: none"> <li>Lucas TVS, DENSO, Delco Remy Electricals, Varroc Group and Nippon Electricals are key players in this segment</li> </ul>	<ul style="list-style-type: none"> <li><b>Headlights</b> - Lumax, Autolite and Phoenix Lamps</li> <li><b>Dashboard</b> - Premiere Instruments &amp; Controls</li> <li><b>Sheet metal parts</b> - Jay Bharat Maruti, Omax Auto and JBM Tools</li> <li><b>Sensors</b> - Pricol Limited</li> </ul>

Note: OEM means Original Equipment Manufacturer  
Source: Media sources

## RECENT TRENDS AND STRATEGIES

# 1

### Global components sourcing hub

- Major global OEMs have made India a component sourcing hub for their global operations.
- Several global Tier-I suppliers have also announced plans to increase procurement from their Indian subsidiaries.
- India is also emerging as a sourcing hub for engine components with OEMs increasingly setting up engine manufacturing units in the country.
- For companies like Ford, Fiat, Suzuki and General Motors (GM), India has established itself as a global hub for small engines.
- Varroc Lighting Systems (VLS) is supplying the complete exterior lighting solutions for Tesla Model S sedan and the Tesla Model X crossover.

# 2

### Improving product-development capabilities

- Increased investments in setting-up R&D operations & laboratories to conduct activities such as analysis, simulation & engineering animations
- The growth of global OEM sourcing from India & increased indigenisation of global OEMs is turning the country into a preferred designing & manufacturing base.
- In December 2021, Mr. Nitin Gadkari, Minister of Road Transport and Highways asked auto makers to start producing flex-fuel vehicles in the next six months.
- In November 2021, MG Motor India teamed up with CleanMax to become the world's first passenger car manufacturer to use a wind-solar hybrid energy system.

# 3

### Route to expansion

- In February 2022, the government has received investment proposals worth Rs. 45,016 crore (US\$ 6.04 billion) from 20 automotive companies under the PLI Auto scheme. This scheme is expected to create an incremental output of Rs. 2,31,500 crore ( US\$ 31.08 billion).
- In December 2021, Tata Motors has lined up investments worth more than US\$ 1 billion in the next 4-5 years for its commercial vehicle business.
- In October 2021, Hero Motor (HMC) got into a joint venture partnership with Japanese two-wheeler major Yamaha, to make electric motors for e-bicycles for the global market.
- As of March 2021, there were 1,800 charging stations and this is expected to reach 4 lakh by 2026.
- To meet India's electric vehicle (EV) ambition, a cumulative investment of US\$ 180 billion will be required for vehicle production and charging infrastructure by 2030.

# 4

### New strategies

- Both Indian & global manufacturers are investing in new capacities & newer programmes to get long term advantage.
- As markets in North, West & South of India are getting saturated, component manufacturers are eyeing untapped markets in the Northeast region of the country.
- In December 2021, MG motor India was exploring export opportunities in UK and South Africa. The company has plans to make India as a export hub.
- In October 2021, TVS Motor Company, collaborated with Tata Power, to boost the comprehensive implementation of electric vehicle charging infrastructure (EVCI) across India and deploy solar-powered technologies at various TVS Motor locations. .

5

### Diversification

- Many Indian firms specialising in only one product market or segment are looking to diversify in segments like two wheelers, passenger cars or commercial vehicles.
- They are stepping up their product development capabilities in order to have the best chance of capturing growth opportunity.

6

### Capacity

- In October 2021, Lucas TVS announced a 20% capacity expansion of its auto and non-auto businesses by the end of 2021.
- In September 2020, off-highway tyre-maker Alliance Tire Group (ATG), owned by the Japanese major Yokohama Group, announced plans to set up its third plant in the country in Visakhapatnam, with an investment of US\$ 165 million (Rs. 1,240 crore). The proposed plant will add over 20,000 tonnes per annum (55 tonnes per day rubber weight) capacity to the 2.3-lakh-tonne annual production from two India plants and will be commissioned by the first quarter of 2023.
- In December 2020, Continental planned to expand its local presence in India by increasing their production capacity at the Modipuram plant.

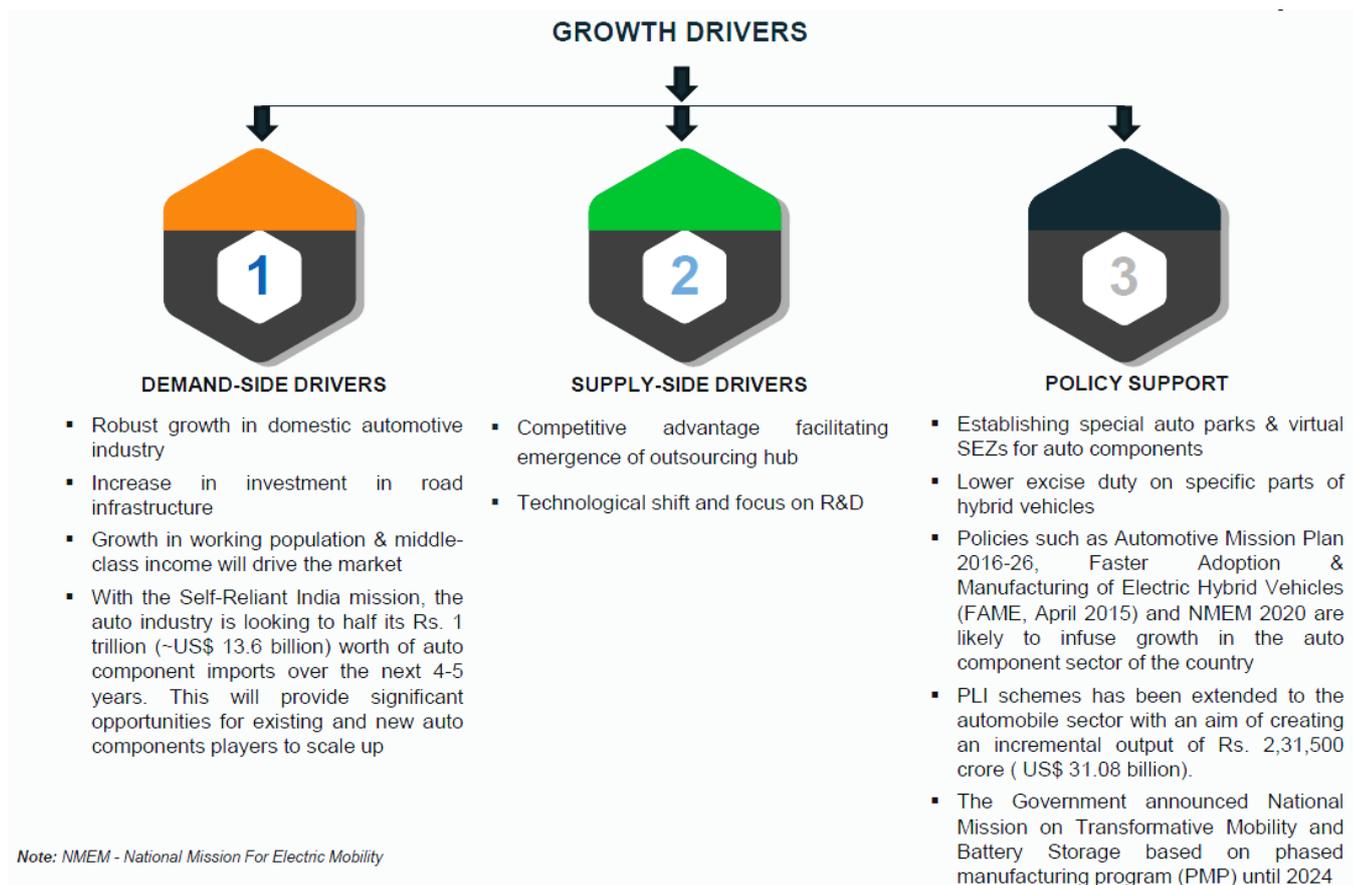
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### IPO Listing

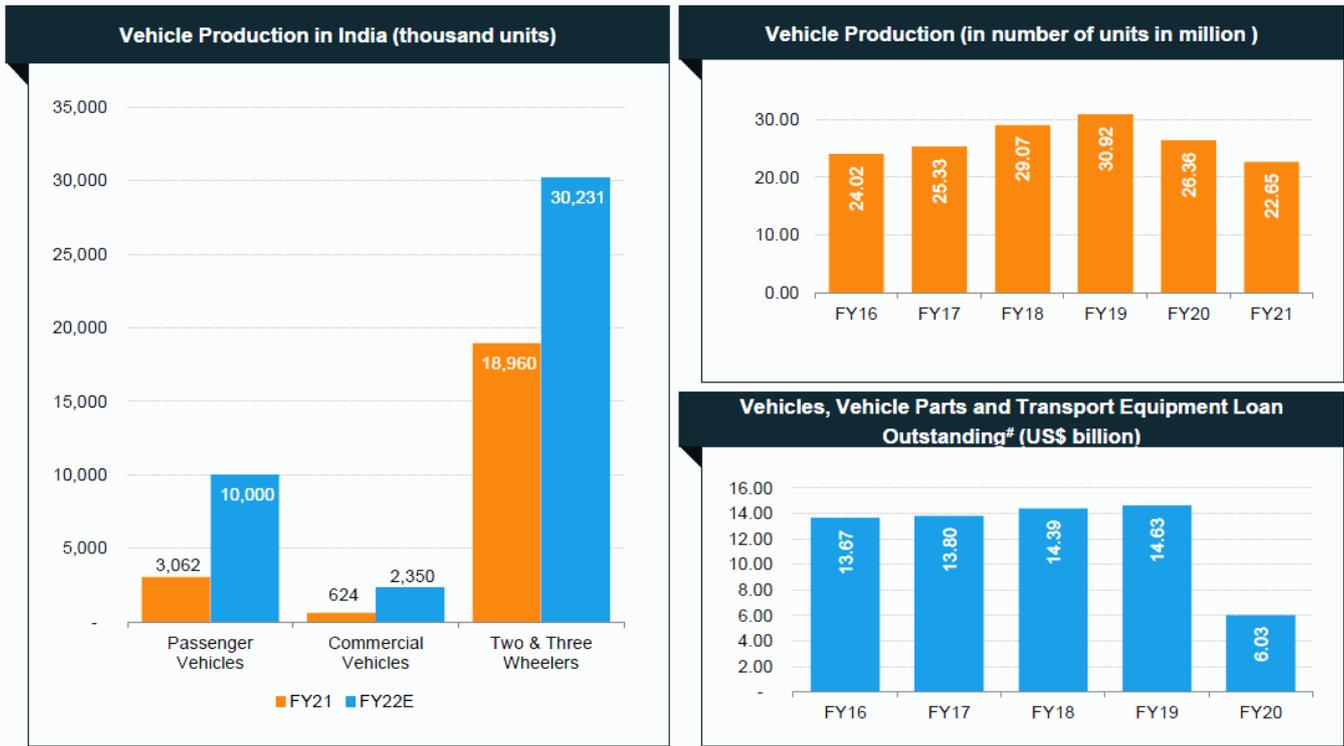
- Auto component manufacturing companies are entering the equity market to raise capital.
- In March 2021, auto component makers, Craftsman Automation and Rolex Rings Ltd. listed their IPOs in the stock exchange.

*Note: IPO – Initial Public Offering  
Source: Make in India, Media Sources*

## GROWTH DRIVERS



**Growth in the Automobiles Sector**



Note: (E) - Estimate; \*Loan outstanding at the end of financial year  
Source: ACMA, Reserve Bank of India, SIAM

**Favourable Policy Measures Aiding Growth**

**1 National Electric Mobility Mission Plan (NEMMP) 2020**

- The vision of this scheme is for faster adoption of EVs and their manufacturing in the country.
- It aims at achieving sales of 6-7 million units of hybrid and EVs by 2020.

**2 NATRIP**

- Set up at a total cost of US\$ 388.5 million to enable the industry to adopt & implement global performance standards.
- Focus on providing low-cost manufacturing & product development solutions.

**3 Dept. of Heavy Industries & Public Enterprises**

- Created a US\$ 200 million fund to modernise the auto components industry by providing interest subsidy on loans & investments in new plants & equipment.
- Provided export benefits to intermediate suppliers of auto components against Duty-Free Replenishment Certificate (DFRC).

**6 Union Budget 2020-21**

- The Government has reaffirmed its commitment towards EVs and its mission for 30% electric mobility by 2030.

**5 FAME Scheme**

- Aimed at incentivising all vehicle segments - two wheelers, three wheelers, four wheelers, LCVs and buses. It covers hybrid & electric technologies like Mild Hybrid, Strong Hybrid, Plug in Hybrid & Battery Electric Vehicles.
- In February 2019, the Government of India approved FAME-II scheme with a fund requirement of Rs. 10,000 crore (US\$ 1.39 billion) for FY20-22.
- Department of Heavy Industries has sanctioned 2,636 charging stations in 62 cities across 24 States/UTs under FAME II.

**4 Automotive Mission Plan 2016-26 (AMP 2026)**

- AMP 2026 targets a four-fold growth in the automobile sector in India, which includes manufacturers of automobiles, auto components & tractors over the next 10 years. It is expected to generate an additional employment of 65 million.



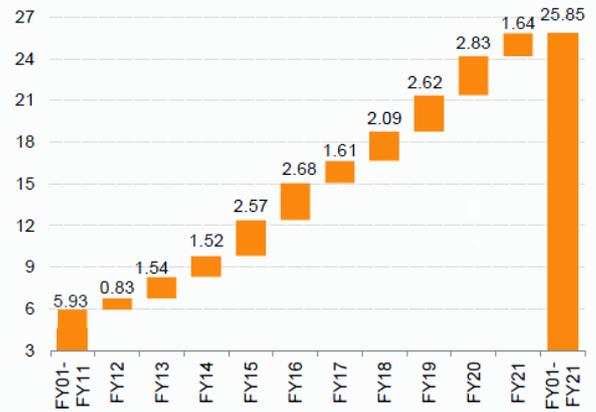
Note: NATRIP - National Automotive Testing and R&D Infrastructure Project  
Source: SIAM, Make in India

### Investments have been rising at a Fast Pace

- A cumulative investment of ~Rs. 12.5 trillion (US\$ 180 billion) in vehicle production and charging infrastructure would be required until 2030 to meet India's electric vehicle (EV) ambitions. This is likely to boost the demand of auto components from local manufacturers.
- The Indian automobile sector recorded an inflow of huge investments from domestic and foreign manufacturers. FDI inflow in the sector stood at US\$ 30.51 billion between April 2000 and June 2021.
- With the launch of "Make in India" initiative, the Government is expected to vitalise substantial investment in the auto components sector.
- In March 2021, the government announced to offer fresh incentives to companies making electric vehicles (EVs) as part of a broad auto sector scheme. The scheme is expected to attract US\$ 14 billion of investment in the next five years.
- In September 2021, the Indian government issued notification regarding a PLI scheme for automobile and auto components worth Rs. 25,938 crore (US\$ 3.49 billion). This scheme is expected to bring investments of >Rs. 42,500 (US\$ 5.74 billion) by 2026.
- In October 2021, Maharashtra government signed an MoU with Causis E-Mobility Pvt. Ltd., a joint venture of the UK-based Causis Group, to set up a zero-emission electric vehicle (EV) manufacturing facility at Talegaon, near Pune, with an investment of Rs. 2,800 crore (US\$ 317.96 million).
- At the Investment Conclave - 2021 in Chennai, the Tamil Nadu government stated that it got investment commitments totaling Rs. 28,508 crore (US\$ 3.85 billion) from 49 different companies. Electronics, automotive components, industrial parks, information technology and manufacturing are among sectors where these investments are expected to generate ~83,482 jobs in the state.

Source: ACMA, DPIIT, News Articles

FDI in the Automotive Sector (US\$ billion)



- In December 2021, India's leading automobile platform CarTrade Tech have invested US\$ 100 million for new acquisition and to accelerate growth.

### OPPORTUNITIES

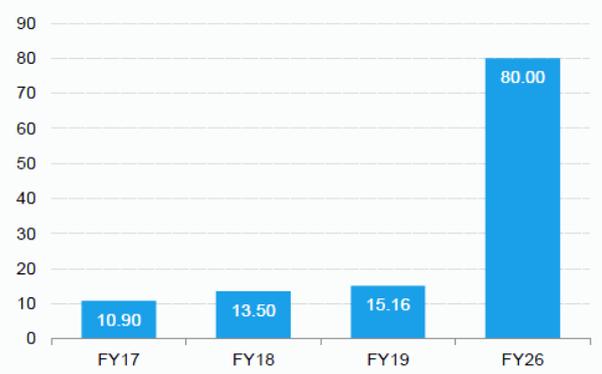
#### Domestic and Exports Markets hold Huge Potential

Domestic Market Potential (US\$ billion)



- India's domestic market for auto components was worth US\$ 49.30 billion in FY20 and is expected to reach US\$ 200 billion by FY26

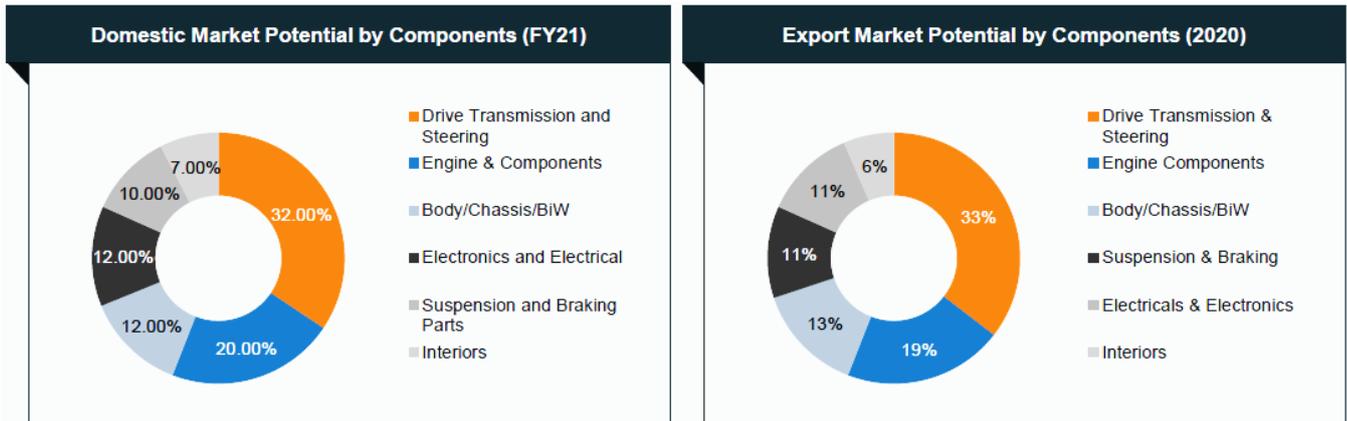
Export Market Potential (US\$ billion)



- Export will account for 26% of the market by 2021.

Note: E - Estimate  
Source: ACMA

**Market potential balanced across product types**



- Both domestic and export markets are almost similar in terms of potential share by different product types. Engine and Exhaust components along with Body & Structural parts are expected to make up nearly 50% of the potential domestic sales as well as export in 2020.
- Transmission and Steering Parts and Electronics and Electrical equipment are likely to be the other key products.
- Companies like Exide, Exicom, Amaron, Greenfuel Energy Solutions, Trontek, Coslight India, Napino Auto & Electronics, Amara Raja Batteries, Trinity Energy Systems, and Versatile Auto Components have plans to make lithium-ion batteries to ride the wave of green vehicles.
- In February 2021, Vedanta Resources launched its newest—aluminium cylinder head alloy, a crucial raw material for manufacturing cylinder heads and other automotive components. Product
- In July 2021, Steelbird launched a new range of engine oils and lubricants, comprising engine oil, grease and fork oil, for the 2-wheeler segment.

Note: 2020E - Estimated value for 2020 by ACMA  
Source: ACMA, News Sources

**Opportunities in engineering products**

**1 Engine & Exhaust parts**

- New technological changes in this segment include introduction of turbochargers and common rail systems.
- The trend of outsourcing may gain traction in this segment in the short to medium term.

**2 Transmission & steering parts**

- Share of replacement market in sub-segments such as clutches is likely to grow due to rising traffic density.
- The entry of global players is expected to intensify competition in sub-segments such as gears & clutches.



**3 Suspension & braking parts**

- The segment is estimated to witness high replacement demand with players maintaining a diversified customer base in the replacement & OEM segments besides the export market.
- The entry of global players is likely to intensify competition in sub-segments such as shock absorbers.

**5 Others (Metal parts)**

- Metal part manufacturers are likely to benefit from rising demand for body & chassis, pressure die castings, sheet metal parts, fan belts, and hydraulic pneumatic instruments, primarily in the two wheelers industry.
- Prominent companies in this business are constantly working towards expanding their customer base.

**4 Electronics and electricals**

- In October 2021, Sona BLW Precision Forgings Limited, through its wholly owned subsidiary company, Sona Comstar eDrive Private Limited (Sona Comstar), entered a collaboration agreement with IRP Nexus Group Ltd., Israel, to develop, manufacture and supply magnet-less drive motors and matching controller systems for electric two and three-wheelers.

Note: OEM means Original Equipment Manufacturer  
Source: Make in India

## 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, 128 and 157 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 “Containe Technologies Limited”.*

### OVERVIEW

Our Company is founded and promoted by Mr. Anand Kumar Seethala in the year 2008 and is engaged in the business of Automobile Safety and GPS solutions in Automobile Sector. We manufacture wide range of technology-intensive electronic and mechanical automotive products. These have applications across vehicle segments, including for four-wheeler passenger vehicles, light commercial vehicles, heavy commercial vehicles.

Our Company is manufacturing electronic Speed Limiting Device (SLD), “MOTOREYE & LIMITS” Brand Electronic Fuel Regulator & Pedal Interface, suitable for the latest Vehicle of BS-IV Standards to the Oldest Vehicles. The Speed Limiting Devices are Tested and Approved by Automotive Research Association of India (ARAI), Pune. It is suitable for all types of commercial transport category of vehicles and educational institutions Buses. Our Company is also manufacturing Vehicle Location Tracking Devices (VLTD), “TRANOPRO” Brand, suitable for all types of vehicles. The Vehicle Location Tracking Devices are Tested and Approved by International Centre for Automotive Technology (ICAT).

We have one manufacturing unit at Marriguda, Secunderabad, Hyderabad. We employ an extensive and stringent quality control mechanism at each stage of the manufacturing process in these facilities to ensure that our finished product conforms to the exact requirements of Central Motor Vehicle (CMV) Rules, Government of India.

Our products are mainly sold through distributors and dealers. Our Company appoints Distributors in various states and the distributors appoint dealers under them. Our Company supplies our products to the distributors and in turn distributors supplies the products to the dealers. We have built strong and long-standing relationships with our distributors by aligning our offerings with their business needs.

Our devices are successfully tested and approved on various models of Maruti Suzuki, Mahindra & Mahindra Ashok Leyland, TATA Motors, Eicher, Swaraj Mazda, Force Motors, Toyota, Hyundai and General Motors. We have installed our devices widespread across PAN India.

We have also exported to countries like United Kingdom and United Arab Emirates. With a high functional level combined with expertise in the subject, our company believes in quality deliverables to its customers with the state-of-the-art technology combined with a robust technical team, we define the quantum and scope of work in a deliverable platform with a structured time frame, quality being the prime objective.

We have a dedicated R&D facility to research and develop new indigenous products. This enables us to customize our products as per customer requirements. Our R&D Team is working continuously in advancing the SLD technology centered on the latest generation of ECM (Electronic Control Module) of BSVI Vehicles Models and new IOT Revolutionary Specialty of Variable Speed Limiting Devices Development, and Intelligent Transport Management Systems (ITMS) which has tremendous demand due to mandatory installation by State Governments.

Containe Technologies Limited is an ISO 9001:2015 certified organization engaged in the business of Design, Development, Manufacturing, Supply & Service of Electronic Speed Limiting Devices and GSM/GPRS/GPS/IRNSS based Communication & Controlling Vehicle Location Tracking Devices, Marketing & Sales of IOT Devices & Lithium Ion Battery Operated 2-wheeler & 3-wheeler Auto Rickshaws. We are committed to provide quality work to our customers that meets the industry standards.

**Our Company Operates in the following segments:**

1. Manufacturing of Speed Limiting Devices (SLD)
  - Electronic Fuel Regulator (EFRT) – AIS 018
  - Electronic Pedal Interface (EPI) – AIS 018
2. Manufacturing of Vehicle Location Tracking Devices (VLTD) – AIS 140
3. Manufacturing Embedded SIM Cards (eSIM)

Particulars	March 31, 2022 (Rs. in Lacs)	March 31, 2021 (Rs. in Lacs)	March 31, 2020 (Rs. in Lacs)
<b>Revenue from Operations</b>			
Speed Limiting Device (SLD)			
- Electronic Fuel Regulator (EFRT)	151.08	37.16	129.77
- Electronic Pedal Interface (EPI)	14.60	35.19	66.95
Vehicle Location Tracking Devices (VLTD)	37.62	-14.30*	94.37
Others	3.65	0.86	0.56
<b>Total</b>	<b>206.95</b>	<b>58.91</b>	<b>291.65</b>

\* Sales Return for products sold during the financial year 2019-20

**Our Product Portfolio:**

We have a diversified product portfolio, which is spread across four major verticals. These include:

**Speed Limitation Device**
**Electronic Fuel Regulator (EFRT) – AIS 018**

A Speed Limitation Device, is a safety device that prevents a vehicle from running over a certain speed that is pre-specified by the Government. It controls the speed of the vehicle by regulating fuel flow to the engine based on the vehicle speed.

Stick to the speed limit without having to check your speedometer repeatedly with the dependable “MOTOREYE” Speed Limitation Device. This speed limiter will relieve people from the need to check speed again and again while driving. It is a preventive device that will improve road safety and nullify risk penalty points due to exceeded speed limit.

This smooth operating device reduces the strain on the engine of the car. Thus, the engine power is intact. Additionally, the device increases fuel efficiency thus reducing the overall maintenance cost of the vehicle.



The Speed Limitation Device is not a cruise control device i.e., this device will not maintain a pre-set speed. It will only restrict your ability to exceed the speed limit.

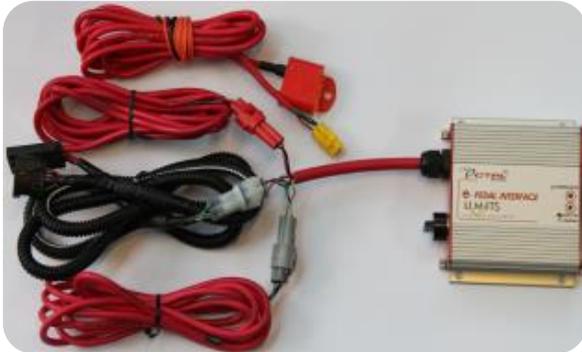
The “MOTOREYE” Speed Limitation Device is approved and certified by ICAT (International Centre for Automotive Technology) for its excellent quality and proven durability.

**Advantages:**

- Designed for a very easy and simple fitment
- Increased safety by avoiding over-speeding
- Increased engine life
- Increased Fuel Efficiency
- Improved Operational Efficiency
- Reduced fuel consumption

**Electronic Pedal Interface (EPI) – AIS 018**

The electronic pedal interface type device is a complete electronic device. The signal from the electronic accelerator pedal is read by the system and supplied back to the vehicle ECM, till vehicle speed exceeds the speed limit. The system will control & adjust the voltage level given into the vehicle ECM, in order to keep the vehicle speed under the set limit.



Speed of the vehicle can be controlled by adjusting the fuel flow towards the engine. This can be achieved through various techniques. The most effective and straight forward method is the accelerator control. It works exactly like the driver controls the speed. In new generation vehicles, the pedal position can be controlled by adjusting the voltage signals towards the ECM. Our system doing this type of control is termed as Electronic Pedal Interface. In old type vehicles, the stroke length of the cable/linkage needs to be controlled mechanically. A motorized/pneumatic system is used for that. Now a days, this type is rarely used.

Our product “LIMITS” Electronic Pedal Interface Version is suitable for BS-III & BS-IV vehicles. It works on Fuel controlling mechanism with Electronics. This device is installed between the Fuel Filter and FIP. The Unique feature is the Device Fitment is Socket to Socket & No Cutting of Wires.

The “LIMITS” Speed Limitation Device is approved and certified by ICAT (International Centre for Automotive Technology) for its excellent quality and proven durability.

Advantages:

- Designed for a very easy and simple fitment
- Increased safety by avoiding over-speeding
- Increased engine life
- Increased Fuel Efficiency
- Improved Operational Efficiency
- Reduced fuel consumption

**Vehicle Location Tracking Device (VLTD) – AIS 140 (IRNSS)**

With its simplest definition, a vehicle tracking system is the system that allows tracking and controlling of vehicles via an online computer, smart phone, tablet, etc. on a 24/7 basis thanks to GPS satellites. Vehicle tracking systems make it possible to have an instantaneous and history tracking of vehicle speeds, the routes they followed, stopping points, idling times on maps providing a registry and check point with past and present reports.

The Product has been Tested as per Automotive Industry Standard AIS-004. This product is approved by ARAI Vide certificate no: ARAI/AED/DT/OC-1415-1106/176. This GPS/VTS (vehicle tracking system) is designed with Quad band GSM / GPRS Module, equipped with GPS receiver to provide accurate navigation data, this can be remotely configured (OTA Configuration).



We have Tested AIS-140 (IRNSS) Vehicle Location Tracking Device in the Brand Name of TRANOPRO (TRPRO140) with SOS PANIC Switch (TRPROSOS) from ICAT -IMT - Manesar, Gurugram, Haryana State, vide: TAC NO.CK8073 (Certificate No. CT0GP8538) Dated: 27.06.2019, and Completed TWO COP’s.

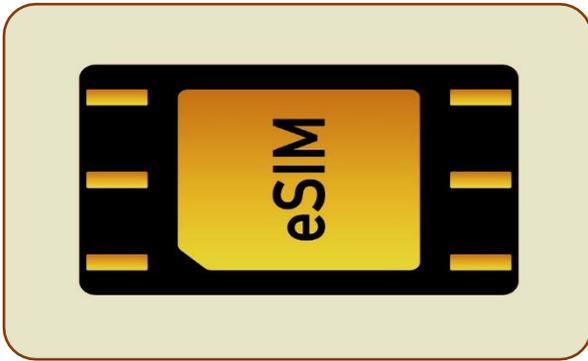
Ministry of Road Transport & Highways, Government of India has mandated installation of Vehicle Location Tracking Device and Emergency Button in all public service vehicles (all four wheeled or higher, passenger carrying vehicles) w.e.f. April 01, 2018.

Advantages:

- Intelligent Vehicle Tracking
- Live Alerts
- Absolute Vehicle Safety
- GPS Lock for Vehicle
- Vehicle Health
- Control Fuel Cost

**Embedded Sim Cards (eSIM)**

The term “eSIM” stands for embedded SIM card or electronic SIM card. To describe an eSIM, it’s primarily a little chip inserted within the GPS Tracker Device or any other device. An eSIM works within the same manner the normal chip works. In eSIM, there’s no physical SIM cards concerned and needs no physical swapping over. eSIM must be supported by the carrier or mobile network and it ought to be enabled by them. Being tiny, and not requiring extra room for a slot, eSIMs can be built into devices like drones, wearables, sensors, and location trackers, where size is of the essence. They can also be soldered into industrial equipment where a SIM card may not be easily accessible.



GPS tracking Device, having an embedded eSIM enables to remotely switch carriers on demand. Not only does this save time and money from physically swapping SIM cards, but it also enables IoT project managers to seamlessly sync up each device with each carrier based on device location at any given time. eSIM technology even supports dual-SIM functionality, which can be especially convenient for IoT and M2M projects. This development provides IoT and M2M markets with countless benefits, including operational efficiency, design flexibility, device security, seamless scalability and more. Another benefit of having eSIM cards embedded within the device is that it limits any access to external threats that could compromise the device’s security.

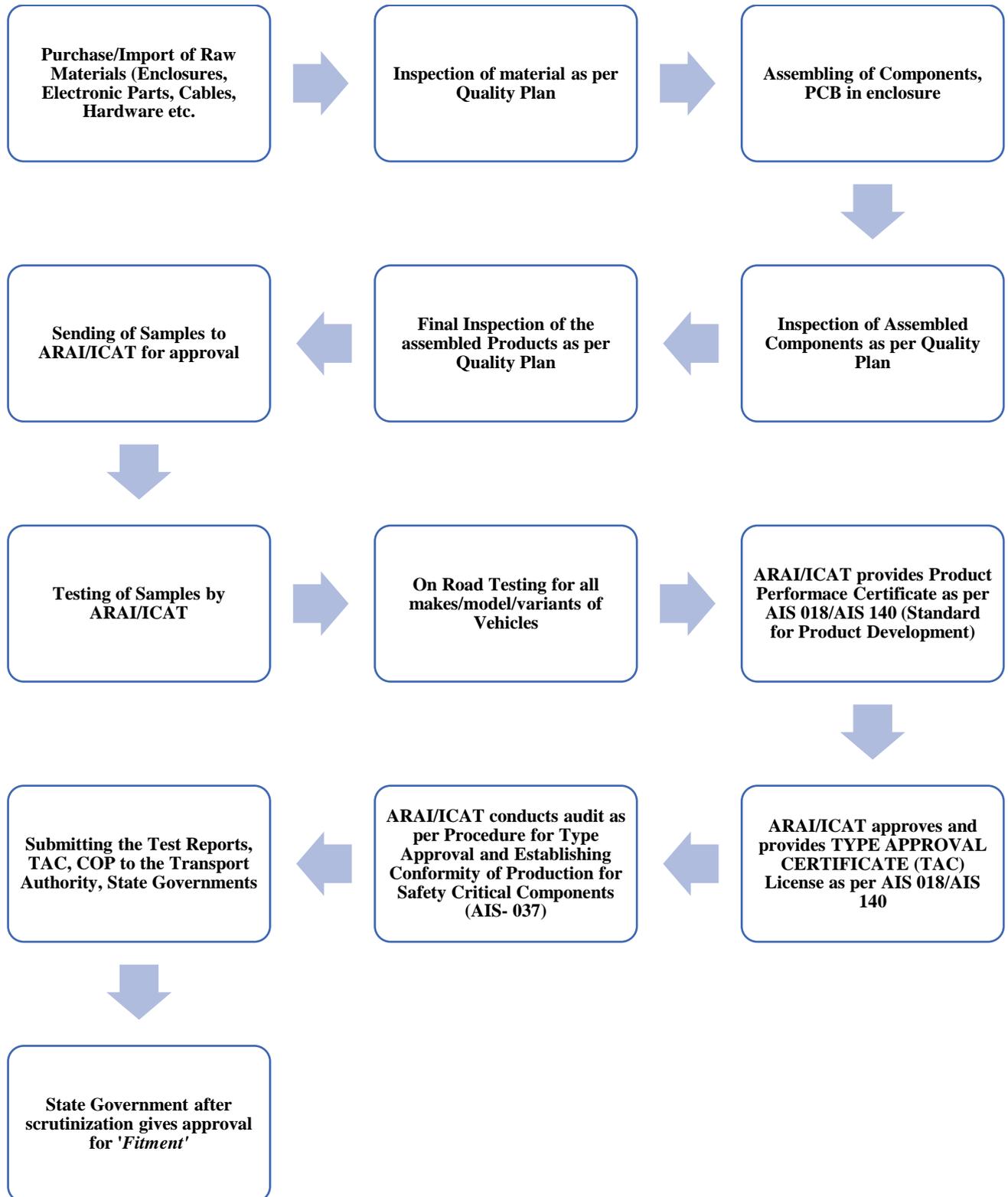
The connected vehicles movement is another prime IoT and M2M use case for eSIM technology. As a mobile IoT asset, automobiles are a natural fit for cellular connectivity but also for eSIM cards in the frequent cases where the vehicles travel outside of single-carrier network coverage. Continuous connection to the internet allows IoT-connected vehicles to transmit performance data in real time where it can be analysed. Plus, since it’s an embedded part of the vehicle, the eSIM can provide pinpoint accurate location data in the case of an emergency.

Our Company has registered APN for PAN India “ctplm2m.in” and manufactures its owned Dual Profile e-SIMS in collaboration GSMA Approved Manufacturing facility and has MOU with Service Providers Like BSNL, Vodafone Idea for eSIM Profiles and has M2M Service Providers License from Department of Telecommunications is an Edge over the Competition, to stay ahead to provide best in class Service and Price, which adds more profit margins to the product.

The company offers a wide range of products to customers under different brand names.

Brand	Product Portfolio	Logo
MOTOREYE	Electronic Fuel Regulator	
LIMITS	Electronic Pedal Interface	
TRANOPRO	Vehicle Location Tracking Device	

**Process Flow of products**

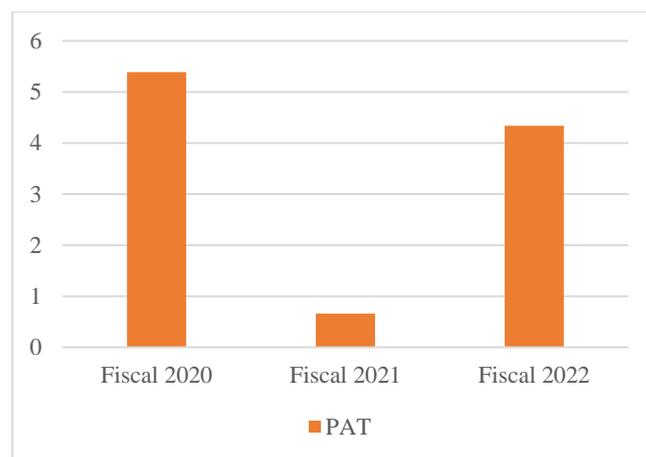
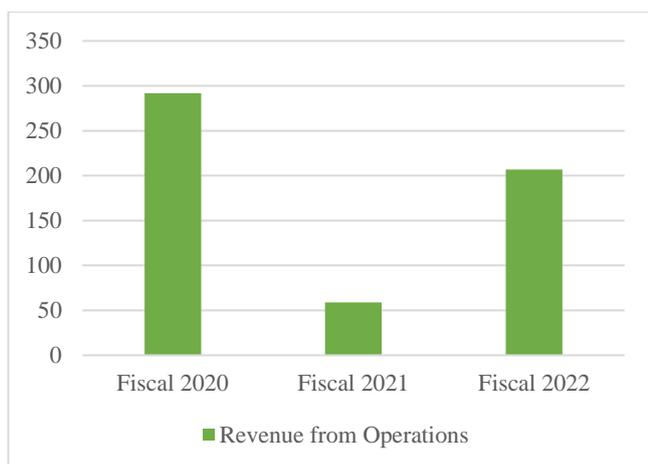


### Our Financial Highlights:

The financial highlights of our company as per restated financial statement are as mentioned below:

(₹ in lakhs)

Particulars	March 31, 2022 (Rs. in Lacs)	March 31, 2021 (Rs. in Lacs)	March 31, 2020 (Rs. in Lacs)
Revenue from Operations	206.95	58.91	291.65
Net Profit after Tax	4.34	0.66	5.39
Net Worth	473.87	112.04	111.38
EBITDA	36.92	20.87	23.64
Secured Borrowing from Bank/FI	199.36	23.78	17.84



### Raw material / bought out parts and suppliers

One of the critical factors to develop and grow in our business is to possess the ability to source good quality raw materials at competitive prices. The essential raw materials used by our facilities for manufacturing our products are enclosures, solenoid valve, hose pipe, electronic components, Quectel GPS/IRNSS module etc. In addition, we also source bought out parts that we require for assembly. Our cost of materials consumed in Fiscal 2022, Fiscal 2021 and Fiscal 2020, was ₹ 129.66 lakh, ₹ 29.05 lakh and ₹ 226.95 lakh, which represented 62.65%, 49.31% and 77.82%, of our revenue from operations, respectively.

We source our raw material from both domestic and overseas sources. For the sourcing of raw material, while we enter into supply agreements with our suppliers, we do not enter into any firm commitment for long-term contracts. In addition, for certain of our raw materials, we typically agree a fixed per-unit price for raw materials for each purchase order and for that purchase order, we bear the raw material price risk. Depending on how raw material prices fluctuate, we may then be able to adjust the raw material prices for future purchase orders.

As we generally require components that are specifically designed and developed to meet our needs, we employ a component sourcing strategy that is targeted at developing relationships with long – term suppliers who can meet our component needs. Consequently, we have developed a long – term supplier base with an established supply chain. This ensures the timely availability of components of desirable quality and quantity.

We have a diversified supplier base and we believe that this helps us in minimising supplier risk due to low supplier concentration. While we do not have any long – term contracts with any of our raw material suppliers, we have maintained a long-term relationship with each of the major suppliers.

## Customers

Our customers are majorly the distributors and dealers operating in the segment of automobile parts for two-wheelers, three-wheelers, four-wheeler passenger vehicles, light commercial vehicles, heavy commercial vehicles, and tractors. We believe our competitive pricing policy coupled with our ability to offer customized solutions to our customers has enabled us to grow our presence in India. We also supply Speed Limiting Devices (AIS-018) to Telangana State Road Transport Corporation for TSRTC Buses. The details of Government and Private Customers are as follows:

Particulars	March 31, 2022	March 31, 2021	March 31, 2020
Government	34,50,000	-	-
Private	1,72,44,649	58,91,256	2,91,65,002
<b>Total</b>	<b>2,06,94,649</b>	<b>58,91,256</b>	<b>2,91,65,002</b>

Our revenue generated from customers within India in Fiscal 2022, Fiscal 2021 and Fiscal 2020, was ₹ 205.12 lakh, ₹ 58.71 lakh and ₹ 291.63 lakh, whereas the revenue generated from our customers outside India was ₹ 1.83 lakh, ₹ 0.20 lakh and ₹ 0.02 lakh, in the same period.

We typically have purchase orders and do not ordinarily enter into supply agreements with our customers. The purchase orders specify prices and quantities for the products. However, the delivery of the products ordered is based on delivery schedules that are independently negotiated with customers. These purchase orders are typically subject to conditions including such as ensuring that all products delivered to the customers have been inspected and are built to customers' specifications and that orders are fulfilled according to predetermined delivery schedules.

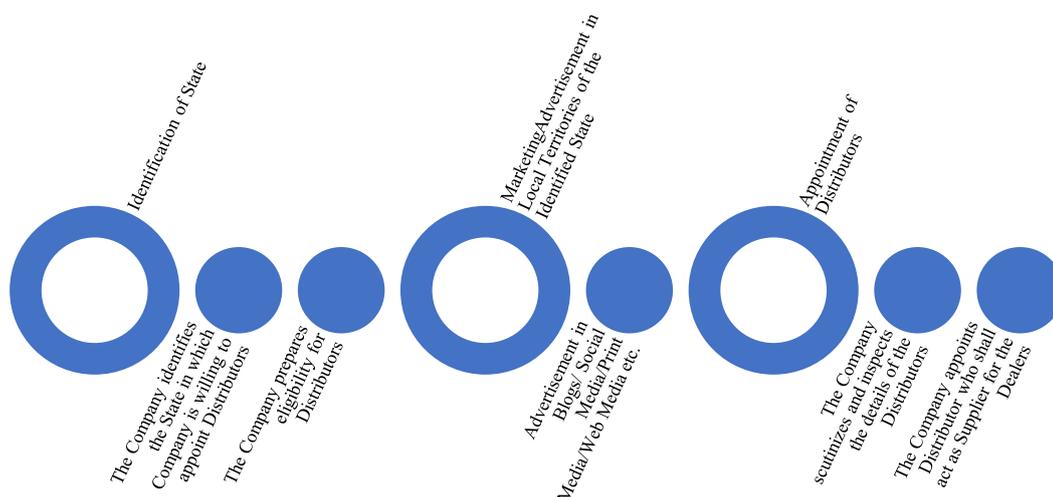
The following is the breakup of the top five and top ten customers/suppliers of our Company for the Fiscal 2022, 2021 and 2020 are as follows:

(Rs. In Lakhs)

Particulars	March 31, 2022		March 31, 2021		March 31, 2020	
	Amount	In %	Amount	In %	Amount	In %
<b>Top 5 Customers</b>	191.72	92.64%	72.08	82.67%	250.22	85.79%
<b>Top 10 Customers</b>	204.81	98.97%	83.56	95.85%	270.04	92.59%
<b>Top 5 Suppliers</b>	86.43	66.66%	19.12	65.80%	111.75	49.24%
<b>Top 10 Suppliers</b>	110.49	85.21%	24.93	85.82%	157.08	69.21%

## Sales, Marketing and Distribution

Our marketing network is managed by our business development team, led by our Managing Director, Mr. Anand Kumar Seethala who are in charge of marketing strategies specific to their assigned product vertical / geography. We supply our components directly to the distributors/dealers in India. This is done through a network of 400+ distributors/dealers, with whom we ordinarily enter into short term agreements. These distributors, in turn, coordinate with dealers, wholesalers, and retailers for the aftermarket sales of our products.



We leverage our relationships with our existing customers to procure repeat orders from them. Based on our credentials and appreciations by our valued existing customers, we approach new customers for business. Our management has flexibility to accept customers' specific requirements while negotiating and discussing about the products.

Details of State-wise sales are as follows:

State/UT	March 31, 2022	March 31, 2021	March 31, 2020
Himachal Pradesh	12,250	(28,26,900)	28,26,900
Haryana	1,83,878	10,700	2,55,200
Delhi	38,36,410	-	37,47,718
Assam	58,12,438	48,303	6,63,277
Chhattisgarh	65,98,516	-	-
Kerala	4,47,200	11,41,500	6,09,561
Tamil Nadu	61,314	750	60,000
Telangana	35,55,666	58,91,899	1,94,72,780
West Bengal	4,000	2,05,000	2,42,178
Odisha	-	22,415	63,243
Gujarat	-	5,000	500
Maharashtra	-	1,19,500	7,55,198
Karnataka	-	12,52,625	29,110
Uttar Pradesh	-	-	76,350
Andhra Pradesh	-	-	3,30,987
Andaman & Nicobar	-	-	30,000
<b>Total</b>	<b>2,05,11,672</b>	<b>58,70,792</b>	<b>2,91,63,002</b>

### Utilities

The manufacturing of our products requires the steady supply of electricity. This apart, the process of manufacturing requires an uninterrupted and constant voltage power. This ensures that the products are of high quality, and also increases the productivity and lifetime of our machines and equipment. The electricity as required by our facility is provided by Telangana State Southern Power Distribution Company Limited (TSSPDCL).

Our manufacturing processes also require water, although they are not water intensive. The requirement for water is met primarily by sourcing through outside resources.

### Quality control and services

In the automotive component industry, adherence to quality standards is critical, since any defects in any of the products manufactured by our Company, or failure to comply with the specifications of our customers, may lead to cancellation of the purchase order. In order to maintain the quality standards and comply with the design specifications provided by our customers and to ensure that our products successfully pass all validations and quality checks, the quality control team, led by our Mr. Perumandla Praveen Kumar is tasked not only with thorough premanufacturing checks and balances but also with employing an extensive and stringent quality control mechanism at each stage of the manufacturing process including inspection of raw materials; in-process inspection of products; and test of finished goods, among other processes.

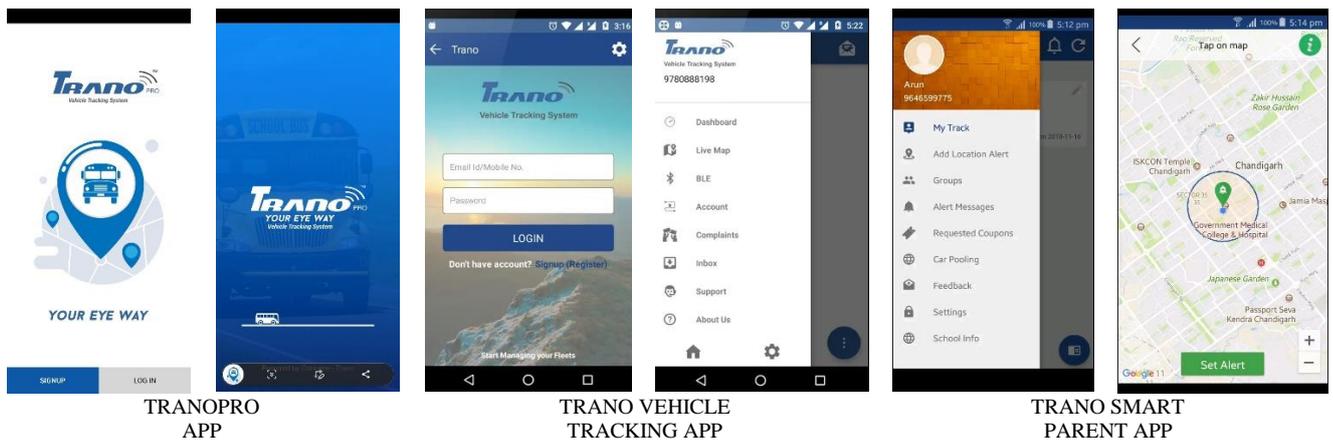
We employ an extensive and stringent quality control mechanism at each stage of the manufacturing process to ensure that our finished product conforms to the exact requirement of our customers. All of our manufacturing facilities in India conform to the requirements of the CMV Rules.

**Information technology**

We have implemented various IT solutions and enterprise resource planning solutions to cover key areas of our operations. We extensively use technology for our products, real time monitoring, vehicle tracking, product life cycle management, customer order management and dispatches, production planning and reporting, manufacturing processes, financial accounting and scheduling raw material purchase.

We intend to continue to focus on and make investments in our IT systems and processes, including our backup systems, to improve our operational efficiency, customer service and decision-making process and to reduce manual intervention and the risk of system failures and the negative impacts these failures may have on our business thereby improving reliability and efficiency of our business and operations.

Our Company has developed Vehicle Location Tracking Mobile Application “TRANOPRO”, “TRANO VEHICLE TRACKING” and “TRANO SMART PARENT” for Vehicle Safety & Security.



**Our Competitive Strengths:**

1. **Organisation stability, Rich management experience and skilled team:** Our group has an established track record of approx. 14 years which indicates the company’s ability to weather economic and business cycles and competent promoters have over a decade of relevant experience. This indicates our ability to maintain business viability and steer the business through operational hurdles. Our promoters are the guiding force behind the operational and financial decision of our company. Our promoters are responsible for the entire business operations of the company along with an experienced team of professional who assist them. This indicates our ability to maintain business viability and steer the business through operational hurdles. We have a strong management team and workforce of skilled, trained, well equipped and expertise employee that has led the organization on the path to success. Their industry knowledge and understanding also gives us the key competitive advantage.

We are having our own MIS Development Team with Multi lingual support and Database of devices installed in vehicles and daily additions are going on. Our Existing dealers can cater the customers through our MIS Panel which is the most User friendly and hosted on Cloud Server. Our Present office manpower is 15+ Plus member’s team, build up space of 25,000 sq.ft. with best Infrastructure facilities, Pan India AIS140 Implementation Pan India.

2. **Smooth flow of operations:** Over the year, we have developed a wide clientele base and this was done with our valued based relationship approach. Our existing relationships help us to get repeat businesses from our customers. This has helped us to maintain a long-term working relationship with our customers and improve our customer retention strategy. We believe that our existing relationship with our clients represents a competitive advantage in gaining new clients and increasing our business.

3. **Well-defined organizational structure:** The company has a qualified and experienced management team empowered to take timely decision which makes the operations of our business smoother and ensures efficiency in all aspects of our operations. We believe that our senior management has pioneered our growth and fostered a culture of innovation, entrepreneurship and teamwork within our organization. We believe that a motivated and empowered employee base is key to our competitive advantage. Our Human Resources Policies are aimed towards recruiting talented employees, facilitating their integration into our organization culture and encouraging the development of their skills and expertise for

becoming the next generation leaders. We believe that our experience, knowledge and human resources will enable us to drive the business in a successful and profitable manner.

4. **Existing Supplier Relationship:** Our existing supplier relationship protects the business with terms of supply and pricing of the products and services, the quality of the products and services offered etc. We, being a small and medium size organization, rely on personal relationships with our suppliers. Further we also leverage the past experience of our management in maintaining effective supplier relationship ensuring uninterrupted supply chain management.
5. **Quality Policy:** Total customer satisfaction is always the guiding principle in providing product excellence. We ensure this by Implementing and continually improving our quality management system, adhere to time line and schedules, being cost competitive, enabling teamwork with the organisation, doing things right the first time and every time etc.
6. **Customer Centric Business Model:** Our company focus on attaining highest level of customer satisfaction. Understanding the consumer is one of the most important skills required to be successful in this business. The progress to be achieved by us will be largely due to our ability to address and exceed customer satisfaction.
7. **ISO Certifications:** Our ISO certificates shows our good quality of services and good strength.
8. **Comprehensive solution for logistics requirement:** We are providing comprehensive third-party logistics services, end-to-end customized logistics solutions to our clients. Our Company focuses on attaining highest level of customer satisfaction.

#### Our Business Strategy:

1. **Focus on Increase in Volume of Sales:** As a part of our growth strategy our focus is on increasing sales volume through expansion, diversification and spread in geographical outreach. We believe that our growth in local market can fetch us new business expansion and opportunities. We are currently providing our services to several clients Domestically. Our emphasis is on scaling of our operations in other markets which shall provide us with attractive opportunities to grow our client base and revenues.

Since 2008, Our Company has developed its Distribution and Dealer Network working on the SLD/AIS 140/GPS product with Installed base of more than 4 Lakhs Vehicles in the following States and UTs.

- |                 |                     |                    |
|-----------------|---------------------|--------------------|
| ○ Telangana     | ○ Andhra Pradesh    | ○ Maharashtra      |
| ○ Gujarat       | ○ Punjab            | ○ Himachal Pradesh |
| ○ Uttar Pradesh | ○ Kerala            | ○ Tamil Nadu       |
| ○ Odisha        | ○ West Bengal       | ○ Assam            |
| ○ Karnataka     | ○ Haryana           | ○ Chhattisgarh     |
| ○ Delhi         | ○ Andaman & Nicobar |                    |

2. **Reduction of operational costs and achieving efficiency:** Apart from expanding business and revenues we have to look for areas to reduce costs and achieve efficiencies in order to remain a cost competitive company. Our focus has been to reduce the operational costs to gain competitive edge.
3. **Quality Assurance:** Our endeavour is in maintaining quality services to our customers with standard operating procedures being put in place for quality and timely service management to our clients. Our company intends to strengthen its service effort by leveraging skills of its employees which will help to increase the sales of the Company and retain customers.
4. **Leverage and enhance our goodwill in the market:** We believe that the Goodwill we have created in the market commands a recall amongst the consumers in the areas where we operate due to the image and goodwill established over the years. We intend to leverage this goodwill that we enjoy while we are in constant pursuit towards newer avenues for sustainable growth.
5. **Leveraging our Market skills and Relationships:** We believe that developing and maintaining long term sustainable relationships with our suppliers, customers and employees will help us in achieving the organizational goals, increasing sales and entering into new markets. This is a continuous process in our organization and the skills that we impart in our people gives benefit to our customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction. We plan to increase our customers by meeting contracts in hand on time, maintaining our customer relationship and renewing our relationship with existing clients.

## SWOT Analysis

### Business (Strength, Weakness, Opportunities & Threats) SWOT Analysis

#### Strengths

- We have the best state of the art 25,000 square feet of company owned building premises to carry out the R&D, product manufacturing, software development, online customer service/support, marketing and business development which will help to lower the overhead cost on product and competitive by price in the market share, and builds trust & confidence in the employees and customers for long term relation of business continuity.
- Our Company has a registered APN for PAN India “ctplm2m.in” and manufactures its owned Dual Profile E-SIMS in collaboration with GSMA approved manufacturing facility and has MOU with Service Providers like BSNL, Vodafone Idea for eSIM Profiles and has M2M Service Providers License from Department of Telecommunications is an edge over the competition, to stay ahead to provide best in class Service and Price, which adds more profit margins to the product.
- In-house team for R&D, to design and develop the products, following the standards and guidelines of CMVR (Central Motor Vehicles Rule)-MVL (Motor Vehicle Licensing), AIS (Automobile Industry Standards), manufacturing as per AIS Standards, and certified & approved by ARAI (Automobile Research Association of India) and ICAT (International Center for Automobile Testing) Testing Agencies under CMV Rule 126.
- We follow Gazette Notifications and Statutory Orders of MORTH (Ministry of Road Transport and Highways), and all the State Transport Departments and Union Territories Notifications, which confirms and assure our entire sales and service of business revenue. High volume of requirement against the market potential of approximately 2.5 crores of commercial passenger and goods carriers’ vehicles to be installed in next 3 years.
- Business experience of 14 years in the Road Transport Domain with the installed base of more than 2.0 lakhs vehicles of commercial category of different Makes and Models.
- Developing the technologies to match the changing generations in Automobile Technologies from BS-I Stage to BS-VI Stage.
- Our Presence with network of Dealers in more than 15 States in India, and well known and trusted Brand name in the field of Speed Limiting Device (SLD) & Vehicle Location Tracking Device (VLTD) and having the Dealers network spread of 400+ across states.
- Our products are mandatory by law, to install in all the commercial category of vehicles, which are in-use/ on road at the time of yearly fitness, and for new vehicles at the time of manufacturing / at the time of registration.
- Our team planned to do a very large-scale production against the coming up demand ahead, by adapting the strategy of staged procurement of components with suppliers and arrangement for outsourcing manufacturing of EMS (Electronics Manufacturing Services) to vendors to meet the demand and quality.
- Our advantage in manufacturing, being a Hyderabad based company, we have very large scale and experienced electronics engineers’ resources, availability of EMS facility to scale up the size of manufacturing in a very faster way, well-connected carrier services to get components reach faster, and it’s a very happening place in the country for electronics.
- We made arrangements with Rapid Cargo Services to deliver goods from Hyderabad to any part of India in just 3 days’ time, which is a promising time of product delivery to Dealer network.
- We have Technical Support / Customer Care for Installation and Services of SLD & VLTD.
- ERP Software - Production Planning till Delivery to the Customers and the Customer Relationship Management.
- Product comply with all the State Transport Department Backend Arrangement in various States and UTs by BSNL, NIC & CDAC and having the National SLD Makers & VLT Device Makers Logins on VAHAN.

- In-house developed Software hosted on Azure Microsoft Cloud for better scalability, performance and uninterrupted Services.

### Weakness

Production Planning is very crucial in making the business planning successful in revenue generation and tapping the real time market potential. In any State when implementation starts, it requires high volumes of product and Minimum Units; so, we need to maintain ready stocks.

Components Lead Times: Our Company imports raw Materials through direct/channel sources from different countries is a staggering task and need to have a well preparedness to invest large money to manage the demand. Pricing depends on payment terms, advance booking and delivery timelines which impacts directly on manufacturing cost and profitability.

Availability of Raw Materials, Stocks for uninterrupted production: Market Research & Advance Planning is required to know the upcoming demand to keep the finished goods ready for dispatch against received orders, otherwise holding the Dealer Network will be difficult, Dealers may migrate to other manufacturers to run their business to sustain.

### Statutory Audits/Reports & Obligations:

- Maintaining the standards and following the documentation for daily/monthly/quarterly/half-yearly and yearly reports of ISO and validation of Type Approval Certificate (TAC) every year, by following COP (Conformity of Production) audits from testing agencies & ISO Audits and to pay their charges/bills paid promptly.
- Required to adhere the AIS amendments and do changes as per the Standards, need to do testing and get it approved from testing agencies.
- Continuous improvements / updating the technologies to match the new generation.
- Following the competition, need of invest in the development of new features of Software and Customer Services.
- Retaining the qualified experience and trained Technical Staff matching their expectation.
- Continuous study of New Generation Vehicles technical specifications and sourcing suitable components and match to do fitment of our Product.

### Opportunities:

GSR 1095(E) dated 28th Nov 2016 Fitment of AIS-140 / BIS-16833 compliant Vehicle Location Tracking Device (VLTD) is made mandatory in all Public Transport and GSR 1081(E) dated 2nd Nov 2018 Fitment of Vehicle Location Tracking Device (VLTD) is made mandatory in all National Permit Vehicle.

Our products are mandatory by MORTH to do fitment in all types of commercial category of Passenger and Goods carriers and now it is Part of Nirbhaya and Women and Girl Child Safety and Compliance to Central Motor Vehicle Rule (CMVR), 125H for fitment of location tracking devices & emergency buttons for safety & security of travelling public transport and also it is mandatory in all Commercial Goods Carriers Vehicles. These exclusive products are complying to the AIS (Automobile Industry Standards) are sold/fitted/installed by and through a strict procedure through and secure process by the State Transport Departments Software Backend with the Government orders and need to do install at the time of Vehicle Fitness and follow on with Yearly Advance Subscription of Data Recharge to stay online all the time to send/pointing the data to the Transport Depart Backend Server for Vehicle Movement monitoring purpose.

The future of this VLTD IOT Device is going to be an all-time opportunity the community of Vehicle Telematics Industry, and the fortune depends upon the capability of the Individual companies understanding the requirement and network to serve the demand.

Preparedness to grab the opportunity by increasing the manufacturing capacity, marketing and visibility of product to customers through various methods, Sales & Service Network, Online Software Application for Vehicle Tracking and CRM.

### Threats:

Implementation Postponement: MORTH releases Gazette Notifications for implementation across PAN India, whereas State Transport Department citing reasons of non-availability of Infrastructure, Manpower Resources, etc. and request for Time and Delays the Implementation, this is the major cause of delay of implementation which increases our overheads and effect the planning and profitability.

Bank Guarantee: We have to provide Performance Bank Guarantee across PAN India and Block Funds towards Enlistment Process in Each of the State Transport Department.

**Network Charges:** If we make and keep VLT Devices ready and State Transport Department delays the implementation, we have to pay the monthly charges to keep Devices active and live otherwise, we need to change with a new e-SIM hardware, which is an extra cost should be borne by the company.

**Dealer Demands:** If Dealer demands Price reduction or more margins to promote sales or selling of others products. We need to change with new Dealer otherwise it will affect the Sales.

**Transport Unions & Legal Cases:** Transport Union & other lobbies will try to oppose the Department by protesting the proposal with different grounds and ask for time for implementation, if Department accommodate their grounds or otherwise go to courts get time reliefs will get time and implementation delayed.

**Business affected due to Lock Downs:** COVID -19 affected our business by the extension of the validity of documents related to Motor Vehicles Act, 1988 and Central Motor Vehicle Rules, 1989 and further to consider relaxation in permits, fees and taxes etc. Please refer to the order by Ministry of Home Affairs, vide No.40-3/2020-DMI(A), dated 24<sup>th</sup> March 2020, and the guidelines issued subsequently, pursuant to a decision to impose a complete lockdown, in view of the threat imposed by the spread of COVID-19 since 1<sup>st</sup> of February, 2020 or would expire by 30<sup>th</sup> September, 2021, the same may be treated to be valid till 30<sup>th</sup> September, 2021. Enforcement authorities are advised to treat such documents valid till 30<sup>th</sup> September, 2021.

### Competition:

The automotive component industry is extremely competitive and the main challenges lies in quality, reliability, pricing and goodwill to mention the least in India. Our organization is well geared up in meeting to all these concerns and challenges and have put in place the necessary protocols to stay afloat in the market place with a difference.

There are no entry barriers in our industry which puts us to the threat of competition from new entrants as there are numerous players operating in the industry. We face tough competition in our business from a large number of unorganized as well as from organized players operating in the similar space. Our aim is to provide the branded, standardized and uniform qualitative services at competitive prices to our consumers. Many of our competitors have substantially large capital base and resources than we do and offer broader range of products and services. We believe that the principal factors of competition in our business include clientele relationships, professional employees, pricing and reliability. We believe that our ability to compete effectively is primarily dependent on ensuring consistent service quality and timely delivery at competitive prices, thereby strengthening our brand over the years. We believe that our cost effective and integrated offerings approach puts us ahead in dealing with all challenges and expectations by our customers.

### Human Resources:

An effective and efficient human resource are a key to the success of any organization and our company has been well focused in adopting the best standards in the industry which not only gives us the benefit of attracting good talent but gives us an edge towards providing best qualitative services to our customers. Our manpower is a mix of experienced and young talent pool of resources which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans. Our dedicated staff members are the backbone of our successes and none of the milestones would have been possible without immense contribution and dedication on their part. The details of department wise number of employees are given here below:

Sl. No.	Department	No. of Employees
1	Executive Director	1
2	Company Secretary	1
3	Chief Financial Officer	1
4	Software Development Department	3
5	IT Services Department	3
6	R & D Department	2
7	Purchases Department	1
8	Operations Department	2
9	Accounts Department	1
10	Marketing Department	1
11	Transport Department	2
	<b>Total</b>	<b>18</b>

**Insurance Policies of our Company:**

We have obtained insurance policies in respect of our business and operations, products, inventories, plant and machinery, buildings, equipment, vehicles, employees and other assets.

In particular, we have obtained following key coverages: (a) Bharat Sookshma Udyam Suraksha (d) Car Insurance policy; Further, we have also obtained workmen compensation for our workers.

The details of insurance policies are as under:

Policy No	Type of Policy	Policy Period	Nature of Coverage	Policy Issuing Office	Total Sum Assured
6131001122 8000000044	Bharat Sookshma Udyam Suraksha Policy	From: 15/06/2022 To: 14/06/2023	Building Superstructure - ₹ 90,00,000/- Furniture & Fixtures - ₹ 10,00,000/- Plant & Machinery - ₹ 25,00,000/- Raw Material - ₹ 50,00,000/- Stock-in-Process - ₹ 25,00,000/- Finished Stock – ₹ 3,00,00,000/-	The New India Assurance Co. Ltd.	5,00,00,000
6131003121 0100003464	Private Car Package Policy	From: 12/03/2022 To: 11/03/2023	OD & TP Policy for SKODA - New Laura (Vehicle No. AP-10-BE-1999)	The New India Assurance Co. Ltd.	1,80,000
6103003122 0100000067	Private Car Package Policy	From: 07/04/2022 To: 06/04/2023	OD & TP Policy for TOYOTA - Fortuner (Vehicle No. TS-10-EN-1999)	The New India Assurance Co. Ltd.	13,00,000
6131003121 0100003463	Commercial Vehicle Package Policy	From: 12/03/2022 To: 11/03/2023	OD & TP Policy for Ashok Leyland - Dost (Vehicle No. TS-10-UB-0054)	The New India Assurance Co. Ltd.	2,10,000

**Property Details of our Company:**
**Owned Property**

Details of the Deed/ Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Usage
Sale Deed executed on January 24, 2013 between Smt. Donaparathi Sarojini ("Vendor") and Containe Technologies Private Limited ("Purchaser")	Plot No. 335, 336 Southern Part in Survey No. 96 & 97/Part admeasuring 500 sq. yds. and Plot No. 341 Southern Part & 342 in Survey No. 96, 97 & 98 admeasuring 500 sq. yds. totally admeasuring 1000 sq. yds (836 sq. mtrs.) situated at Block No. 6, Marriguda, Hamlet of Mallapur, under GHMC, Kapra Circle, Uppal Mandal, Ranga Reddy District	Rs. 25,00,000	Registered Office and Manufacturing Unit

**Rented Property:**

Details of the Deed/ Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
Rent Agreement dated July 08, 2022 between Mr. Ranjeet ("Landlord") and Containe Technologies Limited ("Tenant")	G-22, Goverdhan Kunj, Badshahpur, Gurugram – 122001, Haryana	Rs. 10,000/- per month	11 (Eleven) months effective from July 08, 2022 to June 08, 2023	Branch Office

Details of the Deed/ Agreement	Particulars of the property, description and area	Consideration/ License Fee/Rent	Tenure/ Term	Usage
Rent Agreement dated July 08, 2022 between Mr. Raees Khan ("Landlord") and Containe Technologies Limited ("Tenant")	No. 3/25, Sahadev Gali, Vishwas Nagar, Shahadra, North East Delhi, Delhi – 110032	Rs. 7,000/- per month	11 (Eleven) months effective from July 08, 2022 to June 08, 2023	Branch Office

**Plant & Machinery:**

Name of Machinery	Quantity
Regulated power supply	3
Function Generator	1
Electronic Pedal Interface	2
Digital Multi-meter	4
Soldering Station	5
Rework Station	1
Wire Cutting Machine	2
Wire Twisting Machine	1
Crimping Machine	6
Load testing Machine	1

**Intellectual Property Details:**

The following trademark is used by our company:

Logo	Class	Trademark Type	Owner of Trademark	Application No.	Date of application	Valid Upto
	9*	Word Mark: CTPL	Containe Technologies Private Limited	1960623	May 04, 2010	May 04, 2030
	38#	Word Mark: TRANO – YOUR EYE WAY	Anand Kumar Seethala	3756258	February 17, 2018	February 17, 2028
	9	Device	Anand Kumar Seethala	3756257	February 17, 2018	February 17, 2028
	7	Device	Converzt Technologies (I) Pvt Ltd	2016372	August 31, 2010	Abandoned
	9	Device	Anandkumar Seethala	3756256	February 17, 2018	February 17, 2028
	9	Device	Containe Technologies Private Limited	1960624	May 04, 2010	May 04, 2020

\* The logo is registered by Containe Technologies Private Limited under Batteries, Electric, Invertors, Converters, Batteries for Lighting, Lamps, Optical Lamps, Optical Lamps, Light Dimmers (Regulators), Plugs, Sockets and other Contacts, Thermionic Lamps and Tubes, Distance Measuring Apparatus, Distance Recording Apparatus, Gauges, Parking, Parking Meters, Photovoltaic Cells, Scales Being Included in Class 9

# The logo is registered by Anand Kumar Seethala under Telecommunication Services; all Included in Class 38

### Capacity and Capacity Utilization

Our capacity depends on our workforce / orders in hand and not in any fixed output from plant & machinery and hence capacity and capacity utilization cannot be determined.

### Collaboration/Tie-ups/Joint Venture Details:

As on date of this Prospectus, our Company has not entered into any technical or other Collaboration / Tie Ups / Joint Ventures.

### Export and Export Obligations:

Our Company has exported Electronic Fuel Regulator and Pedal Interface to United Kingdom (UK) and United Arab Emirates (UAE) during the financial year 2021-22, 2020-21 & 2019-20 respectively. The details of exports are given below:

Name of Product	Country	March 31, 2022		March 31, 2021		March 31, 2020	
		In \$/£	In ₹	In \$	In ₹	In \$	In ₹
Electronic Fuel Regulator	UK (£)	-	-	97.36	9,998.87	12.00	1,120.92
Electronic Pedal Interface	UK (£)	1,058.83	1,06,000.00	102.36	10,465.92	12.00	1,120.92
Electronic Pedal Interface	UAE (\$)	1,054.00	76,977.16	-	-	-	-

As on date of this Prospectus, our Company does not have any export obligations.

## KEY INDUSTRY REGULATIONS AND POLICIES

*The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from various legislations, including rules and regulations promulgated by the regulatory bodies that are available in the public domain. The regulations and policies set out below may not be exhaustive and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. The Company may be required to obtain licenses and approvals depending upon the prevailing laws and regulations as applicable.*

*The business of our Company requires, at various stages, the sanction of the concerned authorities under the relevant Central, State legislation and local bye-laws. The following is an overview of the important laws, regulations and policies which are relevant to our business in India. Certain information detailed in this chapter has been obtained from publications available in the public domain. The description of law, regulations and policies set out below are not exhaustive, and are only intended to provide general information to bidders and is neither designed nor intended to be a substitute for professional legal advice.*

*In addition to what has been specified in this prospectus, taxation statutes such as the Income Tax Act, 1961 and Central Goods and Services Tax Act, 2017, various labor laws and other miscellaneous laws 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. For details of government approvals obtained by us, see the chapter titled **“Government and Other Approvals”** beginning on page no 166 of this prospectus.*

Depending upon the nature of the activities undertaken by our Company the following are the various regulations applicable to our company

### APPROVALS

For the purpose of the business undertaken by our Company, our Company is 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 166 of this prospectus.

### INDUSTRY RELATED LAW:

#### ***Motor Vehicles Act, 1988 (the “Motor Vehicles Act”) and Central Motor Vehicles Rules, 1989***

The Motor Vehicles Act and the rules prescribed thereunder regulate all aspects of motor vehicles in India, including licensing of drivers, registration of motor vehicles, control of motor vehicles through permits, special provisions relating to state transport undertakings, insurance, liabilities, offences and penalties. Accordingly, the Motor Vehicles Act places a liability on every owner of, or person responsible for, a motor vehicle to ensure that every person who drives a motor vehicle holds an effective driving license. Further, the Motor Vehicles Act requires that an owner of a motor vehicle bear the responsibility of ensuring that the vehicle is registered in accordance with the provisions of the Motor Vehicles Act and that the certificate of registration of the vehicle has not been suspended or cancelled. Further, the Motor Vehicles Act prohibits a motor vehicle from being used as a transport vehicle unless the owner of the vehicle has obtained the required permits authorizing him/her to use the vehicle for transportation purposes.

The Central Motor Vehicles Rules, 1989, is a set of rules prescribed under the Motor Vehicles Act, which lay down the procedures for licensing of drivers, driving schools, registration of motor vehicles and control of transport vehicles through issue of tourist and national permits. It also lays down rules concerning the construction, equipment and maintenance of motor vehicles and insurance of motor vehicles against third party risks.

#### **The Carriage by Road Act, 2007 (the “Road Carriage Act”)**

The Road Carriage Act, and the rules framed thereunder, have been enacted for regulating common carriers, limiting their liability and declaration of value of goods delivered in order to determine their liability for loss of, or damage to, such goods occasioned by the negligence or criminal acts by such carriers, their servants or agents and for incidental matters. The Road Carriage Act defines a ‘common carrier’ as a “person engaged in the business of collecting, storing, forwarding or distributing goods to be carried by goods carriages under a goods receipt or transporting for hire of goods from place to place by motorised transport on road, and includes a goods booking company, contractor, agent, broker, and courier agency engaged in the door-to-door transportation of documents, goods or articles utilising the services of a person, either directly or indirectly, to carry or accompany such documents, goods or articles, but does not include the Government”. No person can engage in the business

of a common carrier unless he/she has a valid certificate of registration. As per the Carriage by Road Rules, 2011, the liability of a common carrier for loss or damage to any consignment is limited to 10 times of the freight paid, or payable, provided such amount shall not exceed the value of the goods declared in the goods forwarding note.

#### **The Motor Transport Workers Act, 1961 (the “MTW Act”)**

The MTW Act regulates the welfare of motor transport workers and the conditions of their work. Every motor transport undertaking employing five or more motor transport workers is required to comply with the provisions of the MTW Act. Among other provisions, the MTW Act stipulates compliances pertaining to working hours, payment of wages and protection of the welfare and health of employees. Any contravention of a provision regarding employment of motor transport workers is punishable with imprisonment or with fine

#### **The Multimodal Transportation of Goods Act, 1993 (the “Multimodal Transportation Act”)**

The Multimodal Transportation Act defines ‘multimodal transport’ as the “carriage of goods by at least two different modes of transport, under a multimodal transport contract, from a place of acceptance of goods in India to a place of delivery of such goods outside India.” A multimodal transport is governed by a transport contract, which, inter alia, sets out the liability of a multimodal transport operator to perform, or procure the performance of, multimodal transportation against payment of freight. The Multimodal Transportation Act allows a person to provide multimodal transportation services on obtaining a certificate of registration, which is valid for a period of three years. A multimodal transport operator is liable for losses resulting from (a) any loss of, or damage to, the consignment or delay in delivery of the consignment and (b) any consequential loss or damage arising from such delay, where such loss, damage or delay in delivery took place while the consignment was in the charge of the multimodal transport operator.

#### **Information Technology Act, 2002 (“Information Technology Act”)**

The Information Technology Act seeks to (i) provide legal recognition to transactions carried out by various means of electronic data interchange involving alternatives to paper-based methods of communication and storage of information; (ii) facilitate electronic filing of documents; and (iii) create a mechanism for the authentication of electronic documentation through digital signatures. The Information Technology Act facilitates electronic commerce by recognizing contracts concluded through electronic means, protects intermediaries in respect of third party information liability and creates liability for failure to protect sensitive personal data. The Information Technology Act empowers the Government of India to formulate rules with respect to reasonable security practices and procedures and sensitive personal data. In exercise of this power, the Department of Information Technology, Ministry of Electronics and Information Technology, Government of India (“DoIT”), on April 11, 2011, notified the Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“IT Security Rules”) which prescribe directions for the collection, disclosure, transfer and protection of sensitive personal data by a body corporate or any person acting on behalf of a body corporate. The IT Security Rules require every such body corporate to provide a privacy policy for handling and dealing with personal information, including sensitive personal data, ensuring security of all personal data collected by it and publishing such policy on its website. The IT Security Rules further require that all such personal data be used solely for the purposes for which it was collected and any third party disclosure of such data is made with the prior consent of the information provider, unless contractually agreed upon between them or where such disclosure is mandated by law.

The DoIT also notified the Information Technology (Intermediaries Guidelines and Digital Media Ethics Code) Rules, 2021 (“IT Intermediaries Rules”) on February 25, 2021, requiring intermediaries receiving, storing, transmitting, or providing any service with respect to electronic messages to not knowingly host, publish, transmit, select or modify any information prohibited under the IT Intermediaries Rules, to disable hosting, publishing, transmission, selection or modification of such information once they become aware of it, as well as specifying the due diligence to be observed by intermediaries.

#### ***The Micro, Small and Medium Enterprises Development Act, 2006 (“MSME Act”):***

MSME Act was enacted to provide for facilitating the promotion and development and enhancing the competitiveness of micro, small and medium enterprises. Any person who intends to establish (a) a micro or small enterprise, at its discretion; (b) a medium enterprise engaged in providing or rendering of services may, at its discretion; or (c) a medium enterprise engaged in manufacture or production of goods pertaining to any industry specified in the First Schedule to the Industries (Development and Regulation) Act, 1951 is required to file a memorandum before such authority as specified by the State Government or the Central Government. The form of the memorandum, the procedure of its filing and other matters incidental thereto shall be such as may be specified by the Central Government, based on the recommendations of the advisory committee. Accordingly, in exercise of this power under the MSME Act, the Ministry of Micro, Small and Medium Enterprises notification dated September 18, 2015 specified that every micro, small and medium enterprises is required to file a Udyog Adhaar Memorandum in the form and manner specified in the notification.

### ***The Industrial Relations Code, 2020:***

The new Code passed by the Parliament replaces and Consolidates three labour legislations, being The Industrial Disputes Act, 1947, The Trade Unions Act, 1926, and The Industrial Employment (Standing Orders) Act, 1946. It aims at consolidating and amending the laws relating to trade unions, conditions of employment in industrial establishments, investigation and settlement of industrial disputes. While it retains several provisions from the existing legal framework regarding retrenchment, lay-off, closure, industrial disputes, trade union recognition, etc., new requirements have been introduced to simplify as well as add more structure to the existing regulations.

### ***The Code on Wages, 2019:***

The new Code replaces the following four laws: (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. Under the Act, the Central Government shall determine wage-related provisions in railways, mines, oil fields, etc., while the State Government is empowered to take such decisions in relation to other employments.

### ***The Code on Social Security, 2020:***

The Code on Social Security, 2020 received the assent of the President of India on September 28, 2020 and it proposes to subsume certain existing legislations including the Employee's Compensation Act, 1923, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Building and Other Construction Workers' Welfare Cess Act, 1996 and the Unorganized Workers' Social Security Act, 2008. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Code on Social Security, 2020. The draft rules provide for operationalization of provisions in the Code on Social Security, 2020 relating to employees' provident fund, employees' state insurance corporation, gratuity, maternity benefit, social security and cess in respect of building and other construction workers, social security for unorganized workers, gig workers and platform workers. In addition to above, we are subject to wide variety of generally applicable labour laws concerning condition of working, benefit and welfare of our laborers and employees such as the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Employees (Provident Fund and Miscellaneous Provision) Act, 1952. Customs Act, 1962

### **Customs Act, 1962**

The provisions of the Customs Act, 1962 and rules made there under are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India

## **Labour Law Legislations**

### ***The Occupational Safety, Health and Working Conditions Code, 2020:***

The Occupational Safety, Health and Working Conditions Code, 2020 received the assent of the President of India on September 28, 2020 and proposes to subsume certain existing legislations, including the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, the Inter-State Migrant Workmen (Regulation 104 of Employment and Conditions of Service) Act, 1979 and the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. The provisions of this code will be brought into force on a date to be notified by the Central Government. The Central Government has issued the draft rules under the Occupational Safety, Health and Working Conditions Code, 2020. The draft rules provide for operationalization of provisions in the Occupational Safety, Health and Working Conditions Code, 2020 relating to safety, health and working conditions of the dock workers, building or other construction workers, mines workers, inter-state migrant workers, contract labour, journalists, audio-visual workers and sales promotion employees.

Certain other laws and regulations that may be applicable to our Company in India include the following:

- Public Liability Insurance Act, 1991 ("PLI Act")
- Industrial (Development and Regulation) Act, 1951 ("IDRA")
- Industrial Disputes Act, 1947 ("ID Act")
- Payment of Bonus Act, 1965 ("POB Act")
- Payment of Gratuity Act, 1972.
- Child Labour (Prohibition and Regulation) Act, 1986
- Inter-State Migrant Workers (Regulation of Employment and Conditions of Service) Act, 1979

- Equal Remuneration Act, 1976 (“ER Act”)
- Contract Labour (Regulation and Abolition) Act, 1970 (CLRA) and Contract Labour (Regulation and Abolition) Central Rules, 1971 (Contract Labour Rules)
- Workmen Compensation Act, 1923 (“WCA”)
- Maternity Benefit Act, 1961 (“Maternity Act”)
- Industrial Employment Standing Orders Act, 1946
- The Employees Compensation Act, 1923 (“EC Act”) and the rules framed thereunder
- Minimum Wages Act, 1948 (“MWA”) and the rules framed thereunder

#### ***Legal Metrology Act, 2009 (“Legal Metrology Act”):***

The Legal Metrology Act, 2009 came into effect on January 14, 2010 and has repealed and replaced the Standard of Weights and Measures Act, 1976 and the Standards of weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters incidental thereto. The Legal Metrology Act, inter alia, provides for: (a) approval of model of weight or measure; (b) verification of prescribed weight or measure by Government approved Test Centre; (c) exempting regulation of weight or measure or other goods meant for export; (d) nomination of a Director by a company who will be responsible for complying with the provisions of the enactment; (e) empowering the Central Government to make rules for enforcing the provisions of the enactment; and (f) penalty for offences and compounding of offences.

#### ***Public Liability Insurance Act, 1991 (“PLIA”)***

The purpose of PLIA is to provide through insurance, immediate relief to persons affected due to accident while handling hazardous substance by the owners on a no fault liability basis. Where death or injury to any person (other than a workman) or damage to any property has resulted from an accident, the PLIA mandates that the owner is liable to give relief to such person as specified by the PLIA. The PLIA requires the owner to take out insurance policies before he starts handling any hazardous substance whereby he is insured against liability to give such relief.

#### ***Prevention of Black Marketing and Maintenance of Supplies Act, 1980:***

Prevention of Black Marketing and Maintenance of Supplies Act, 1980. It is an Act for detention in certain cases or the purpose of prevention of black marketing and maintenance of supplies of commodities essential to the community and for matters concerned therewith.

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

BIS Act was notified on March 22, 2016 and came into effect from October 12, 2017. The BIS Act establishes the Bureau of Indian Standards (BIS) as the National Standards Body of India. The BIS Act has enabling provisions for the Government to bring under compulsory certification regime any goods or article of any scheduled industry, process, system or service which it considers necessary in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security. The BIS Act also allows multiple type of simplified conformity assessment schemes including self-declaration of conformity against a standard which will give simplified options to manufacturers to adhere to the standards and get certificate of conformity. The BIS Act enables the Central Government to appoint any authority/agency, in addition to the BIS, to verify the conformity of products and services to a standard and issue certificate of conformity. Further, there is also a provision for repair or recall, including product liability of the products bearing standard mark but not conforming to the relevant Indian Standard.

#### ***Consumer Protection Act, 2019***

The Consumer Protection Act, 2019, along with the Consumer Protection (E-Commerce) Rules, 2020 (“COPRA”) has superseded Consumer Protection Act, 1986 and came into force on July 20, 2020 and July 23, 2020, respectively. The COPRA has been promulgated to provide for the protection of consumers’ interests, to establish authorities for timely and effective administration, to settle consumers’ disputes and other connected matters. It provides for establishment of the Central Consumer Protection Council to render advice on the promotion and protection of consumers’ rights and the Central Consumer Protection Authority to regulate matters relating to violation of rights of consumers, unfair trade practices, and false or misleading advertisements which are prejudicial to the interests of public and consumers. The Consumer Disputes Redressal Commissions at the district, state, and national levels are also established under the COPRA. The COPRA also governs the online sale of goods, services, digital products by entities which own, operate, or manage digital or electronic facility or

platform for electronic commerce, all models of e-commerce (including marketplace or inventory based), and all e-commerce sellers. It lays down the duties and liabilities of E-Commerce entities and e-commerce sellers.

#### **ENVIRONMENTAL REGULATIONS:**

Our Company is subject to Indian laws and regulations concerning environmental protection. The principal environmental regulations applicable to industries in India are the Water (Prevention and Control of Pollution) Act, 1974, the Water Access Act, 1977, the Air (Prevention and Control of Pollution) Act, 1981, the Environment Protection Act, 1986 and the Hazardous Wastes (Management and Handling) Rules, 1989. Further, environmental regulations require a company to file an Environmental Impact Assessment (**EIA**) with the State Pollution Control Board (**PCB**) and the Ministry of Environment and Forests (**MEF**) before undertaking a project entailing the construction, development or modification of any plant, system or structure. If the PCB approves the project, the matter is referred to the MEF for its final determination. The estimated impact that a particular project might have on the environment is carefully evaluated before granting clearances. When granting clearance, conditions may be imposed and the approving authorities may direct variations to the proposed project.

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

Air (Prevention and Control of Pollution) Act 1981 (-the Act) was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Act, if a person intends to commence an industrial plant in a pollution control area.

#### ***Water (Prevention and Control of Pollution) Act, 1974***

The Water (Prevention and Control of Pollution) Act, 1974 (-the Act) was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Act.

#### ***The Water (Prevention and Control of Pollution) Cess Act, 1977 (“Water Pollution Cess Act”)***

The Water Pollution Cess Act has been enacted to provide for the levy and collection of a cess on water consumed by persons carrying on certain industries to augment the resources of the central pollution control board and state pollution control boards. The Water Pollution Cess Act also provides for a rebate to the extent of 25% of the cess payable, in favour of persons who, being liable to cess under the Water Pollution Cess Act, install any plant for the treatment of sewage or effluents. However, this rebate is not applicable to persons consuming water in excess of the maximum prescribed quantity or who fail to comply with the provisions of section 25 of the Water Act or who fail to adhere to standards laid down by the Central Government under the Environment Act.

#### ***The Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008:***

The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008, as amended (**Hazardous Wastes Rules**), which superseded the Hazardous Wastes (Management and Handling) Rules, 1989, state that the occupier will be responsible for safe and environmentally sound handling of hazardous wastes generated in his establishment. The hazardous wastes generated in the establishment of the occupier should be sent or sold to a recycle or re-processor or re-user registered or authorized under the Hazardous Wastes Rules or should be disposed of in an authorized disposal facility. The Ministry of Environment and Forests has been empowered to deal with the trans-boundary movement of hazardous wastes and to grant permission for transit of hazardous wastes through any part of India. No import of hazardous waste is permitted in India. The State Government, occupier, operator of a facility or any association of the occupier will be individually or jointly or severally responsible for, and identify sites for, establishing the facility for treatment, storage and disposal of hazardous wastes for the State Government.

#### ***Plastic Waste Management Rules, 2016***

The Ministry of Environment, Forest and Climate Change published the Plastic Waste Management Rules, 2016 with an aim to increase minimum thickness of plastic carry bags from 40 to 50 microns and stipulate minimum thickness of 50 micron for plastic sheets. It also aims at facilitating collection and recycling of plastic waste and delegates responsibility to the waste generators for waste segregation and disposal. The recently notified Plastic Waste Management (Amendment) Rules, 2018 also prescribes a central registration system for the registration of the producer/importer/brand owner.

## **INTELLECTUAL PROPERTY LEGISLATIONS:**

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

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trademarks Act, 1999
- Designs Act, 2000

### ***Indian Patents Act, 1970:***

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

### ***The Copyright Act, 1957:***

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematography films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

### ***Designs Act, 2000***

The Designs Act, 2000 along with the Design Rules, 2001 (“Design Laws”) govern design protection in India. The Design Laws were enacted to protect new or original designs from getting misappropriated. A design can only be registered under one specific class. The registered proprietor of the design shall have a copyright in the design for ten years which is extendable for another five years. The Design Laws permit the proprietor to file a suit for recovery of damage and as well as an injunction in the event of piracy of a registered design.

### ***Trademarks Act, 1999 (“TM Act”):***

The Trademarks 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.

## **FOREIGN INVESTMENT LAWS:**

Foreign investment in India is governed by the provisions of FEMA along with the rules, regulations and notifications made by RBI thereunder, and the Consolidated FDI Policy (“Consolidated FDI Policy”) issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”) from time to time.

In terms of applicable regulations notified under FEMA and the SEBI (Foreign Portfolio Investors) Regulations, 2014 (“SEBI FPI Regulations”), investments by Foreign Portfolio Investors (“FPIs”) in the capital of an Indian company under the SEBI FPI Regulations are subject to certain limits individual holding limits of 10% of the capital of the company per FPI and the aggregate holding limit of 24% of the capital of the company. However, the aggregate limit for FPI investment in a company can be increased up to the applicable sectoral cap by passing a resolution of the company’s board of directors, followed by a special resolution by the shareholders and prior intimation to the RBI.

### ***Foreign Trade (Development and Regulation) Act, 1992***

The Development and Regulation of foreign trade by facilitating imports and exports from and to India. The Import-Export Code number and license to import or export includes a customs clearance permit and any other permission issued or granted under this act. The Export and Import policy, provision for development and regulation of foreign trade shall be made by the Central Government by publishing an order. The Central Government may also appoint Director General of Foreign Trade (“DGFT”) for the purpose of Export-Import Policy formulation.

If any person makes any contravention to any law or commits economic offense or imports/exports in a manner prejudicial to the trade relations of India or to the interest of other person engaged in imports or exports then there shall be no Import Export

Code number granted by Director-General to such person and if in case granted shall stand cancelled or suspended. Provision of search and seizure of Code of Criminal Procedure, 1973 shall apply to every search and seizure made under this Act. In case of appeals in a case the order made by the appellate authority shall be considered to be final. The powers of the civil court under Code of Civil Procedure, 1908 shall vest in him.

The EXIM Policy is a set of guidelines and instructions established by the DGFT in matters related to the export and import of goods in India. This policy is regulated under the said act. DGFT is the main governing body in matters related to the EXIM Policy. The Act shall provide development and regulation of foreign trade by facilitating imports into, and augmenting exports from India. Trade Policy is prepared and announced by the Central Government (Ministry of Commerce).

### ***Foreign Exchange Management Act, 1999 and regulations there under***

Foreign investment in India is primarily governed by the provisions of the Foreign Exchange Management Act, 1999 (“FEMA”) and the rules and regulations promulgated there under. FEMA aims at amending the law relating to foreign exchange with facilitation of external trade and payments for promoting orderly developments and maintenance of foreign exchange market in India. It applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention there under committed outside India by any person to whom this Act applies. Every exporter of goods is required to a) furnish to the Reserve Bank or to such other authority a declaration in such form and in such manner as may be specified, containing true and correct material particulars, including the amount representing the full export value or, if the full export value of the goods is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions, expects to receive on the sale of the goods in a market outside India; b) furnish to the Reserve Bank such other information as may be required by the Reserve Bank for the purpose of ensuring the realization of the export proceeds by such exporter. The Reserve Bank may, for the purpose of ensuring that the full export value of the goods or such reduced value of the goods as the Reserve Bank determines, having regard to the prevailing market conditions, is received without any delay, direct any exporter to comply with such requirements as it deems fit. Every exporter of services shall furnish to the Reserve Bank or to such other authorities a declaration in such form and in such manner as may be specified, containing the true and correct material particulars in relation to payment for such services.

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017 (“FEM Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department for Promotion of Industry and Internal Trade, Ministry of Commerce & Industry, Government of India. The RBI, in exercise of its power under FEMA, has notified the Foreign Exchange Management (Export of Goods & Services) Regulations, 2015 which deals with exports, the declaration to be filed, the realization of export value, etc. The RBI amended these Regulations by introducing the Foreign Exchange Management (Export of Goods and Services) (Amendment) Regulations, 2021 (the “Amendment Regulations”) through a notification dated January 08th, 2021 to introduce certain exemptions related to the aviation sector through the Amendment Regulations. In exercise of the powers conferred by section 47 of the Foreign Exchange Management Act, 1999 (42 of 1999) and consequent to the Foreign Exchange Management (Non-Debt Instrument) Rules, 2019, the Reserve Bank has notified the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instrument) Regulations, 2019 (“Principle Regulations”) relating to mode of payment and reporting requirements for investment in India by a person resident outside India. The RBI has notified the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) (Amendment) Regulations, 2020 whereby amendment has been made to Regulation 3.1 of the Principle Regulations which deals with the Mode of Payment and Remittance of sale proceeds in which Schedule II and Schedule VII was substituted. The RBI, also notified the Foreign Exchange Management (Foreign currency accounts by a person resident in India) Regulations, 2015 to regulate opening and maintenance of foreign currency accounts in and outside India by a person resident in India. The RBI passed a notification dated February 27th, 2019 amending the regulations by passing the Foreign Exchange Management (Foreign Currency Accounts by a person resident in India) (Amendment) Regulations, 2019 amending regulation applicable to authorized dealers.

### ***The Foreign Direct Investment***

The Government of India has from time to time made policy pronouncements on Foreign Direct Investments (“FDI”) through press notes and press releases. The Department for Promotion of Industry and Internal Trade (“DPIIT”) issued the Consolidated Foreign Direct Investment Policy notified by the DPIIT File No. 5(2)/2020-FDI Policy dated October 15, 2020, with effect from October 15, 2020 (the “FDI Policy”), which consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT or the DPIIT that were in force and effect prior to October 15, 2020. The Government

of India proposes to update the consolidated circular on FDI Policy once every year and therefore, the FDI Policy will be valid until the DPIIT issues an updated circular.

#### **GENERAL CORPORATE COMPLIANCE:**

##### ***The Companies Act 1956 and the Companies Act, 2013:***

The consolidation and amendment in the law relating to the Companies Act, 1956 made way to the enactment of the Companies Act, 2013. The Companies Act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The 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 relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One-Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

##### ***Shops and Establishments Acts of various states (collectively “S&E Acts”)***

The S&E Acts in India are promulgated by the state and may slightly differ from state to state. All shops and commercial establishments operating within each state are covered by the respective S&E Acts. Shops are defined as premises where goods are sold either by retail or wholesale or where services are rendered to customers, and includes an office, a store-room, godown, warehouse or workhouse or work place. Establishments are defined as shop, a commercial establishment, residential hotel, restaurant, eating-house, theatre or other places of public amusement or entertainment. Further, establishments as defined by the act may also include such other establishments as defined by the Government by notification in the Official Gazette. The S&E Acts regulates a number of aspects relating to the operation of a shop or commercial establishment. Some of the key areas regulated by the shop and establishment act include: hours of work, interval for rest and meals, prohibition of employment of children, employment of young person or women, opening and closing hours, close days, weekly holidays, wages for holidays, time and conditions of payment of wages, deductions from wages, leave policy, dismissal, cleanliness, lighting and ventilation, precautions against fire, accidents and record keeping.

#### **EMPLOYMENT AND LABOUR LAWS:**

##### ***Employees Deposit Linked Insurance Scheme, 1976:***

The scheme shall be administered by the Central Board constituted under section 5A 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 scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

##### ***The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013:***

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.

## **TAX RELATED LEGISLATIONS**

### ***Goods and Service Tax (GST):***

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act, 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by Centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination-based consumption tax GST would be a dual GST with the center and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise– goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cess relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

## **OTHER LAWS**

### ***Municipality Laws:***

Pursuant to the Seventy Fourth Amendment Act, 1992, the respective State Legislatures in India have the power to endow the Municipalities (as defined under Article 243Q of the Constitution of India) with the power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India which includes regulation of public health. The respective States of India have enacted laws empowering the Municipalities to regulate public health including the issuance of a health trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non-compliance.

### ***Police Laws:***

The State Legislatures in India are empowered to enact laws in relation to public order and police under Entries 1 and 2 of the State List (List II) to the Constitution of India. Pursuant to the same the respective States of India have enacted laws regulating the same along with prescribing penalties for non-compliance.

### ***Approvals from Local Authorities:***

Setting up of a Factory or Manufacturing/Housing unit/Establishments entails the requisite Planning approvals to be obtained from the relevant Local Panchayat(s) outside the city limits and appropriate Metropolitan Development Authority within the city limits. Consents from the state Pollution Control Board(s), the relevant state Electricity Board(s), the State Excise Authorities, Sales Tax, are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

### ***The Indian Contract Act, 1872:***

The Contract Act is the legislation which lays down the general principles relating to formation, performance and enforceability of contracts. The rights and duties of parties and the specific terms of agreement are decided by the contracting parties themselves, under the general principles set forth in the Contract Act. The Contract Act also provides for circumstances under which contracts will be considered as 'void' or 'voidable'. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

***Transfer of Property Act, 1882:***

The transfer of property is governed by the Transfer of Property Act, 1882 (“T.P. Act”). The T.P. Act establishes the general principles relating to the transfer of property including among other things identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property.

***Registration Act, 1908:***

The Registration Act, 1908 (“Registration Act”) has been enacted with the object of providing public notice of execution of documents affecting a transfer of interest in property. Section 17 of the Registration Act identifies documents for which registration is compulsory and includes among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether in present or in future, any right, title or interest, whether vested or contingent, in immovable property of the value of one hundred rupees or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. Section 18 of the Registration Act provides for non-compulsory registration of documents as enumerated in the provision.

## OUR HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was originally incorporated as a Private Limited Company in the name of “*Containe Technologies Private Limited*” on September 16, 2008 under the provisions of the Companies Act, 1956 bearing Corporate Identification Number U72200TG2008PTC061063 issued by the Registrar of Companies – Hyderabad, Telangana. Further, our company was converted into Public Limited Company under the provisions of the Companies Act, 2013 and the name of our Company was changed to “*Containe Technologies Limited*” vide a fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company dated March 21, 2022 bearing Corporate Identification Number U72200TG2008PLC061063 issued by the Registrar of Companies - Hyderabad, Telangana.

Our Company is founded and promoted by Mr. Anand Kumar Seethala in the year 2008 to carry on business in Automobile Safety and GPS solutions in Automobile Sector. The Company started its business from manufacturing of Speed Limiting Devices and later, the company has diversified its products to Vehicle Location Tracking Devices, Embedded Dual Profile E-Sim Cards (BSNL/AIRTEL & BSNL/VODAFONE/IDEA) etc.

The journey of Mr. Anand Kumar Seethala started in the year 1994, during his Computer Software Course Progressing to completion. He along with his team, has designed a Basic Computer Course for School Students in the title CLAP Computer Literacy Awareness Program. After first phase of implementation, they migrated to do Software Development and Integration of Peripherals & Assembling of Personal Computer Systems for Schools, Colleges, Universities Government offices and to various commercial applications. He is an embedded hardware visionary, investor and promoter and founder of CTPL.

In the year 2008, as part of new Business venture vertical started a new Company named “Containe Technologies Private Limited” to do R&D and Design and Development of Embedded Systems for CMVR Components of Speed Limiting Devices and Vehicle Location Tracking Devices. Understanding the need and importance of M2M communication in the coming generation of technology, he worked to get collaboration with GSMA Approved facility and agreements from Telecom Network Operators for IMSI (International Mobile Subscribers Identity) and started manufacturing Dual Profile E-SIM cards for SMART & IOT Devices and got registered as M2M Service Provider with Department of Telecom (DOT). He established a 25,000 sq.ft. of manufacturing facility with the State-of-the-Art Technology to meet the market demand. Since 2018 onwards he focused forward to Vehicle Telematics, ITMS & Transpomatics and started working on Developing Software’s of “Tranopro” Vehicle Location tracking Platform, ICCC Integrated Command and Control Centre Software, ERP, MIS & CRM for Installation and Customer Support and now developing advanced IOT Devices for Vehicle Safety & Security.

### Changes in registered office of our Company since incorporation

- At the time of incorporation, the registered office of our company was situated at Flat No.310, Sri Gayathri Apartments, H.No.6-6-33, Kawadiguda Main Road, Secunderabad, Hyderabad – 500094, Andhra Pradesh
- Subsequently with effect from January 28, 2010, the registered office changed to Plot No.794, H. No.37-18/28, 2<sup>nd</sup> Floor, Defence Colony, Sainikpuri, Secunderabad, Hyderabad – 500076, Telangana
- Subsequently with effect from February 23, 2022, the registered office changed to H. No. 3-13-142/ 341P, 342, Gokul Nagar, Marriguda, Mallapur, Secunderabad, Hyderabad – 500076, Telangana

### Main Objects

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

1. To engage, whether in India or elsewhere in the world, in various technology development activities in the areas like Communications, Automobiles, Information Technology, Electronics, Electricals and other relevant fields and sectors and to deal in various types of electronic and electrical components, devices, substances, equipments and appliances and to develop innovative concepts and technologies.
2. To carryout diverse businesses in the Information Technology area like software development, software maintenance, software quality control, data processing, storage, retrieval, transfer and communication devices, using internet telephony, radio, satellite, optic fiber, or other wired or wireless means of communications in India or abroad and to engage in all types and means of Computer hardware and Networking Solutions whether in India or abroad. To carry out diverse business in Information Technology area like Voice over Internet Protocol activities, all forms of data processing, storage, retrieval, transfer and communication devices, using Internet, radio, telephony, satellite, optic fiber, or other wired and wireless means of communication, including, but not limited to, operation of network

management, internet connectivity, server farms, speech processing, Computer Aided Design / Computer Aided Management, database development and maintenance, web-based services and to engage in the business of providing Information Technology Enabled Services including but not limited to electronic Customer Relation Management services, customer acquisition and retention services, Customer contact/call centers, Transcription Services, Business Process Outsourcing, Legal Process Outsourcing, Back Office Operation and Management Services, Network Management Support both in India and abroad.

- To carry on the business of Information Technology Enabled Services (ITES) for the entertainment and media industry including but not limited to Animation, Digitization of multi-media data, dubbing of audio video content in multiple languages, digitization/publishing of print media, on demand printing of textual material, Training Services associated with above and any other related and permissible activities both in India and overseas and to carry deal in products or services such as content development for Two Dimensional (2D) / Three Dimensional (3D) Animation for television, Video, 35/70mm Movie, Web and other media, multimedia software development in various media related activities, Systems Integration, Requirements Analysis, Software Development, Software Maintenance, Software Customization, Conversions/ Migrations/ Re-engineering services and software quality control.

### Amendments to the Memorandum of Association and Article of Association of our Company

Since the incorporation of our Company, the following changes have been made to the Memorandum of Association and Article of Association:

Date of Shareholders approval	Details of change
28-01-2010	Increase in Authorized Share Capital from ₹1,00,000 comprising of 10,000 Equity Shares of ₹10/- each to ₹ 50,00,000 comprising of 5,00,000 Equity Shares of ₹10/- each.
18-12-2017	Increase in Authorized Share Capital from ₹50,00,000 comprising of 5,00,000 Equity Shares of ₹10/- each to ₹1,00,00,000 comprising of 10,00,000 Equity Shares of ₹10/- each.
28-12-2021	Increase in Authorized Share Capital from ₹1,00,00,000 comprising of 10,00,000 Equity Shares of ₹10/- each to ₹10,00,00,000 comprising of 1,00,00,000 Equity Shares of ₹10/- each.

### Key Milestones of the Company

Year	Key Milestones
2008	Our Company was incorporated as a Private Limited Company
2017	Our Company has launched Vehicle Location Tracking Devices
2022	Our Company was converted in to a Public Limited Company

### Capital raising (Debt / Equity)

Except as set out in the sections titled “*Capital Structure*” and “*Financial Indebtedness*” beginning on page no 46 and 154 respectively of this prospectus, our Company has not raised any capital in the form of Equity Shares or debentures.

### Holding/Subsidiary/Associate Company

Our Company does not have any Holding/Subsidiary/Associate Company

### Joint Ventures of the Company

Our company does not have any subsidiary or Joint Venture Company except as mentioned in this prospectus.

### Injunction or restraining order

Our Company is not operating under any injunction or restraining order.

### Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks

There are no defaults or rescheduling of borrowings with financial institutions/ banks, conversion of loans into equity in relation to our Company.

**Details regarding past performance of the company.**

For details in relation to our past financial performance in the previous 3 (three) financial years, please refer to section titled **“Financial Statements as restated”** beginning on page no. 128 of this prospectus.

**Details regarding acquisition of business /undertakings, mergers, amalgamation, revaluation of assets etc.**

Except as mentioned in chapter **“Our History and Certain Corporate Matters”** beginning on page no. 108, there are no mergers, amalgamation, revaluation of assets etc. with respect to our Company as on the date of this prospectus.

**Changes in the activities of our Company during the last five (5) years**

Except as mentioned in chapter **“Our History and Certain Corporate Matters”** beginning on page no. 108, there have been no changes in the activity of our Company during the last five (5) years preceding as on the date of this prospectus, which may have had a material effect on the profits or loss, including discontinuance of the lines of business, loss of agencies or markets and similar factors of our Company.

**Revaluation of Assets**

Our Company has not revalued its assets as on the date of this prospectus.

**Shareholders of our Company**

As on the date of this prospectus, our Company has 7 (Seven) shareholders. For further details in relation to the current shareholding pattern, please refer to section titled **“Capital Structure”** beginning on page no. 46 of this prospectus.

**Collaboration Agreements**

Our Company has not entered into any Collaboration Agreements as on the date of this prospectus.

**Shareholders Agreements**

Our Company has not entered into any shareholders agreement as on the date of this prospectus.

**Non-Compete Agreement**

Our Company has not entered into any Non-compete Agreement as on the date of this prospectus.

**Strategic Partners**

Our Company does not have any strategic partners as on the date of this prospectus.

**Financial Partners**

Our Company does not have any financial partners as on the date of this prospectus.

## OUR MANAGEMENT

### Board of Directors

As per the Articles of Association, our Company is required to have not less than 3 (Three) directors and not more than 15 (Fifteen) Directors. Currently, our Company has 5 (Five) Directors on our Board. The detailed composition are as follows:

Sl. No.	Name of the Director	DIN	Designation	Date of Joining
1	Mr. Anand Kumar Seethala	01575973	Managing Director	16-09-2008
2	Mrs. Botcha Bhavani	02299110	Whole Time Director	16-09-2008
3	Mrs. Vijayakumari Botcha	09475695	Non-executive Director	23-02-2022
4	Mr. Sunmeet Singh	09475107	Independent Director	07-05-2022
5	Mr. Madhi Doraiswamy	09475483	Independent Director	07-05-2022

The following table sets forth details regarding the Board of Directors as on the date of this prospectus:

Sl. No.	Particulars	Details
1	Name of the Director	Mr. Anand Kumar Seethala
	Father's Name	Mr. Somaiah Seethala
	Residential Address	Flat No. 966 -968, Defence Colony, Near Sainikpuri Park, Sainikpuri, Tirumalgiri, Hyderabad, Telangana, India-500094
	Date of Birth	12/03/1974
	Age	48 Years
	Designation	Managing Director
	DIN	01575973
	Occupation	Business
	Nationality	Indian
	Qualification	Bachelor of Arts in Sociology from Dr. BR Ambedkar University Distance Education Centre Railway Degree College, Hyderabad.
	No. of Years of Experience	Please refer "Brief Biographies of Directors" as mentioned below
	Date of Appointment	16-09-2008, Designation changed to Managing Director on 23-02-2022
	Terms of Appointment	For 5 years from 23-02-2022, liable to retire by rotation.
Directorship in other companies	1. Esenteco Solar Power Solutions India Private Limited 2. Adarshbharat Electric Vehicles Private Limited ( <i>Under Process of Striking Off</i> ) 3. Blaise Computer Systems Private Limited ( <i>Strike off</i> ) 4. Convertz Technologies (India) Private Limited ( <i>Strike off</i> ) 5. Convertz IT & Telecom Private Limited ( <i>Strike off</i> ) 6. Convertz BPO Private Limited ( <i>Strike off</i> )	

Sl. No.	Particulars	Details
2	Name of the Director	Mrs. Botcha Bhavani
	Father's Name	Venkata Rao
	Residential Address	Flat No. 966 -968, Defence Colony, Near Sainikpuri Park, Sainikpuri, Tirumalgiri, Hyderabad, Telangana, India-500094.
	Date of Birth	10-08-1974
	Age	48
	Designation	Whole Time Director
	DIN	02299110
	Occupation	Business
	Nationality	Indian
	Qualification	Master of Arts in Telugu from Andhra University Telugu Pandit from Institute of Advanced Study
	No. of Years of Experience	Please refer "Brief Biographies of Directors" as mentioned below
	Date of Appointment	16-09-2008, Designation Changed 04-07-2022
	Terms of Appointment	For 5 years from 04-07-2022, liable to retire by rotation.
Directorship in other companies	1. Esenteco Solar Power Solutions India Private Limited 2. Adarshbharat Electric Vehicles Private Limited ( <i>Under Process of Striking Off</i> ) 3. Convertz Technologies (India) Private Limited ( <i>Strike off</i> )	

Sl. No.	Particulars	Details
3	Name of the Director	Mrs. Botcha Vijaya Kumari
	Father's Name	Late Venkatarao Botcha
	Residential Address	16-6-120-5, Balaji Nagar Hayathi Nagaram, Srikakulam, Gujarathipetha, Andhra Pradesh – 532005, India
	Date of Birth	29-08-1961
	Age	60
	Designation	Non-executive Director
	DIN	09475695
	Occupation	Business
	Nationality	Indian
	Qualification	Bachelor of Arts from Andhra University
	No. of Years of Experience	Please refer "Brief Biographies of Directors" as mentioned below
	Date of Appointment	23-02-2022
	Terms of Appointment	Liabile to retire by rotation.
Directorship in other companies	Nil	

Sl. No.	Particulars	Details
4	Name of the Director	Mr. Sunmeet Singh
	Father's Name	Mr. Kirpal Singh Hanspal
	Residential Address	D- 98, Sudershan Park, Ramesh Nagar, West Delhi, Delhi- 110015.
	Date of Birth	25-03-1979
	Age	43
	Designation	Independent Director
	DIN	09475107
	Occupation	Business
	Nationality	Indian
	Qualification	Bachelor of Commerce from Delhi University
	No. of Years of Experience	Please refer "Brief Biographies of Directors" as mentioned below
	Date of Appointment	07-05-2022
	Terms of Appointment	Appointment for 5 years from 07-05-2022 and his office shall not be liable to retire by rotation.
Directorship in other companies	Nil	

Sl. No.	Particulars	Details
5	Name of the Director	Mr. Madhi Doraiswamy
	Father's Name	Mr. K. A. Doraiswamy
	Residential Address	#226, 8 <sup>th</sup> Cross, Bapuji Layout, Bangalore North, Vijaynagar, Bangalore – 580040, Karnataka, India
	Date of Birth	23-06-1974
	Age	48
	Designation	Independent Director
	DIN	09475483
	Occupation	Business
	Nationality	Indian
	Qualification	Bachelor in Engineering (Mechanical) from Bangalore University
	No. of Years of Experience	Please refer "Brief Biographies of Directors" as mentioned below
	Date of Appointment	07-05-2022
	Terms of Appointment	Appointment for 5 years from 07-05-2022 and his office shall not be liable to retire by rotation.
Directorship in other companies	Nil	

### Brief Biographies of the Directors:

**Mr. Anand Kumar Seethala**, aged 48 years, is the Managing Director of our Company. He has been on the Board of Directors of our Company since its inception. He holds a Bachelors degree of Arts in Sociology from Dr. BR Ambedkar University Distance Education Centre Railway Degree College, Hyderabad. He has more than 28 years of experience in the field of Software development. He is an embedded hardware visionary, investor and promoter and founder of CTPL.

**Mrs. Botcha Bhavani**, aged 48 years, is the Whole Time Director of our Company. She has been on the Board of Directors of our Company since its inception. She holds a Master's degree in Arts in Telugu from Andhra University and Telugu Pandit from Institute of Advanced Study. She has worked as a School Assistant for 5 years in Govt High School, Education Department of Government of Andhra Pradesh. Later she joined as Co-Founder of Containe Technologies Private Limited in 2008 and have 14 years of experience as the head of the marketing department of Containe Technologies Limited.

**Mrs. Botcha Vijayakumari**, aged 60 years, is the Non-Executive Director of our Company. She has been on the Board of Directors of our Company since February 23, 2022. She holds a Bachelor's Degree in Arts from Andhra University. She has an experience of 36 years working as a Junior Assistant in District Courts of Srikakulam in Andhra Pradesh and after her retirement from service, she joined Containe Technologies Limited as a Non- Executive Director to extend her resourceful skills to serve the Company.

**Mr. Sunmeet Singh**, aged 43 years, is the Independent Director of our Company. He has been appointed in the Board of Directors of our Company on May 07, 2022. He holds a Bachelor's degree in Commerce from Delhi University. He has more than 15 years of experience in the field of engineering and learnt CAD CAM and became dye tool designer and have speciality into making different types of moulds and productions of the same.

**Mr. Madhi Doraiswamy**, aged 48 years, is the Independent Director of our Company. He has been appointed in the Board of Directors of our Company on May 07, 2022. He holds a Bachelor's Degree in Engineering from Bangalore University. He has more than 15 years of experience in the field of manufacturing of Multi Gas Analysers Systems for testing petrol and diesels pollution of levels in vehicles, approved by Automotive Research Association of India (ARAI).

### Family Relationships between the Directors

Except as stated below, none of our Directors are related to each other:

Name of Director	Related to	Relationship
Mr. Anand Kumar Seethala	Mrs. Botcha Bhavani	Spouse
Mrs. Botcha Vijayakumari	Mrs. Botcha Bhavani	Sister

### Arrangements with major Shareholders, Customers, Suppliers or Others

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a director or member of a Senior Management as on the date of this prospectus.

### Service Contracts

Our Company has not executed any service contracts with its directors providing for benefits upon termination of their employment.

### Common directorships of the Directors in listed companies whose shares have been/were suspended from being traded on any of the Stock Exchange during his/her tenors for a period beginning from five (5) years prior to the date of this prospectus

None of the Directors are/were directors of any company whose shares were suspended from being trading by Stock Exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five (5) years or to the extent applicable.

### Director's association with the Securities Market

None of the Directors of our Company are associated with securities market.

### Common directorships of the Directors in listed companies that have been/were delisted from stock exchanges in India

None of the Directors are/were directors of any entity whose shares were delisted from any Stock Exchange(s). Further, none of the directors are/ were directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other Regulatory Authority.

### Borrowing Powers of the Board

The Articles, subject to the provisions of Section 180(1)(c) of the Companies Act, 2013 authorize the Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company. The Board of Director vide the special

resolution passed at their Extra-ordinary General Meeting dated 01<sup>st</sup> June, 2022 allowed to borrow and that the total outstanding amount so borrowed shall not at any time exceed the limit of Rs. 50,00,00,000 (Rs. Fifty Crores only).

#### **Policy on Disclosures and Internal Procedure for Prevention of Insider Trading:**

The provisions of regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME Platform of BSE Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. 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.

#### **Policy for Determination of Materiality & Materiality of Related Party Transactions and on Dealing with Related Party Transactions:**

The provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on SME Platform of BSE Limited. We shall comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on listing of Equity Shares on the SME Platform of BSE Limited.

#### **Remuneration to Executive Directors**

The compensation payable to Executive Directors will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2 (54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions 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, 1956, for the time being in force).

#### **Payment or benefit to Non-Executive Directors of Our Company**

Apart from the remuneration to Executive Directors, if any as provided, our Non-Executive Directors are entitled to be paid a sitting fee up to the limits prescribed by the Companies Act, 2013 and the Rules made there under and actual travel, boarding and lodging expenses for attending the Board or committee meetings. They may also be paid commissions and any other amounts as may be decided by the Board in accordance with the provisions of the Articles, the Companies Act and any other applicable Indian laws and regulations.

#### **The details of the shareholding of our directors as on the date of this prospectus are as follows:**

Sl. No.	Name of the Director Shareholder	No. of Equity Shares	Percentage of Pre-Issue Capital (%)	Percentage of Post-Issue Capital (%)
1	Anand Kumar Seethala	16,99,950	37.77	27.23
2	Botcha Bhavani	28,00,000	62.22	44.84
	<b>Total</b>	<b>44,99,950</b>	<b>99.99</b>	<b>72.07</b>

#### **Interest of our Directors**

Our directors may be deemed to be interested to the extent of their remunerations paid to them for services rendered and with the reimbursement of expenses payable to them as mentioned above. For further details, please refer to section titled **“Our Promoters and Promoter Group”** beginning on page no. 121 of this prospectus.

Further, none of our Directors have any interest in any property acquired by our Company within two (2) years of the date of this prospectus or proposed to be acquired by it or in any transaction in acquisition of land or any construction of building. Further, except as disclosed under sub-section **“Shareholding of Directors in our Company”** above, none of our Directors hold any Equity Shares, Preference Shares or any other form of securities in our Company. Our directors may also be interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Issue.

Other than as stated above and except as stated in the sections titled **“Financial Information as Restated”** and **“Our Promoters and Promoter Group”** beginning on pages 128 and 121 respectively of this prospectus, our Directors do not have any other interest in the business of our Company.

None of the relatives of our directors have been appointed to a place or office of profit in our Company other than mentioned elsewhere in the prospectus. For further details, please refer to section titled **“Our Management – Remuneration to Executive Directors”** beginning on page 111 of this prospectus.

Our directors may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by and allotted to the companies, firms, and trusts, if any, in which they are interested as directors, members, promoters, and /or trustees pursuant to this Issue. Some of the directors also hold directorships in Promoter Group and Group Entities of our Company.

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. Except as stated in this section **“Our Management”** or the section titled **“Financial Information – Related Party Transactions”** beginning on page no 111 and 150 respectively of this prospectus, and except to the extent of shareholding in our Company, our Directors do not have any other interest in the business of our Company.

**Changes in the Board of Directors of our Company in the last three (3) years or to the extent applicable are as follows:**

Name of Director	Date of appointment	Date of Change of Designation	Date of cessation	Reason
Anand Kumar Seethala	16-09-2008	23-02-2022	--	Designation changed to Managing Director
Botcha Bhavani	16-09-2008	04-07-2022	--	Designation Changed to Whole Time Director
Botcha Vijaya Kumari	23-02-2022	--	--	Appointed as Non-Executive Director
Sunmeet Singh	07-05-2022	--	--	Appointed as Independent Director
Madhi Doraiswamy	07-05-2022	--	--	Appointed as Independent Director

**Other Confirmations:**

- None of our Promoters, Directors or our Company are on the RBI List of wilful defaulters or fraudulent borrowers as on the date of this prospectus.
- None of our Promoters or Directors of our Company are a fugitive economic offender.
- Further, none of our directors are or were directors of any listed company whose shares.
  - (a) have been or were suspended from trading on any of the stock exchanges during the five years prior to the date of filing this prospectus or.
  - (b) delisted from the stock exchanges.
- None of the Promoters, persons forming part of our Promoter Group, our directors or persons in control of our Company or Promoter or our Company are debarred from accessing the capital market by SEBI.
- 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 promoter, 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.
- In respect of the track record of the directors, there have been no criminal cases filed or investigations being undertaken with regard to alleged commission of any offence by any of our directors and none of our directors have been charge-sheeted with serious crimes like murder, rape, forgery, economic offence etc. except as mentioned in this Prospectus.

**Corporate Governance**

The provisions of the Listing Regulations with respect to corporate governance will also be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchange. We are in compliance with the requirements of the applicable regulations, including the SEBI (LODR) Regulations, the SEBI (ICDR) Regulations and the Companies Act, 2013 in respect of corporate governance including constitution of the Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act and SEBI (LODR) Regulations, to the extent applicable. Our Board functions either as a full board or through various committees constituted to oversee specific functions. In compliance with the requirements of the Companies Act and the SEBI (LODR) Regulations, to the extent applicable our Board of Directors consists of 5 (Five) Directors (including two-women Director).

Sl. No.	Name of the Director	DIN	Designation
1	Mr. Anand Kumar Seethala	01575973	Managing Director
2	Mrs. Botcha Bhavani	02299110	Whole Time Director
3	Mrs. Vijayakumari Botcha	09475695	Non-executive Director
4	Mr. Sunmeet Singh	09475107	Independent Director
5	Mr. Madhi Doraiswamy	09475483	Independent Director

## COMMITTEES OF OUR BOARD

Our Board has constituted the following committees including those for compliance with corporate governance requirements:

### ○ *Audit Committee*

*As per section 177 of the Companies Act, 2013, The Board of Directors of every listed company and such other class or classes of companies, as may be prescribed, shall constitute an Audit Committee. The Audit Committee shall consist of a minimum of three directors with independent directors forming a majority: Provided that majority of members of Audit Committee including its Chairperson shall be persons with ability to read and understand, the financial statement.*

Our Audit Committee was constituted pursuant to a resolution of our Board Meeting dated 04-07-2022. The Audit Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Mr. Sunmeet Singh	Chairman	Independent Director
Mr. Madhi Doraiswamy	Member	Independent Director
Mrs. Vijayakumari Botcha	Member	Non-Executive Non-Independent Director

The Company Secretary of the Company shall act as the Secretary of 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) Regulations.

#### A. *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.

#### B. *Role of Audit Committee:* The role of the Audit Committee shall include the following:

- oversight of the company'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 company;
- 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 clause (c) of sub-section (3) of Section 134 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 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 company 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;
- reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.]
- monitoring the end use of funds raised through public offers and related matters.
- 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) half yearly 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 prospectus/notice in terms of Regulation 32(7).

As required under Regulation 18 of the SEBI (LODR) Regulations, the Audit Committee shall meet at least four times in a year, and not more than one hundred and twenty days shall elapse between two meetings. The quorum of the meeting shall be either two members present, or one-third of the members, whichever is greater, provided that there should be a minimum of two independent directors present.

#### ○ **Stakeholders' Relationship Committee**

***As per section 178 (5) of the Companies Act, 2013, The Board of Directors of a Company which consists of more than one thousand shareholders, debenture-holders, deposit-holders and any other security holders at any time during a financial year shall constitute a Stakeholders Relationship Committee consisting of a chairperson who shall be a non-executive director and such other members as may be decided by the Board***

Our Stakeholders' Relationship Committee was constituted pursuant to a resolution of our Board Meeting dated 04-07-2022. The Stakeholders' Relationship Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Mr. Sunmeet Singh	Chairman	Independent Director
Mr. Madhi Doraiswamy	Member	Independent Director
Mr. Anand Kumar Seethala	Member	Managing Director

The Company Secretary of the Company shall act as the Secretary of the Stakeholders' Relationship Committee.

#### **Role of the Stakeholders Relationship Committee**

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company; and
- To carry out any other function as prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as and when amended from time to time."

As required under Regulation 20 of the SEBI (LODR) Regulations, the Stakeholders' Relationship Committee shall meet at least once in a year.

○ **Nomination and Remuneration Committee**

**As per section 178 (1) of the Companies Act, 2013, The Board of Directors of every listed company and such other class or classes of companies, as may be prescribed shall constitute the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors: Provided that the chairperson of the company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.**

Our Nomination and Remuneration Committee was constituted pursuant to a resolution of our Board Meeting dated 04-07-2022. The Nomination and Remuneration Committee comprises of:

Name of Director	Status in Committee	Nature of Directorship
Mr. Madhi Doraiswamy	Chairman	Independent Director
Mr. Sunmeet Singh	Member	Independent Director
Mrs. Vijayakumari Botcha	Member	Non-executive and Non-Independent Director

The Company Secretary of the Company shall act as the Secretary of the Nomination and Remuneration Committee.

**Role of the Nomination and Remuneration Committee**

The scope, functions and the terms of reference of the Nomination and Remuneration Committee is in accordance with the Section 178 of the Companies Act, 2013 read with Regulation 19 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Set forth below are the role of our Nomination and Remuneration Committee.

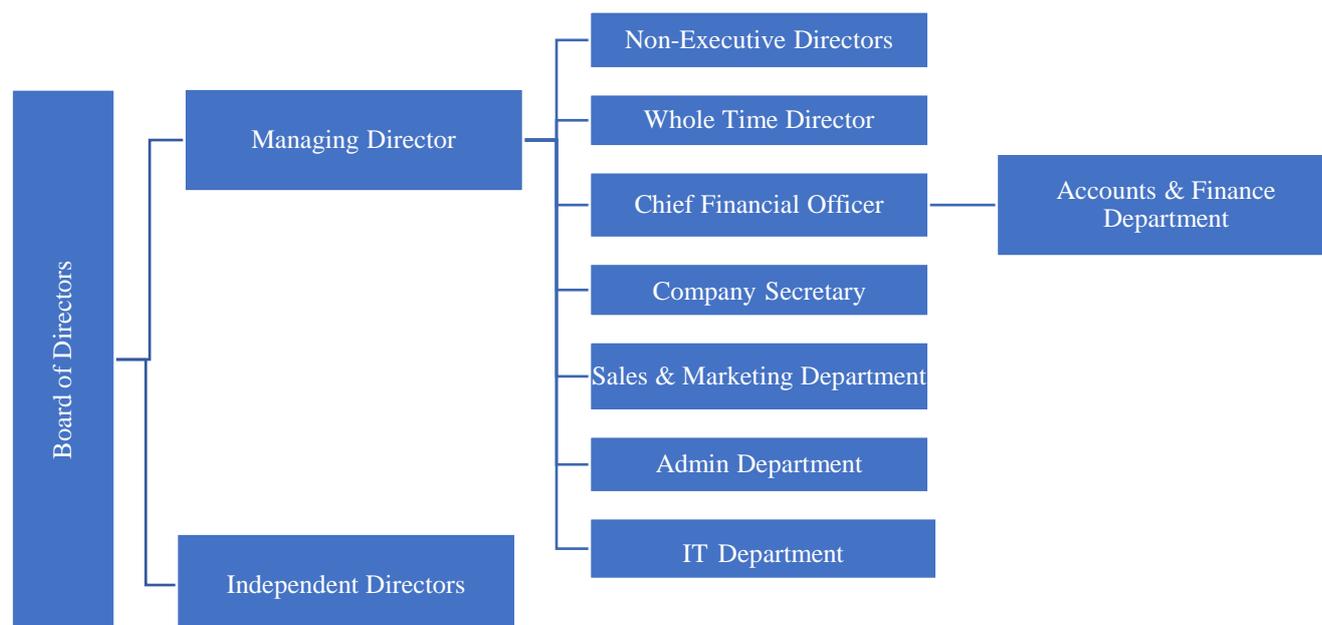
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal.
- To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- To recommend to the Board all remuneration, in whatever form, payable to senior management.

○ **Corporate Social Responsibility Committee:**

**As per section 135 (1) of the Companies Act, 2013, Every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.**

The Corporate Social Responsibility committee is not applicable to our company till the date of this prospectus. We will comply with the requirement as and when the CSR is applicable to us.

### Management Organizational Structure:



### Our Key Managerial Personnel

The details of the Key Managerial Personnel as on the date of this prospectus are set out below. All the Key Managerial Personnel are permanent employees of our Company. Except for certain statutory benefits, there are no other benefits accruing to the Key Managerial Personnel.

1. **Mr. Anand Kumar Seethala, Managing Director**, for details please refer section titled “*Our Management*” beginning at page no 111 of this Prospectus.
2. **Mr. Vijay Kumar Jajoda**, aged 44 years, is appointed as Chief Financial Officer of our Company. He holds a Bachelors degree in Commerce from Sri Krishnadevaraya University, Andhra Pradesh. He has more than 21 years’ experience in the field of Accounts, Auditing and Taxation. He looks after day-to-day activities relating to accounts, finance and administration. He is associated with our Company with effect from May 07, 2022.
3. **Mrs. Nikitha Sarada**, aged 30 years, is appointed as Company Secretary of our Company. She holds a Bachelor’s Degree in Commerce from. She is also having professional degree of Company Secretary from ICSI, and having overall experience of more than 7 years in the field of legal and compliance. She is associated with our Company with effect from 4<sup>th</sup> July, 2022.

### Status of Key Management Personnel in our Company

All our key managerial personnel are permanent employees of our Company. The term of office of our key managerial personnel is until the attainment of 65 years of age.

### Shareholding of Key Management Personnel in our Company

The details of the shareholding of our Key Management Personnel as on the date of this prospectus are as follows: -

Sl. No.	Name of the Director Shareholder	Designation	No. of Equity Shares	Percentage of Pre-Issue Capital (%)	Percentage of Post-Issue Capital (%)
1	Mr. Anand Kumar Seethala	Managing Director	16,99,950	37.77%	27.23%

### Bonus or profit-sharing plan of the Key Managerial Personnel

Our Company does not have a performance linked bonus or a profit-sharing plan for the Key Management Personnel. However, our Company pays incentive to all its employees based on their performance including the Key Managerial Personnel’s of our Company.

### Interests of Key Management Personnel

Except as mentioned above in this prospectus, the Key Management Personnel do not have any interest in our Company, other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

### Payment of Benefits to Officers of our Company (non-salary related)

Except as disclosed in this prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

Except as stated under section titled "*Financial Information as Restated*" beginning on page no 128 of this prospectus, none of the beneficiaries of loans and advances or sundry debtors are related to our Company, our Directors or our Promoter.

### Relationship amongst the Key Managerial Personnel of our Company

There is no family relationship amongst the Key Managerial Personnel of our Company.

### Relationship between the Directors and Key Managerial Personnel

There are no family relationships between the Directors and Key Managerial Personnel of our Company other than mentioned elsewhere in the prospectus.

### Arrangement and Understanding with Major Shareholders/Customers/ Suppliers

None of the above Key Managerial Personnel have been selected pursuant to any arrangement/understanding with major shareholders/customers/suppliers.

### Details of Service Contracts of the Key Managerial Personnel

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

### Employee Stock Option or Employee Stock Purchase

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this prospectus.

### Loans availed by Directors / Key Managerial Personnel of our Company

None of the Directors or Key Managerial Personnels have availed loan from our Company which is outstanding as on the date of this prospectus.

### Changes in Our Company's Key Managerial Personnel during the last three (3) years

The changes in the Key Managerial Personnel of our Company in the last three (3) years are as follows:

Name of the Key Managerial Personnel	Date of appointment/ Change of Designation	Date of cessation	Reason
Mr. Anand Kumar Seethala	23-02-2022	--	Designation changed to Managing Director
Mr. Vijay Kumar Jojoda	07-05-2022	--	Appointed as Chief Financial Officer
Mrs. Nikitha Sarda	04-07-2022	--	Appointed as Company Secretary

## OUR PROMOTERS AND PROMOTER GROUP

### 1. Our Promoters:

Our Promoters are (i) Mr. Anand Kumar Seethala and (ii) Mrs. Botcha Bhavani. As on the date of this prospectus, our Promoters jointly hold 44,99,950 Equity Shares which in aggregate, almost constitutes 99.99% of the pre issued paid-up Equity Share capital of our Company.

#### (i) Details of Individual Promoters of our Company

	<p><b>Mr. Anand Kumar Seethala</b>, aged 48 years, is the Promoter and Managing Director of the company. For further personal details, please also refer to section titled “<i>Our Management</i>” and “<i>Group Entities of our Company</i>” beginning on page 111 and 124 respectively of this prospectus.</p>
<b>Name of Promoter</b>	<b>Anand Kumar Seethala</b>
<b>Father’s Name</b>	Somaiah Seethala
<b>Date of Birth</b>	12/03/1974
<b>Age</b>	48 Years
<b>Qualification</b>	Bachelor of Arts in Sociology from Dr. BR Ambedkar University Distance Education Centre Railway Degree College, Hyderabad.
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Address</b>	Flat No. 966-968, Defence Colony, Near Sainikpuri Park, Sainikpuri, Tirumalgar, Hyderabad, Telangana-500094, India.

	<p><b>Mrs. Botcha Bhavani</b>, aged 48 years, is the Promoter and Whole Time Director of the company. For further personal details, please also refer to section titled “<i>Our Management</i>” and “<i>Group Entities of our Company</i>” beginning on page 111 and 124 respectively of this prospectus.</p>
<b>Name of Promoter</b>	Botcha Bhavani
<b>Father’s Name</b>	Venkata Rao
<b>Date of Birth</b>	10-08-1974
<b>Age</b>	48 Years
<b>Qualification</b>	Master of Arts in Telugu from Andhra University Telugu Pandit from Institute of Advanced Study
<b>Occupation</b>	Business
<b>Nationality</b>	Indian
<b>Address</b>	Flat No. 966-968, Defence Colony, Near Sainikpuri Park, Sainikpuri, Tirumalgar, Hyderabad, Telangana-500094, India.

Our Company confirms that it will submit the details of the PAN, Bank Account Number, Passport and Aadhar Card of our Promoters to BSE separately at the time of filing the prospectus.

#### (ii) Details of Body Corporate Promoters of our Company:

We don’t have any Body Corporate Promoters.

**Other Information related to Our Company:*****Interests of our Promoters:***

Our Promoters are interested in our Company to the extent of their respective Equity shareholding in our Company and any dividend distribution that may be made by our Company in the future. For details pertaining to our Promoters' shareholding, please refer to section titled "**Capital Structure**" beginning on page 46 of this prospectus. Further, our promoters may also be interested to the extent they are Directors on our Board. For further information on remuneration to the Executive Directors, please refer to section titled "**Our Management**" beginning on page 111 of this prospectus.

Except as disclosed in this prospectus, our Promoters have not entered into any contract, agreements or arrangements in which our Promoters are 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 other than in the normal course of business.

None of our Promoters or Group Entities have any interest in any property acquired by our Company within two (2) years of the date of this prospectus or proposed to be acquired by it or in any transaction in acquisition of land or any construction of building or supply of machinery.

***Interest of Promoters in Sales and Purchases:***

There are no sales/purchases between our Company and our Group Entity other than as stated in the section titled "**Financial Information - Related Party Transactions**" beginning on page no. 150 of this prospectus.

***Confirmations:***

Our Company hereby confirms that:

- None of our Promoters have been declared as a wilful defaulter or a fraudulent borrower by the RBI or any other governmental authority and there are no violations of securities laws committed by the Promoters in the past nor any pending against them.
- None of our Promoters, Promoter Group or Directors or persons in control of our Company or bodies corporate forming part of our Promoter Group have been (i) prohibited from accessing the capital markets under any order or direction passed by SEBI or any other authority or (ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad.

***Payment or benefits to the Promoters in the last two (2) years:***

No payment or benefit has been made to the Promoters except as disclosed in the related party transaction. For further details, please refer to section titled "**Financial Information - Related Party Transactions**" beginning on page no. 150 of this prospectus.

***Disassociation by the Promoters from entities in last three (3) years:***

None of our promoters has been disassociated from any of the entity in last 3 years.

***Litigation details pertaining to our Promoters:***

For details on litigations and disputes pending against the Promoters and defaults made by our Promoters please refer to section titled "**Outstanding Litigations and Material Developments**" beginning on page no. 162 of this prospectus.

## 2. Our Promoter Groups:

In compliance with SEBI Guideline, “**Promoter Group**” pursuant to the regulation 2(1)(pp) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, we confirm that following persons are part of promoter group:

### A) Natural persons forming part of Promoter Group

As per Regulation 2(1)(pp)(ii) of the SEBI ICDR Regulations, the following individuals form part of our Promoter Group:

Relationship	Name of Relatives	
	Anand Kumar Seethala	Botcha Bhavani
Father	S.Somaiah Late	B. Venkata Rao
Mother	S. Devamma	B.Saraswathi
Brother	Dr.S.Ashok Kumar	B.Srinu Babu B.Madhan Babu
Sister	A.Swarna Latha	B.Vijaya Kumari
Spouse	B. Bhavani	S. Anand Kumar
Son	S. Venkata Abhi, S. Adesh	S. Venkata Abhi, S. Adesh
Daughter	NA	NA
Spouse's Father	Late B. Venkata Rao	S.Somaiah
Spouse's Mother	B.Saraswathi	S. Devamma
Spouse's Brother	B.Srinu Babu B.Madhan Babu	Dr.S.Ashok Kumar
Spouse's Sister	B.Vijaya Kumari	A.Swarna Latha

### B) Entities forming part of Promoter Group

As per Regulation 2(1)(pp)(iv) of the SEBI ICDR Regulations, the following Companies/Trusts/Partnership firms/HUFs or Sole Proprietorships are forming part of our Promoter Group.

#### Private Limited Company

- Esenteco Solar Power Solutions India Private Limited

#### Proprietorship Firm

- Most Marketing

### C) All persons whose shareholding is aggregated pursuant to Regulation 2(1)(pp)(v) of the SEBI ICDR Regulations for the purpose of disclosing in the Prospectus under the heading "shareholding of the promoter group":

- Anand Kumar Seethala
- Botcha Bhavani

### GROUP ENTITIES OF OUR COMPANY

In compliance with SEBI Guideline, “*Group Companies/Entities*” pursuant to the regulation 2(1)(t) of SEBI (ICDR) Regulations, 2018, shall include companies (other than promoter(s) and subsidiary/subsidiaries) with which there were related party transactions, during the period for which financial information is disclosed, as covered under the applicable accounting standards and also other companies as are considered material by the Board.

Based on the above, Esenteco Solar Power Solutions India Private Limited, Most Marketing (Proprietor: Botcha Bhavani) are considered as Group Entities of our Company (Companies which are no longer associated with our Company have not been disclosed as Group Companies.): -

*The brief details are as under:*

#### 1. M/s. Esenteco Solar Power Solutions India Private Limited

<b>Name of the Company</b>	M/s. Esenteco Solar Power Solutions India Private Limited		
<b>Category</b>	Company limited by Shares		
<b>Class</b>	Unlisted Private Company		
<b>Name of Director</b>	1. Anand Kumar Seethala (DIN: 01575973) 2. Botcha Bhavani (DIN: 02299110)		
<b>Brief Description and nature of activity or Business:</b>	The company is engaged in the business of renewable energy.		
<b>Date of Incorporation</b>	24/09/2013		
<b>CIN</b>	U31900TG2013PTC090168		
<b>PAN</b>	AADCE4890Q		
<b>Registered Office Address</b>	H. No.37-18/966 & 968, Flat No.102 Gks Park View Apartments, Sainikpri Secunderabad, Hyderabad Telangana 500094, India.		
<b>Audited Financial Information (in ₹)</b>			
<b>Particulars</b>	<b>FY 2020-21</b>	<b>FY 2019-20</b>	<b>FY 2018-19</b>
<b>Share Capital</b>	90,00,000	90,00,000	90,00,000
<b>Reserves and Surplus</b>	(1,10,14,660)	(91,76,051)	(72,18,604)
<b>Net worth</b>	(20,14,660)	(1,76,051)	(17,81,396)
<b>Total Revenue</b>	21,096	27,589	40,57,174
<b>Profit/(Loss) after tax</b>	(18,38,609)	(19,57,447)	(24,89,830)
<b>Earnings per share (face value of ₹ 10/- each)</b>	-	-	-
<b>Net asset value per share (₹)</b>	-	-	-

*Shareholding Pattern of Esenteco Solar Power Solutions India Private Limited : (Face value of Rs. 10/- each)*

Sl. No.	Name of Shareholders	No of Equity Shares held	In %
1	Mr. Anand Kumar Seethala	4,50,000	50%
2	Mrs. Botcha Bhavani	4,50,000	50%
	<b>Total</b>	<b>9,00,000</b>	<b>100%</b>

**2. Most Marketing (Proprietor: Mrs. Botcha Bhavani)**

<b>Name of the Sole Proprietorship</b>	Most Marketing		
<b>Category</b>	Proprietorship Firm		
<b>Name of Proprietor</b>	Mrs. Botcha Bhavani		
<b>Brief Description and nature of activity or Business</b>	Engaged in the business of trading of various products.		
<b>Date of Incorporation</b>	10/05/2012		
<b>PAN</b>	AWEPB3038R		
<b>TAN</b>	HYDB05280C		
<b>UDYAM Registration</b>	UDYAM-TS-20-0006108		
<b>Address</b>	GK's Park View Apartments, Sainikpuri, Secunderabad - 500094		
<b>Audited Financial Information (in ₹)</b>			
<b>Particulars</b>	<b>FY 2020-21</b>	<b>FY 2019-20</b>	<b>FY 2018-19</b>
<b>Total Revenue</b>	28,000	2,28,813	36,42,298
<b>Profit/(Loss) after tax</b>	(86,651)	63,806	3,01,383

## RELATED PARTY TRANSACTIONS

For details on related party transactions (As per the requirement under Accounting Standard 18 “Related Party Disclosure” issued by ICAI) of our Company during the restated audit period as mentioned in this prospectus for the financial year ended on 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2021 and 31<sup>st</sup> March 2020 please refer to Section titled, **Financial Information - Related Party Transactions**, beginning on page 150 of this prospectus.

## DIVIDEND POLICY

Our Company does not have any formal dividend policy for the equity shares. Our Company can pay Final dividends upon a recommendation by Board of Directors and approval by majority of the members at the Annual General Meeting subject to the provisions of the Articles of Association and the Companies Act, 2013. The Members of our Company have the right to decrease, not to increase the amount of dividend recommended by the Board of Directors. The Articles of Association of our Company also gives the discretion to Board of Directors to declare and pay interim dividends.

The dividends may be paid out of profits of our Company in the year in which the dividend is declared or out of the undistributed profits or reserves of previous fiscal years or out of both which shall be arrived at after providing for depreciation in accordance with the provisions of Companies Act, 2013. The declaration and payment of dividend will depend on a number of factors, including but not limited to the results of operations, earnings, capital requirements and surplus, general financial conditions, applicable Indian legal restrictions, contractual obligations and restrictions, restrictive covenants under the loan and other financing arrangements to finance the various projects of our Company and other factors considered relevant by our Board of Directors.

Our Company has not declared any dividend on the Equity Shares for the period covered in Restatement of Accounts as per our Restated Financial Statements.

**SECTION IX: FINANCIAL INFORMATION****FINANCIAL STATEMENTS AS RESTATED****Independent Auditor's Examination report on Restated Standalone Financial Information of  
CONTAINTE TECHNOLOGIES LIMITED**

To,  
The Board of Directors  
CONTAINTE TECHNOLOGIES LIMITED  
Plot No.794, H.No.37-18/28,  
2nd Floor Defence Colony,  
Sainikpuri, Secunderabad,  
Telangana-500094, India.

Dear Sir's,

1. We have examined the attached Restated Standalone Financial Information of CONTAINTE TECHNOLOGIES LIMITED (Formerly known as CONTAINTE TECHNOLOGIES PRIVATE LIMITED], (the "Company" or the "Issuer"), comprising the Restated Standalone Statement of Assets and Liabilities as at March 31<sup>st</sup> 2022, March 31<sup>st</sup> 2021 and March 31<sup>st</sup> 2020, the Restated Standalone Statements of Profit and Loss, the Restated Standalone Cash Flow Statement for the years ended March 31<sup>st</sup> 2022, March 31<sup>st</sup> 2021 and March 31<sup>st</sup> 2020, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Standalone Financial Information"), as approved by the Board of Directors of the Company at their meeting held on 15/07/2022 for the purpose of inclusion in the Draft Prospectus/ Prospectus prepared by the Company in connection with its proposed Initial Public Offer of equity shares ("IPO").
2. These restated Summary Statement have been prepared in terms of the requirements of:
  - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (the "Act")
  - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
  - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").
3. The Company's Board of Directors is responsible for the preparation of the Restated Standalone Financial Information for the purpose of inclusion in the Draft Prospectus/Prospectus to be filed with Securities and Exchange Board of India, Registrar of Companies, Telangana and the stock exchange in connection with the proposed IPO. The Restated Standalone Financial Information have been prepared by the management of the Company on the basis of preparation stated in Annexure IV to the Restated Standalone Financial Information. The Board of Directors of the Company responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. 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 Standalone Financial Information taking into consideration:
  - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter 20/03/2022 in connection with the proposed IPO of equity shares of the Issuer;
  - b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
  - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Information; and
  - d) 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. These Special Purpose Restated Standalone Financial Information have been compiled by the management from the Audited Standalone Financial Statements of the Company for the financial years ended on March 31, 2022, March 31<sup>st</sup> 2021 and March 31<sup>st</sup> 2020 which has been approved by the Board of Directors.
- a) We have audited the standalone financial statements of the company as at and for the Year ended March 31, 2022 prepared by the company in accordance with Accounting Standard (Indian GAAP). We have issued our report dated 15/07/2022 which have been approved by the Board of Directors at their meeting held 15/07/2022
  - b) Audited financial statements of the Company as at and for the years ended March 31<sup>st</sup> 2021 and March 31<sup>st</sup> 2020 prepared in accordance with the Accounting Standards (Indian GAAP) which have been approved by the Board of Directors at their meeting held on 12/11/2021 and 05/12/2020 respectively.
6. For the purpose of our examination, we have relied on:
- a) Auditors' reports issued by us 15/07/2022 as at and for the Year ended on March 31, 2022 as referred in Paragraph 5(a) above.
  - b) Auditors' Report issued by previous auditor dated 12/11/2021 and 05/12/2020 on the standalone financial statements of the company as at and for the years ended March 31<sup>st</sup> 2021 and March 31<sup>st</sup> 2020 as referred in Paragraph 5(b) above.

The audits for the financial years ended March 31<sup>st</sup> 2021 and March 31<sup>st</sup> 2020 were conducted by the Company's previous auditors, M/s SS Reddy & Co, (the "Previous Auditors"), and accordingly reliance has been placed on the restated standalone statement of assets and liabilities and the restated standalone statements of profit and loss, the Summary Statement of Significant Accounting Policies, and other explanatory information and (collectively, the "2022, 2021 and 2020 Restated standalone Financial Information") examined by them for the said years.

7. Based on our examination and according to the information and explanations given to us, we report that:
- a) The "**Restated Standalone Summary Statement of Assets and Liabilities**" as set out in **Annexure I** to this report, of the Company as at and for the year ended on March 31<sup>st</sup> 2022, March 31<sup>st</sup> 2021 and March 31<sup>st</sup> 2020 are prepared by the Company and approved by the Board of Directors. These Restated Standalone summary Statement of Assets and Liabilities, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more These fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.
  - b) The "**Restated Standalone Summary Statement of Profit and Loss**" as set out in **Annexure II** to this report, of the Company as at and for the year ended on March 31<sup>st</sup> 2022, March 31<sup>st</sup> 2021 and March 31<sup>st</sup> 2020 are prepared by the Company and approved by the Board of Directors. These Restated Standalone summary Statement of Profit and Loss have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.
  - c) The "**Restated Standalone Summary Statement of Cash Flow**" as set out in **Annexure III** to this report, of the Company as at and for the year ended on March 31<sup>st</sup> 2022, March 31<sup>st</sup> 2021 and March 31<sup>st</sup> 2020 are prepared by the Company and approved by the Board of Directors. These Restated Standalone summary Statement of Cash Flow have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Accounts as set out in **Annexure IV** to this Report.
  - d) The Restated Standalone Summary Statement have been prepared in accordance with the Companies Act, ICDR Regulations and the Guidance Note.
  - e) The Restated Summary Statements have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial period/years to reflect the same accounting treatment as per the changed accounting policy for all reporting periods, if any;
  - f) The Restated Summary Statements have been made after incorporating adjustments for prior period and other material amounts in the respective financial years/period to which they relate, if any and there are no qualifications which require adjustments;

- g) Extra-ordinary items that needs to be disclosed separately in the accounts has been disclosed wherever required;
- h) There were no qualifications in the Audit Reports issued by the Statutory Auditors as at and for the year ended on March 31<sup>st</sup> 2022, March 31<sup>st</sup> 2021 and March 31<sup>st</sup> 2020 which would require adjustments in this Restated Financial Statements of the Company;
- i) Profits and losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Accounts as set out in **Annexure IV** to this report;
- j) Adjustments in Restated Summary Statements have been made in accordance with the correct accounting policies.
- k) There was no change in accounting policies, which needs to be adjusted in the Restated Summary Statements
- l) There are no revaluation reserves, which need to be disclosed separately in the Restated Financial Statements;
- m) the company has not proposed any dividend in past effective for the said period.
8. 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 as at and for the year ended on March 31<sup>st</sup> 2022, March 31<sup>st</sup> 2021 and March 31<sup>st</sup> 2020 proposed to be included in the Draft Prospectus/Prospectus.

<b>Annexure No.</b>	<b>Particulars</b>
<b>I</b>	<b>Restated Statement of Assets &amp; Liabilities</b>
I.1	Restated Statement of Share Capital
I.2	Restated Statement of Reserves & Surpluses
I.3	Restated Statement of Long-Term Borrowings
I.4	Restated Statement of Deferred Tax Liabilities/Assets
I.5	Restated Statement of Short-Term Borrowings
I.6	Restated Statement of Trade Payable
I.7	Restated Statement of Other Current Liabilities
I.8	Restated Statement of Short-Term Provisions
I.9	Restated Statement of Fixed Assets& Depreciations
I.10	Restated Statement of Non-Current Investment
I.11	Restated Statement of Long-Term Loans and Advances
I.12	Restated Statement of Other Non-Current Assets
I.13	Restated Statement of Inventories
I.14	Restated Statement of Trade Receivable
I.15	Restated Statement of Cash & Cash Equivalent
I.16	Restated Statement of Short-Term Loans and Advances
I.17	Restated Statement of Other Current Assets
<b>II</b>	<b>Restated Statement of Profit &amp; Loos</b>
II.1	Restated Statement of Revenue from operations
II.2	Restated Statement of Other Income
II.3	Restated Statement of Cost of Material Consumed
II.4	Restated Statement of Changes in Inventories
II.5	Restated Statement of Employees Benefit Expenses
II.6	Restated Statement of Other Expenses
II.7	Restated Statement of Financial Charges
II.8	Restated Statement of Provision for Taxation
Other Annexure:	

III	Cash Flow Statement
IV	Statement of Significant Accounting Policies
V	Notes to the Re-stated Financial Statements
VI	Statement of Accounting & Other Ratios, As Restated
VII	Statement of Capitalization, As Restated
VIII	Statement of Tax Shelter, As Restated
IX	Statement of Related Parties & Transactions
X	Statement of Dividends
XI	Changes in the Significant Accounting Policies
XII	Contingent Liabilities

9. We, M/s. Dhanunjaya & Haranath, 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 31/12/2025.
10. The Restated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial statements mentioned in paragraph 5 above.
11. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
13. Our report is intended solely for use of the Board of Directors for inclusion in the Draft Prospectus/Prospectus to be filed with Securities and Exchange Board of India, the stock exchanges and Registrar of Companies, Telangana in connection with the proposed 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 Dhanunjaya & Haranath**

Chartered Accountants

Firm’s Registration Number:014288S

Peer Review Certificate No.013982

Sd/-

Dhanunjay Kumar Alla

Partner

Membership No:206446

UDIN: 22206446AMXYSZ7808

Place of Signature: Hyderabad

Date:15/07/2022

**ANNEXURE-I**  
**Statement of Standalone Assets & Liabilities, As Restated**

(Rupees in Lakhs)

Particulars	Note no	Figures as at the end of the period 31st March 2022	Figures as at the end of the period 31st March 2021	Figures as at the end of the period 31st March 2020
<b>I. EQUITY AND LIABILITIES</b>				
(1) Shareholders' funds				
(a) Share capital	I.1	425.00	100.00	100.00
(b) Reserves and surplus	I.2	48.87	12.04	11.38
(c) Money received against share warrants				
(2) Share application money pending allotment				
(3) Non-current liabilities				
(a) Long-term borrowings	I.3	191.92	23.78	17.84
(b) Deferred tax liabilities (Net)		-	-	-
(c) Other Long term liabilities		-	-	-
(d) Long-term provisions		-	-	-
(4) Current liabilities				
(a) Short-term borrowings	I.5	47.01	525.98	428.48
(b) Trade Payables:-	I.6			
(A) total outstanding dues of micro enterprises and small enterprises;		-	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		55.72	36.29	52.14
(c) Other current liabilities	I.7	27.01	19.33	13.28
(d) Short-term provisions	I.8	4.87	3.31	2.38
<b>TOTAL</b>		<b>800.40</b>	<b>720.73</b>	<b>625.50</b>
<b>II. ASSETS</b>				
Non-current assets				
(1) (a) Property, Plant and Equipment and Intangible assets				
(i) Property, Plant and Equipment	I.9	252.33	105.04	100.72
(ii) Intangible assets		-	-	-
(iii) Capital work-in-progress		-	150.62	128.95
(iv) Intangible assets under development				
(b) Non-current investments	I.10	-	-	-
(c) Deferred tax assets (net)	I.4	0.51	1.15	1.19
(d) Long-term loans and advances	I.11	27.89	27.89	18.80
(e) Other non-current assets	I.12	0.90	0.90	0.70
(2) Current assets				
(a) Current investments		-	-	-
(b) Inventories	I.13	416.40	351.24	271.33
(c) Trade receivables	I.14	80.58	56.45	39.60
(d) Cash and cash equivalents	I.15	2.67	0.20	28.05
(e) Short-term loans and advances	I.16	5.29	3.67	10.04
(f) Other current assets	I.17	13.84	23.56	26.12
<b>TOTAL</b>		<b>800.40</b>	<b>720.73</b>	<b>625.50</b>

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

**ANNEXURE-II**  
**Statement of Standalone Profit & Loss, As Restated**

(Rupees in Lakhs)

Particulars	Note no	Figures as at the end of current reporting period 31st March 2022	Figures as at the end of the previous reporting period 31st March 2021	Figures as at the end of the previous reporting period 31st March 2020
I. Revenue from operations	II.1	206.95	58.91	291.65
II. Other income	II.2	0.03	1.52	0.64
III. Total Income (I + II)		<b>206.98</b>	<b>60.43</b>	<b>292.29</b>
IV. Expenses:				
Cost of materials consumed	II.3	23.12	158.82	184.77
Purchases of Stock-in-Trade				
Changes in inventories of finished goods	II.4	41.38	-209.68	-33.33
Work-in-progress and Stock-in-Trade				
Employee benefits expense	II.5	67.87	57.94	71.66
Finance costs	II.7	19.06	9.73	9.23
Depreciation and amortisation expense	II.9	9.03	8.58	7.12
Other expenses	II.6	37.69	32.48	45.55
<b>Total expenses</b>		<b>198.15</b>	<b>57.87</b>	<b>285.00</b>
V. Profit before exceptional and extraordinary items and tax (III - IV)		<b>8.83</b>	<b>2.56</b>	<b>7.29</b>
VI. Exceptional items				
VII. Profit before extraordinary items and tax (V - VI)		<b>8.83</b>	<b>2.56</b>	<b>7.29</b>
VIII. Extraordinary items				
IX. Profit before tax (VII- VIII)		<b>8.83</b>	<b>2.56</b>	<b>7.29</b>
X. Tax expense:				
(1) Current tax		3.85	1.86	1.70
(2) Deferred tax	II.8	0.64	0.04	0.20
XI. Profit (Loss) for the period from continuing operations (IX-X)		<b>4.34</b>	<b>0.66</b>	<b>5.39</b>
XII. Profit/(loss) from discontinuing operations				
XIII. Tax expense of discontinuing operations				
XIV. Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-	-
XV. Profit (Loss) for the period (XI + XIV)		<b>4.34</b>	<b>0.66</b>	<b>5.39</b>
XVI. Earnings per equity share:(in Rs.)				
(1) Basic		<b>0.31</b>	<b>0.07</b>	<b>0.54</b>
(2) Diluted		<b>0.31</b>	<b>0.07</b>	<b>0.54</b>

Note: The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

**ANNEXURE-III**  
**Statement of Standalone Cash Flow, As Restated**

(Rupees in Lakhs)

Particulars	Note No	For the Year 2021-22	For the Year 2020-21	For the Year 2019-20
<b><u>Cash flows from operating activities</u></b>				
Net profit before taxation, and extraordinary item		8.83	2.56	7.29
<b><u>Adjustments to reconcile Profit for the year to net cash flows</u></b>				
<i>Depreciation</i>		9.03	8.58	7.12
<i>Interest income</i>		-	-1.52	-0.64
<i>Interest expense</i>		15.24	9.32	7.49
Operating profit before changes in Operating assets and liabilities		<b>33.10</b>	<b>18.94</b>	<b>21.26</b>
<b><u>Movement in Operating assets and liabilities</u></b>				
<i>(Increase)/ Decrease in Trade Receivables</i>		-24.13	-16.85	-28.42
<i>(Increase)/ Decrease in Inventories</i>		-65.16	-79.91	-75.51
<i>(Increase)/ Decrease in Other Current Assets</i>		9.73	2.57	0.77
<i>(Increase)/ Decrease in Short term Loans &amp; Advances</i>		-1.62	6.37	124.91
<i>Increase/ (Decrease) in Trade payables</i>		19.43	-15.85	39.84
<i>Increase/ (Decrease) in Short Term Borrowings</i>		-478.97	97.48	-14.72
<i>Increase/ (Decrease) in Other Current Liabilities</i>		7.69	6.06	10.73
<i>Increase/ (Decrease) in Provisions</i>		1.56	0.93	0.87
Cash generated from operations		<b>-498.37</b>	<b>19.74</b>	<b>79.73</b>
<i>Income taxes paid</i>		-3.85	-1.86	-1.70
<b>Net cash flow from operating activities</b>		<b>-502.22</b>	<b>17.88</b>	<b>78.03</b>
<b><u>Cash flows from investing activities</u></b>				
Purchase of fixed assets		-5.70	-34.57	-79.44
Interest received		-	1.52	0.64
<b>Net cash flow from investing activities</b>		<b>-5.70</b>	<b>-33.05</b>	<b>-78.80</b>
<b><u>Cash flows from financing activities</u></b>				
Proceeds from issuance of share capital		357.50	-	-
Proceeds from long-term borrowings		191.92	5.94	17.84
Repayment of long-term borrowings		-23.78	-	-
(Increase)/ Decrease in Other Non Current Assets		-	-0.20	-0.70
(Increase)/ Decrease in Long term Loans & Advances		-	-9.09	11.40
Interest paid		-15.24	-9.32	-7.49
<b>Net cash flow used in financing activities</b>		<b>510.40</b>	<b>-12.67</b>	<b>21.05</b>
<b>Net Increase/(Decrease) in cash and cash equivalents</b>		<b>2.48</b>	<b>-27.85</b>	<b>20.30</b>
<b>Effect of Exchange Difference on cash and cash Equivalents held in foreign Currency</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at beginning of year</b>		<b>0.20</b>	<b>28.05</b>	<b>7.75</b>
<b>Cash and cash equivalents at end of year</b>		<b>2.67</b>	<b>0.20</b>	<b>28.05</b>
Reconciliation of cash and cash equivalents as per statement of cash flow				
<b>Cash and Cash equivalents</b>	I.15			
Balances With Banks		0.61	0.05	2.36
Cash on Hand		0.26	0.15	0.11
Bank Deposits		-	-	25.58
Balances with banks (Margin Money / Security)		1.80	-	-
		<b>2.67</b>	<b>0.20</b>	<b>28.05</b>

## Notes:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard -3 'Cash Flow Statement'. Previous year's figures have been regrouped / rearranged / recasted wherever necessary to make them comparable with those of current year
- The above statement should be read with the Significant Accounting Policies and Notes on Financial Statements appearing in Annexure IV & V respectively.

## Notes to Restated Financial statements

(Rupees in Lakhs except No. of Shares)

Note No.	Particulars	31st March 2022	31st March 2021	31st March 2020			
I.1	<b>Share Capital</b>						
	<u>Authorised Share Capital</u>						
	1,00,00,000 Equity Shares of Rs.10/-						
	Each(Previous Year 10,00,000 equity Shares of Rs.10/- Each)	1,000.00	100.00	100.00			
		1,000.00	100.00	100.00			
	<u>Issued, Subscribed &amp; Paid up Share Capital</u>						
	42,50,000 Equity shares of Rs.10/- Each Fully paid up (Previous Year 10,00,000 Equity shares of Rs.10/- Each Fully paid up)	425.00	100.00	100.00			
		425.00	100.00	100.00			
	<b>a) Reconciliation of the Equity shares outstanding at the beginning and at the end of the year</b>						
		<b>No. of Shares</b>	<b>31st March 2022</b>	<b>No. of Shares</b>	<b>31st March 2021</b>	<b>No. of Shares</b>	<b>31st March 2020</b>
	<b>Equity shares of Rs.10/- each fully paid up</b>						
	At the beginning of the year	10,00,000	100.00	10,00,000	100.00	10,00,000	100.00
	Issued during the year	32,50,000	325.00	-	-	-	-
	Outstanding at the end of the year	<b>42,50,000</b>	<b>425.00</b>	<b>10,00,000</b>	<b>100.00</b>	<b>10,00,000</b>	<b>100.00</b>
	<b>b) Terms/right attached to equity shares</b>						
	The Company has only one class of equity shares having par value of Rs.10/- per share. All equity shares rank pari passu in terms of the voting rights and dividend. The dividend proposed, if any, by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares 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.						

## c) Details of Equity Shareholders holding more than 5% shares in the Company

S.No	Name of the shareholder	31st March 2022		31st March 2021		31st March 2020	
		% of Holding	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares
1	S.Anand Kumar	36.47%	15,49,950	50.00%	5,00,000	50.00%	5,00,000
2	B. Bhaavani	63.53%	27,00,000	50.00%	5,00,000	50.00%	5,00,000

As per the records of the Company including its register of shareholders and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial interest.

**Additional Disclosures with Respect to Share Holding**

## A. Shares held by promoters at the end of the year

## Equity Share Holding

S.No	Promoter name	31st March 2022		31st March 2021		31st March 2020	
		No. of Shares	% of total shares	No. of Shares	% of total shares	No. of Shares	% of total shares
1	S.Anand Kumar	15,49,950	36.47%	5,00,000	50.00%	5,00,000	50.00%
2	B.Bhavani	27,00,000	63.53%	5,00,000	50.00%	5,00,000	50.00%
	<b>Total</b>	<b>42,49,950</b>	<b>99.99%</b>	<b>10,00,000</b>	<b>100%</b>	<b>10,00,000</b>	<b>100%</b>

## Notes to Restated Financial statements

(Rupees in Lakhs)

Note No.	Particulars	31st March 2022	31st March 2021	31st March 2020
<b>I.2</b>	<b>Reserves and Surplus</b>			
	<u>Securities Premium</u>			
	At the Beginning of the Reporting Period	-	-	-
	Additions/(Deductions)	32.50	-	-
	At the End of the Reporting Period	<b>32.50</b>	-	-
	<u>Surplus</u>			
	At the Beginning of the Reporting Period	12.03	11.38	6.71
	Add: Restatement Adjustment in Opening Balance(Prior periods)	-	-	-0.72
	Additions/(Deductions)	4.34	0.66	5.39
	At the End of the Reporting Period	<b>16.37</b>	<b>12.04</b>	<b>11.38</b>
	<b>Total</b>	<b>48.87</b>	<b>12.04</b>	<b>11.38</b>
<b>I.3</b>	<b>Long Term Borrowings</b>			
	<u>Secured</u>			
	Term Loans			
	<i>From Banks</i>	191.92	9.46	-
	Vehicle Loan-From Banks	-	14.32	17.84
	Loans and advances from related parties-Unsecured	-	-	-
	<b>Total</b>	191.92	23.78	17.84
<b>I.5</b>	<b>Short Term Borrowings</b>			
	<u>Loans Repayable on Demand</u>			
	<i>From Banks</i>	-	51.14	45.40
	<i>From Other Parties</i>	-	-	-
	<u>Current Maturities of Long term Borrowings</u>			
	Term Loans			
	<i>From Banks</i>	7.44	-	-
	Loans and advances from related parties	39.57	474.84	383.08
	<b>Total</b>	<b>47.01</b>	<b>525.98</b>	<b>428.48</b>
<b>I.6</b>	<b>Trade Payables</b>			
	Dues to MSME			
	<i>Undisputed Dues</i>	-	-	-
	<i>Disputed Dues</i>	-	-	-
	Dues to Creditors other than MSME			
	<i>Undisputed Dues</i>	55.72	36.29	52.14
	<i>Disputed Dues</i>	-	-	-
		55.72	36.29	52.14
	<b>Total</b>	<b>55.72</b>	<b>36.29</b>	<b>52.14</b>
	(*Agewise in Additional Disclosures-1 for the latest year)			
<b>I.7</b>	<b>Other Current Liabilities</b>			
	<u>Other payables</u>			
	Audit Fees Payable	1.85	0.70	1.00
	Directors' Remuneration Payable	2.57	2.47	-
	Advances Recd from Dealers	9.60	9.11	6.23
	Payable to Employees (Salaries and Incentives)	3.65	3.80	2.80
	Property Taxes Payable	6.09	-	-
	Rent & Maintenance Payable	3.25	3.25	3.25
	<b>Total</b>	<b>27.01</b>	<b>19.33</b>	<b>13.28</b>

<b>I.8</b>	<b>Short Term Provisions</b>			
	<u>Others</u>			
	Provision for income tax	3.85	1.86	1.70
	TDS Payable	0.90	1.45	0.68
	Other Provisions	0.12	-	-
	<b>Total</b>	<b>4.87</b>	<b>3.31</b>	<b>2.38</b>
<b>I.10</b>	<b>Non Current Investments</b>			
	Other non-current investments	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>I.4</b>	<b>Deferred Tax Assets (Net)</b>			
	At the Beginning of the Reporting Period	1.15	1.19	1.16
	Add: Restatement Adjustment in Opening Balance(Prior periods)	-	-	0.23
	Additions/(Deductions)	-0.64	-0.04	-0.20
	At the End of the Reporting Period	0.51	1.15	1.19
	<b>Total</b>	<b>0.51</b>	<b>1.15</b>	<b>1.19</b>
<b>I.11</b>	<b>Long Term Loans and Advances</b>			
	<u>Capital Advances</u>			
	<i>Secured, Considered Good</i>	-	-	-
	<i>Un Secured, Considered Good</i>	13.29	13.29	4.20
	<i>Doubtful</i>	-	-	-
	<i>Less: Allowance for Bad and Doubtful</i>	-	-	-
		13.29	13.29	4.20
	<u>Other Loans and Advances</u>			
	<i>Secured, Considered Good</i>	-	-	-
	<i>Un Secured, Considered Good</i>	14.60	14.60	14.60
	<i>Doubtful</i>	-	-	-
	<i>Less: Allowance for Bad and Doubtful</i>	-	-	-
		14.60	14.60	14.60
	<b>Total</b>	<b>27.89</b>	<b>27.89</b>	<b>18.80</b>
<b>I.12</b>	<b>Other Non Current Assets</b>			
	Security Deposits	0.90	0.90	0.70
	Others	-	-	-
	<b>Total</b>	<b>0.90</b>	<b>0.90</b>	<b>0.70</b>
<b>I.13</b>	<b>Inventories</b>			
	Raw materials	331.06	61.14	190.91
	Work-in-progress	-	-	-
	Finished goods	85.34	290.10	80.42
	<b>Total</b>	<b>416.40</b>	<b>351.24</b>	<b>271.33</b>
<b>I.14</b>	<b>Trade Receivables</b>			
	<u>Un Disputed Trade Receivables</u>			
	<i>Secured, Considered Good</i>	-	-	-
	<i>Un Secured, Considered Good</i>	80.58	56.45	39.60
	<i>Doubtful</i>	-	-	-
	<i>Less: Allowance for Bad and Doubtful</i>	-	-	-
		80.58	56.45	39.60
	<u>Disputed Trade Receivables</u>			
	<i>Secured, Considered Good</i>	-	-	-
	<i>Un Secured, Considered Good</i>	-	-	-
	<i>Doubtful</i>	-	-	-
	<i>Less: Allowance for Bad and Doubtful</i>	-	-	-
		-	-	-
	<b>Total</b>	<b>80.58</b>	<b>56.45</b>	<b>39.60</b>
	(*Agewise in Additional Disclosures-2 for the latest year)			

<b>I.15</b>	<b>Cash and Cash Equivalents</b>			
	Balances With Banks	0.61	0.05	2.36
	Cheques, Drafts on Hand	-	-	-
	Cash on Hand	0.26	0.15	0.11
	Other	-	-	-
		<u>0.87</u>	<u>0.20</u>	<u>2.47</u>
	Earmarked Balances with banks	-	-	-
	Balances with banks(Margin Money / Security)	1.80	-	-
		<u>1.80</u>	<u>-</u>	<u>-</u>
	<u>Bank Deposits</u>			
	<i>With More Than Twelve Months maturity</i>	-	-	-
	<i>With Less Than Twelve Months maturity</i>	-	-	25.58
		<u>-</u>	<u>-</u>	<u>25.58</u>
	<b>Total</b>	<u>2.67</u>	<u>0.20</u>	<u>28.05</u>
	(*Bank Deposit towards Bank Guarantee)			
<b>I.16</b>	<b>Short Term Loans and Advances</b>			
	<u>Other Loans and Advances</u>			
	<i>Secured, Considered Good</i>	-	-	-
	<i>Un Secured, Considered Good</i>	5.29	3.67	10.04
	<i>Doubtful</i>	-	-	-
	<i>Less: Allowance for Bad and Doubtful</i>	-	-	-
		<u>5.29</u>	<u>3.67</u>	<u>10.04</u>
	<b>Total</b>	<u>5.29</u>	<u>3.67</u>	<u>10.04</u>
<b>I.17</b>	<b>Other Current Assets</b>			
	<u>Others</u>			
	Balances with Government Authorities			
	<i>Duties &amp; Taxes</i>	13.58	23.18	25.41
	<i>TDS Receivable</i>	0.05	0.16	0.06
	Prepaid Insurance	0.21	0.22	0.65
		<u>13.84</u>	<u>23.56</u>	<u>26.12</u>
<b>II.1</b>	<b>Revenue from Operations</b>			
	<b>In case of Other than finance companies</b>			
	<u>Sale of Products</u>			
	Sales - Domestic	205.12	58.71	291.63
	Sales - Export	1.83	0.20	0.02
	<b>Total</b>	<u>206.95</u>	<u>58.91</u>	<u>291.65</u>
<b>II.2</b>	<b>Other Income</b>			
	Interest Income	-	1.52	0.64
	Other Non Operating Income	0.03	-	-
	<b>Total</b>	<u>0.03</u>	<u>1.52</u>	<u>0.64</u>
<b>II.3</b>	<b>Cost of Material Consumed</b>			
	Opening Stock of Raw Materials	61.14	190.91	148.73
	Add: Purchases (Net off Discounts)	129.66	29.05	226.95
	Add: Reconversion of FG into RM	163.38	-	-
	Less: Closing Stock of Raw Materials	331.06	61.14	190.91
		<u>23.12</u>	<u>158.82</u>	<u>184.77</u>

<b>II.4</b>	<b>Changes in Inventories</b>			
	<u>Closing Stock</u>			
	<i>Finished Goods</i>	85.34	290.10	80.42
	<i>Work in Progress</i>	-	-	-
		A	85.34	290.10
	<u>Opening Stock</u>			
	<i>Finished Goods</i>	290.10	80.42	47.09
	<i>Work in Progress</i>	-	-	-
		B	290.10	80.42
	FG reconverted into RM		163.38	-
		C	163.38	-
	<i>(Increase)/ Decrease in Stock(B-A-C)</i>		41.38	-209.68
				-33.33
<b>II.5</b>	<b>Employee Benefit Expenses</b>			
	Salaries and Wages	43.45	33.69	46.73
	Directors Remuneration	24.00	24.00	24.00
	Staff Welfare Expenses	0.42	0.25	0.93
	<b>Total</b>	67.87	57.94	71.66
<b>II.7</b>	<b>Finance Costs</b>			
	Interest Expense	15.24	9.32	7.49
	Bank charges	0.27	0.41	1.74
	Other Borrowing Costs	3.52	-	-
	Net gain/loss on Foreign Currency Transactions and Translation	0.03	-	-
	<b>Total</b>	19.06	9.73	9.23
<b>I.9</b>	<b>Depreciation and Amortization Expense</b>			
	For Property Plant and Equipment	9.03	8.58	7.12
	For Intangible Assets	-	-	-
		9.03	8.58	7.12
<b>II.6</b>	<b>Other Expenses</b>			
	Consumption of stores and spare parts	0.05	0.57	0.95
	Power and fuel	1.82	2.05	2.37
	Travelling & Conveyance Expenditure	0.17	0.11	2.64
	Vehicle Maintenance Expenses	-	0.65	1.44
	Telephone Expenses & Internet Expenses	2.05	6.10	10.31
	Professional & Consultancy Charges	12.61	7.92	6.07
	Technical Testing Charges	-	0.41	9.55
	Freight Charges	1.30	0.69	2.31
	General Admin & Other Misc. Expenses	0.78	0.38	3.55
	Postage expenses & Courier Charges	0.12	0.82	0.39
	Repairs to machinery	1.63	-	0.28
	Interest on Income Tax	0.34	-	-
	Insurance	0.61	0.65	0.83
	Rates and taxes, excluding, taxes on income	6.61	11.73	4.46
	ROC Fee for increase in Share Capital	8.10	-	-
	<u>Payments to Auditors</u>			
	<i>For Statutory Audit</i>	1.50	0.40	0.40
	<b>Total</b>	37.69	32.48	45.55

<b>II.8</b>	<b>Provision for taxation</b>			
	<b>Provision for income Tax for the year</b>	3.85	1.86	1.70
	<b>Deferred Tax for the Year</b>			
	Depreciation as per Income Tax Act	11.50	8.72	7.89
	Depreciation as per Companies Act	9.03	8.58	7.12
	Timing Difference	2.47	0.14	0.77
	Rate of Income Tax	26%	26%	26%
	Deferred tax on Timing Difference for the year	0.64	0.04	0.20
	<b>Total</b>	<b>0.64</b>	<b>0.04</b>	<b>0.20</b>
	<b>Foreign Exchange Earnings &amp; Outgo</b>			
A.	<u>Value of Imports Calculated on CIF basis</u>			
	<i>Raw Materials(inclusive of taxes)</i>	5.00	-	-
B.	<u>Other Expenditure</u>			
	<i>Other Matters</i>	-	-	-
C.	<u>Earnings in Foreign Exchange</u>			
	<i>Export of goods calculated on FOB Basis</i>	1.06	-	-
	<b>Other Disclosures</b>			
D.	<u>Details of Material Consumption Ratio</u>			
	<i>Total Value of all imported materials Consumed</i>	5.00	-	-
	<i>Total value of all Indigenous materials Consumed</i>	18.12	158.83	184.77
	<i>Total Consumption</i>	23.12	158.83	184.77
	<i>Percentage of Imports to Total Consumption</i>	22%	0%	0%
	<i>Percentage of Indigenous to Total Consumption</i>	78%	100%	100%
	<b>Previous Year Figures</b>			
	<i>Previous year figures have been regrouped/reclassified, where necessary, to conform to this year's classification.</i>			
	<b>Rounding Off</b>			
	<i>Depending upon the Total Income of the company, the figures appearing in the Financial Statements have been rounded off to the nearest Lakhs or decimals thereof.</i>			

## Note No.I.9 :Property Plant and Equipment

(Rupees in Lakhs)

	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Computers & Other Accessories	Office Equipment	Total Property, Plant and Equipment
<b>ORIGINAL COST</b>								
As on 31st March 2019	61.88	-	17.86	15.08	58.56	7.02	4.11	<b>164.51</b>
Additions	-	-	0.13	-	-	0.17	1.17	<b>1.47</b>
Deletions	-	-	-	-	-	-	-	<b>-</b>
As on 31st March 2020	61.88	-	17.99	15.08	58.56	7.19	5.28	<b>165.97</b>
Additions	-	-	0.23	2.04	-	1.48	9.15	<b>12.90</b>
Deletions	-	-	-	-	-	-	-	<b>-</b>
As on 31st March 2021	61.88	-	18.22	17.11	58.56	8.68	14.43	<b>178.88</b>
Additions	-	153.10	-	1.29	-	0.32	1.62	<b>156.32</b>
Deletions	-	-	-	-	-	-	-	<b>-</b>
<b>As on 31st March 2022</b>	<b>61.88</b>	<b>153.10</b>	<b>18.22</b>	<b>18.40</b>	<b>58.56</b>	<b>9.00</b>	<b>16.05</b>	<b>335.20</b>
<b>DEPRECIATION</b>								
As on 31st March 2019	-	-	12.30	14.88	21.46	5.77	3.72	<b>58.13</b>
Charge For the Year	-	-	1.13	-	4.98	0.83	0.17	<b>7.12</b>
Disposals	-	-	-	-	-	-	-	<b>-</b>
As on 31st March 2020	-	-	13.43	14.88	26.44	6.61	3.89	<b>65.25</b>
Charge For the Year	-	-	1.15	0.14	4.98	0.83	1.49	<b>8.58</b>
Disposals	-	-	-	-	-	-	-	<b>-</b>
As on 31st March 2021	-	-	14.58	15.02	31.42	7.43	5.38	<b>73.84</b>
Charge For the Year	-	-	1.15	0.22	4.98	0.61	2.07	<b>9.03</b>
Disposals	-	-	-	-	-	-	-	<b>-</b>
<b>As on 31st March 2022</b>	<b>-</b>	<b>-</b>	<b>15.73</b>	<b>15.24</b>	<b>36.40</b>	<b>8.04</b>	<b>7.45</b>	<b>82.87</b>
<b>NET BLOCK</b>								
As on 31st March 2019	61.88	-	5.57	0.20	37.10	1.25	0.39	<b>106.38</b>
As on 31st March 2020	61.88	-	4.56	0.20	32.11	0.59	1.39	<b>100.72</b>
As on 31st March 2021	61.88	-	3.64	2.09	27.13	1.24	9.05	<b>105.04</b>
As on 31st March 2022	61.88	153.10	2.49	3.16	22.15	0.96	8.60	<b>252.33</b>

\*For the Year Ended 31st March 2022, The Capital Work in Progress is transferred to Buildings Account as the Completion certificate is Obtained by the company for the same.

## Annexure IV

### 1. Company Overview

#### 1.1 Reporting Entity

**CONTAINTE TECHNOLOGIES LIMITED (formerly known as Containe Technologies Private Limited)** (herein referred as “the Company”, “CTPL”) is a company domiciled in India with its registered office situated at H. No. 3-13-142/ 341P, 342, Gokul Nagar, Marriguda, Mallapur, Secunderabad, Hyderabad, TG-500076, INDIA. The Company has been incorporated as a private limited company under the provisions of Companies Act, 1956 as on 16<sup>th</sup> September, 2008. Later on, the company is converted into Public Limited Company on **21<sup>st</sup> March 2022**.

The Company is primarily involved in assembly, manufacturing and trading of Power Saving Equipments, UPS Equipments and Speed Controllers. The company is an R&D company into manufacturing, sales and marketing of Automobile safety and GPS solutions from Hyderabad, India based company. CTPL manufacturing electronic Speed Limiting Device (SLD), “MOTOREYE & LIMITS” Brand Electronic Fuel Regulated & Pedal Interface, Speed Limiting Device suitable for the latest Vehicle of BSIV Standards to the Oldest Vehicles.

#### 1.2 Basis of preparation of financial statements

##### a) Statement of compliance

The restated financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Accounts) Rules 2014 as amended from time to time.

The restated financial statements have been prepared for the Company as a going concern on the basis of relevant Accounting Standards that are effective at the Company’s annual Reporting date, March 31, 2022, March 31, 2021 and March 31, 2020. These financial statements have been prepared on accrual basis under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange of goods and services. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. These Financial Statements were authorized for Issuance by the Company’s Board of Directors.

Details of the company’s significant accounting policies are included in Note 2.

##### b) Current versus Non-current classification

The company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading.
- Expected to be realized within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle.
- It is due to be settled within twelve months after the reporting period or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The company has identified 12 months as its operating cycle.

c) **Use of estimates and judgments**

The preparation of the financial statements in conformity with Accounting Standards requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material their effects are disclosed in the notes to the standalone financial statements.

2. **Significant Accounting Policies**

a. **Property, plant and equipment**

i. **Recognition and Measurement**

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, any.

Cost of an item or property, plant and equipment comprises its purchase price, import duties and non-refundable purchases taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to its working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Cost of assets not ready for intended use, as on the balance sheet date, is shown as capital work-in-progress.

ii. **Subsequent expenditure**

Subsequent expenditure related to an item of tangible fixed asset is capitalized only if it increases the future benefits from the existing assets beyond its previously assessed standards of performance.

iii. **Depreciation**

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight line method.

Depreciation is provided based on useful life of the assets as prescribed in Schedule II of companies Act, 2013.

Depreciation Method, Useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposals) is provided on pro-rata basis i.e., from (upto) the date on which asset is ready to use (disposed off).

iv. **Capital Work in Progress**

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

b. **Foreign currency**

The functional currency of the company is in Indian rupee. Transactions in foreign currency are translated at the exchange rates prevailing on the date of the transactions. Monetary assets and liabilities denominated in foreign currency are restated at the prevailing year end rates. The resultant gain/loss upon such restatement along with the gain/ loss on account of foreign currency transactions are accounted in the statement of profit and loss.

**c. Intangible Assets**

Internally generated: Research and development Expenditure on research activities is recognized in statement of profit and loss as incurred.

Development expenditure is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in statement of profit and loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortization and any accumulated impairment losses.

Others

Other Intangible assets are initially measured at cost. Subsequently, such intangible assets are measured at cost less accumulated amortization and any accumulated impairment losses.

**i. Subsequent Expenditure**

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

**ii. Amortization**

Other intangible assets are amortized on a straight line basis over the estimated useful life as follows:

Computer software	3-10 years
Technical knowhow	10 years
Product related intangibles	10 years
Others	10 years

Amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

**d. Impairment**

**Property, Plant and equipment**

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable, if any such indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e, higher of the fair value less cost to sell and the value in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss.

**e. Provisions & Contingent liabilities and contingent Assets**

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

A disclosure for a contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognized in the financial statements. A contingent asset is disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually and, if it is virtually certain that an inflow of economic benefits will arise, the assets and related income are recognized in the period in which the change occurs.

**Onerous contracts**

A contract is considered to be onerous when the expected economic benefits to be derived by the company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the company recognizes any impairment loss on the assets associated with that contract.

**f. Revenue****i. Sale of Products**

Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is reasonably certain, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods and the amount of revenue can be measured reliably and stated net of Goods & Services Tax, Sales Tax, VAT, trade discounts and rebates.

**ii. Interest Income or Expense**

Interest income or expense is recognized using the effective interest method on time proportion method.

**iii. Dividend Income**

Dividend income is recognized when the company's right to receive dividend is established, which is generally when shareholders approve the dividend.

**g. Cost Recognition**

Cost and expenses are recognized when incurred and have been classified according to their nature. The costs of the company broadly categorized in Raw material costs, Processing costs, storage costs, employee benefit expenses, selling and administrative and other expenses and depreciation and other amortization cost. Employee benefit expenses include employee compensation, allowances paid, contribution to provident fund and staff welfare and employee event expenses. Administrative and other expenses include fees to external consultants, facility expenses, travel expenses, communication expenses, repairs and maintenance, insurance, foreign exchange loss and other expenses.

**h. Inventory**

Inventories are valued at lower of cost or net realizable value.

Inventories of raw material, consumables and stores and spares are valued at cost as per FIFO method. Cost does not include duties and taxes that are subsequently recoverable.

Cost for the purpose of finished goods and material in process is computed on the basis of cost of material, labour and other related overheads.

**i. Income Tax**

Income tax comprises current and deferred income tax. Income tax expense is recognized in statement of profit and loss.

**i. Current Tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax for current year and prior periods is recognized at the amount expected to be paid or recovered from the tax authorities, using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

**ii. Deferred Tax & MAT**

Deferred tax liability is recognized, subject to the consideration of prudence on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future. Where there is unabsorbed depreciation or carry forward of losses, MAT Credit, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets.

Minimum Alternate Tax credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

**j. Borrowing Cost**

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a

substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

**k. Cash & Cash Equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposit, which are subject to an insignificant risk of changes in value.

**l. EBITDA**

The company presents earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the company does not include depreciation and amortization expense, finance costs and tax expense.

**m. Earnings per share**

Basic Earnings per share is calculated by dividing net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to the equity share holders by the weighted average number of equity shares outstanding during the period adjusted for the effects of all dilutive potential equity shares.

**n. Prior Period Expenditure:**

The change in estimate due to error or omission in earlier period is treated as prior period items. The items in respect of which liability has arisen/crystallized in the current year, though pertaining to earlier year is not treated as prior period expenditure.

**o. Extra Ordinary Items:**

The income or expenses that arise from event or transactions which are clearly distinct from the ordinary activities of the Company and are not recurring in nature are treated as extra ordinary items. The extra ordinary items are disclosed in the statement of profit and loss as a part of net profit or loss for the period in a manner so as the impact of the same on current profit can be perceived.

**p. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006**

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro and Small Enterprises.

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31st March, 2022, March 31, 2021 and March 31, 2020 as Micro, Small or Medium enterprises. Consequently, the amount paid/payable to these parties could not be ascertainable.

There are no micro and small enterprises, as defined in the micro and small enterprises development act, 2006, to whom the company owes dues on account of principal amount together with the interest and accordingly no additional disclosures have been made. The above information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

**q. Employee Benefits:**

Provision for liabilities in respect to gratuity benefits is not made. However, it will be recognized as an expenses in the statement of Profit & Loss account on actual basis during the period in which the eligible employee leaves the services of the company and settlements of his due are made on actual calculation.

**r. Estimation of uncertainties relating to the global health pandemic from COVID-19**

On the basis of assessment of the impact of the outbreak of COVID-19 on business operations of the entity, the entity's management may conclude that no adjustment are required in the financial statement as it does not impact the current financial year However, the situation with COVID-19 is still evolving. Also, some of the various preventive measures taken are still in force, leading to highly uncertain economic environment. Due to these circumstances, the management's assessment of the impact on the subsequent period is dependent upon the circumstances as they evolve.

**Annexure –V**

**Notes to the Re-stated Financial Statements:**

**I. Non-adjustment Items:**

No Audit qualifications for the respective periods which require any corrective adjustment in these Restated Financial Statements of the Company have been pointed out during the restated period.

**II. Material Regroupings:**

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities Profits and Losses and Cash flows wherever required by reclassification of the corresponding items of income expenses assets and liabilities in order to bring them in line with the requirements of the SEBI Regulations.

**III. Material Adjustments in Restated Profit & Loss Account:**

Particulars	For the FY ended	
	31-03-2021	31-03-2020
<b>Profit After Tax as per Books of Accounts</b>	<b>1,01,642</b>	<b>6,42,238</b>
Adjustment for provision of Depreciation	-48,471	-1,38,791
Adjustment for provision of Income Tax	0	0
Adjustment for provision of Deferred Tax	12,602	36,086
<b>Profit After Tax as per Restated</b>	<b>65,773</b>	<b>5,39,533</b>

**IV. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006**

Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from 2nd October 2006, certain disclosures are required to be made relating to Micro and Small Enterprises.

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as on 31st March, 2022, March 31, 2021 and March 31, 2020 as Micro, Small or Medium enterprises. Consequently, the amount paid/payable to these parties could not be ascertainable.

There are no micro and small enterprises, as defined in the micro and small enterprises development act, 2006, to whom the company owes dues on account of principal amount together with the interest and accordingly no additional disclosures have been made. The above information regarding micro and small enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

**V.** Other figures of the previous years have been regrouped / reclassified and / or rearranged wherever necessary.

**VI.** The balance of Sundry Creditors, Sundry Debtors, Loans Advances, Unsecured Loans, and Current Liabilities are subject to confirmation and reconciliation.

**VII.** As required under SEBI (ICDR) Regulations, the statement of assets and liabilities has been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived at after such deductions.

**VIII. Expenditure in Foreign Currency: Nil**

**IX. Earnings in Foreign Exchange:**

Particulars	For the FY ended		
	31-03-2022	31-03-2021	31-03-2020
Export Sales	1,82,977	20,464	2,242

**X. Leave Encashment [AS-15]**

Accounting Standard (AS) – 15 issued by ICAI is Mandatory. However, the company has not made provision for leave encashment benefit on retirement of employee as the quantum of liability is not ascertainable due to the availability of leave encashment benefit and availment of leave any time during the service period.

**XI. Trade Receivables, Trade Payables, Borrowings, Loans & Advances and Deposits**

Balances of Trade Receivables, Trade Payables, Borrowings and Loans & Advances and Deposits are subject to confirmation.

**XII. Re-grouping/re-classification of amounts**

The figures have been grouped and classified wherever they were necessary and have been rounded off to the nearest rupee.

**XIII. Examination of Books of Accounts & Contingent Liability**

The list of books of accounts maintained is based on information provided by the assessee and is not exhaustive. The information in audit report is based on our examination of books of accounts presented to us at the time of audit and as per the information and explanation provided by the assessed at the time of audit.

**XIV. Director Personal Expenses**

There are no direct personal expenses debited to the profit and loss account. However, personal expenditure if included in expenses like telephone, vehicle expenses etc. are not identifiable or separable.

**XV. Deferred Tax Asset / Liability: [AS-22]**

The company has created Deferred Tax Asset / Liability as required by Accounting Standard (AS) - 22.

**ANNEXURE –VI****Statement of Accounting & Other Ratios, As Restated***(Rs. In Lakhs except no. of shares & ratios)*

Particulars	31-03-2022	31-03-2021	31-03-2020
Net Profit as Restated	4.34	0.66	5.39
Add: Depreciation	9.03	8.58	7.12
Add: Finance Costs	19.06	9.73	9.23
Add: Income Tax & Deferred Tax	4.49	1.90	1.90
<b>EBITDA</b>	<b>36.92</b>	<b>20.87</b>	<b>23.64</b>
<b>EBITDA Margin (%)</b>	<b>17.84%</b>	<b>34.54%</b>	<b>8.09%</b>
Net Worth as Restated	473.87	112.04	111.38
<b>Return on Net worth (%) as Restated</b>	<b>0.92%</b>	<b>0.59%</b>	<b>4.84%</b>
Equity Share at the end of year (in Nos.)	42,50,000	10,00,000	10,00,000
Weighted No. of Equity Shares	14,00,000	10,00,000	10,00,000
<b>Basic Earnings per Equity Share as Restated (in Rs.)</b>	<b>0.31</b>	<b>0.07</b>	<b>0.54</b>
<b>Diluted Earnings per Equity Share as Restated (in Rs.)</b>	<b>0.31</b>	<b>0.07</b>	<b>0.54</b>
<b>Net Asset Value per Equity share as Restated</b>	<b>11.15</b>	<b>11.20</b>	<b>11.14</b>

Note:-

EBITDA Margin = EBITDA/Total Revenues

Earnings per share (₹) = Profit available to equity shareholders / Weighted No. of shares outstanding at the end of the year

Return on Net worth (%) = Restated Profit after taxation / Net worth x 100

Net asset value/Book value per share (₹) = Net worth / No. of equity shares

The Company does not have any revaluation reserves or extra-ordinary items.

## ANNEXURE –VII

Statement of Capitalization, As Restated (Rs. In lakhs except ratios)

Particulars	Pre-Issue	Post Issue*
	31-03-2022	
<b>Debt :</b>		
Short Term Debt	7.44	7.44
Long Term Debt	191.92	191.92
<b>Total Debt</b>	<b>199.36</b>	<b>199.36</b>
<b>Shareholders Funds</b>		
Equity Share Capital	425.00	624.40
Reserves and Surplus	48.87	186.07
Less: Misc. Expenditure	-	-
<b>Total Shareholders' Funds</b>	<b>473.87</b>	<b>810.47</b>
<i>Long Term Debt/ Shareholders' Funds</i>	<i>0.41</i>	<i>0.24</i>
<i>Total Debt / Shareholders Fund</i>	<i>0.42</i>	<i>0.25</i>

\* Assuming Full Allotment of IPO shares

## ANNEXURE –VIII

Statement of Tax Shelter, As Restated (Rs. In lakhs except ratios)

Particulars	As At		
	31-03-2022	31-03-2021	31-03-2020
<b>Profit Before Tax as per books of accounts (A)</b>	<b>8.83</b>	<b>2.56</b>	<b>7.29</b>
-- Normal Tax rate	26.00%	26.00%	26.00%
-- Minimum Alternative Tax rate	15.60%	15.60%	15.60%
<b>Permanent differences</b>			
Other adjustments	-	-	-
Prior Period Item			
Donation Disallowances	-	-	-
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Timing Differences</b>			
Depreciation as per Books of Accounts	9.03	8.58	7.12
Depreciation as per Income Tax	11.50	8.72	7.89
Difference between tax depreciation and book depreciation	(2.47)	(0.14)	(0.77)
Other adjustments	8.44	4.75	-
Foreign income included in the statement		-	-
<b>Total (C)</b>	<b>5.97</b>	<b>4.61</b>	<b>(0.77)</b>
<b>Net Adjustments (D = B+C)</b>	<b>5.97</b>	<b>4.61</b>	<b>(0.77)</b>
<b>Total Income (E = A+D)</b>	<b>14.80</b>	<b>7.17</b>	<b>6.52</b>
Brought forward losses set off (Depreciation)	-	-	-
Tax effect on the above (F)	-	-	-
<b>Taxable Income/ (Loss) for the year/period (E+F)</b>	<b>14.80</b>	<b>7.17</b>	<b>6.52</b>
Tax Payable for the year	3.85	1.86	1.70
Tax payable as per MAT	1.38	0.40	1.14
Tax expense recognised	<b>3.85</b>	<b>1.86</b>	<b>1.70</b>
Tax payable as per normal rates or MAT (whichever is higher)	<b>Income Tax</b>	<b>Income Tax</b>	<b>Income Tax</b>

### Statement of Related Parties & Transactions

The company has entered into following related party transactions for the periods covered under audit. Such parties and transactions are identified as per Accounting Standard 18 issued by Institute of Chartered Accountants of India.

There were no contracts / arrangements / transactions entered into during the year ended 31st March, 2021 which were not Arm's Length Basis.

#### List of Related parties

Name of the key managerial personnel/Entity	Relationship	Since
Anand Kumar Seethala	Promoter/Managing Director	16-09-2008
Botcha Bhavani	Promoter/Director	16-09-2008
Vijyakumari Botcha	Additional Director	23-02-2022
Most Marketing	Entity owned or significantly influenced by Directors	
Esenteco Solar Power Solutions India Private Limited	Company owned or significantly influenced by Directors	24-09-2013

#### Transactions with Related Parties

(Rs. In Lakhs)

Particulars	During 2021-2022	During 2020-2021	During 2019-2020
<b>Unsecured Loan Taken/(Repaid)(Net)</b>			
Anand Kumar Seethala	-273.59	91.46	48.22
Botcha Bhavani	-151.67	4.80	82.33
##(Convesion to Equity shares is also considered)			
<b>Conversion of USL to Equity Shares</b>			
Anand Kumar Seethala	115.50	-	-
Botcha Bhavani	242.00	-	-
<b>Remuneration paid to Directors</b>			
Anand Kumar Seethala	12.00	12.00	12.00
Botcha Bhavani	12.00	12.00	12.00
<b>Sales</b>			
Most Marketing	-	12.49	3.08
Esenteco Solar Power Solutions India Private Limited	-	28.27	-

#### Balance Receivable/(Payable)

(Rs. In Lakhs)

Particulars	As on 31/03/2022	As on 31/03/2021	As on 31/03/2020
Anand Kumar Seethala	7.23	280.82	189.36
Botcha Bhavani	32.34	184.01	179.22
Most Marketing	-	12.64	-
Esenteco Solar Power Solutions India Private Limited	-	33.23	-

#### ANNEXURE –X

##### Statement of Dividends

No Dividend Paid till Date

#### ANNEXURE –XI

##### Changes in the Significant Accounting Policies

There have been no changes in the accounting policies of the company for the period covered under audit.

#### ANNEXURE –XII

##### Contingent Liabilities:

The company have the following contingent liabilities:

(Rs. In Lakhs)

Particulars	FY 2021-22	FY 2020-21	FY 2019-20
Bank Guarantees furnished to Govt. Authorities			
BG No.0382NDDG00002122 Dt.13/07/2021 in favour of TSRTC, Telangana State against PSO@II/37/SLD/2019-20, Dt.08/07/2021	1.80	-	-

**Additional Disclosures to Financial Statements**

(Figures are Specific to the Period Ending 31st March 2022 ie., Latest Reporting Period)

**1 Trade Payables ageing schedule**

(Amount in Rs.)

S.No	Particulars	Outstanding for following periods from due date of payment				Total
		< 1 year	1-2 years	2-3 years	> 3 years	
(i)	MSME	-	-	-	-	-
(ii)	Others	17,61,174	10,42,187	19,13,920	8,54,663	55,71,944
(iii)	Disputed dues –MSME	-	-	-	-	-
(iv)	Disputed dues –Others	-	-	-	-	-

**2 Trade Receivables ageing schedule**

(Amount in Rs.)

	Particulars	Outstanding for following periods from due date of payment					Total
		< 6 months	6 months -1 year	1-2 years	2-3 years	> 3 years	
(i)	Undisputed Trade receivables – considered good	73,00,881	3,16,996	3,14,325	1,25,488	-	80,57,691
(ii)	Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii)	Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv)	Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

**3 Loans and Advances to Related Parties**

No such transactions exists in the books of accounts of reporting period.

**4 Details of Borrowings from Banks or Financial Institutions or Other Lenders**

S.no	Name of the Bank or Financial Institution or Other Lender	Type of Loan Availed	Amount of Loan	Tenure of Loan	Repayment Terms	Security Offered	Other Details
(i)	AXIS BANK	ASSET POWER BRE	Rs. 2,04,00,000/-	180 Months	EMI of Rs. 2,00,887/-	Mortgage of Property	Charge was created on 07/07/21

**5 Capital Work in Progress**

No such Capital Workin Progress exist in the companies books of accounts as at the reporting date.

**6 Intangible Assets under Development**

No such Intangible assets exist in the companies books of accounts as at the reporting date.

**7 Benami property**

The company does not have any proceedings that have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder

**8 Borrowings from Banks or Financial Institutions on the Basis of Security of Current Assets**

The company has not obtained any borrowings on the basis of security of Current Assets.

<b>9 Ratios as per the Financial Statements</b>						
S.no	Ratio	Formula	Current year	Previous Year	%Change	Explanation if >25% change
(a)	Current Ratio	Current Assets/ Current Liabilities	3.85	0.74	418%	Conversion of unsecured loan to share capital
(b)	Debt-Equity Ratio	Total Debt/ Shareholder's Equity	0.41	0.21	91%	New Loan has been obtained alongside preclosure of existing loans
(c)	Debt Service Coverage Ratio	Earnings Available for Debt Service/ Debt Service	0.00	2.07	-100%	Preclosure of existing loans
(d)	Return on Equity Ratio	(Net profit after taxes- Preference dividend)/Average Shareholder's Equity	0.017	0.007	151%	Increase in Share capital during the current FY 2021-22
(e)	Inventory turnover ratio	(Cost of Goods Sold or Sales)/ Average inventory	0.54	0.19	184%	Reconversion of Finished goods into Raw material
(f)	Trade Receivables turnover ratio	Net credit Sales/Average Accounts Receivable	3.02	1.23	146%	
(g)	Trade payables turnover ratio	Net credit Purchases/Average Trade payables	2.82	0.83	240%	
(h)	Net capital turnover ratio	Net Sales/Average Working Capital	0.44	-0.47	-194%	
(i)	Net profit ratio	Net profit/Net Sales	0.021	0.011	87%	
(j)	Return on Capital employed	Earnings before interest and taxes/ Capital Employed	0.04	0.09	-59%	Increase in Share capital during the current FY 2021-22

**10 Title deeds of Immovable Property not held in name of the Company**

The Title deeds of Immovable property in the books of accounts, are in the name of company only.

**11 Wilful Defaulter**

The company is not declared as wilful defaulter by any bank or financial Institution or other lender from whom the borrowings are obtained.

**12 Charges or Satisfaction yet to be registered with Registrar of Companies beyond the statutory period**

S.no	Name of the Bank or Financial Institution or Other Lender	Charge or Satisfaction or Modification	Date	Assets under Charge	Charge Amount	Remarks
(i)	Andhra Bank/Union Bank of India	Satisfaction	Repayment done on 02/07/2021	Immovable property or any interest therein; Book debts; Movable property (not being pledge)	Rs.50,00,000/-	Pending for Closure from Bank

**13 Layers of Companies**

The Company does not have any Holding/ Subsidiary Companies

**14 Corporate Social Responsibility Related Disclosures**

CSR is not applicable to the company, as neither of companies turnover exceeded 1000 crores nor Networth exceeded 500 crores nor Net profit Exceeded 5 Crores During the Preceding financial year.

**15 Details of Crypto or Virtual Currency**

The Company does not hold any investments in the form of Crypto or Virtual Currency.

**16 Retirement benefits**

Company's has not made any contribution towards Provident Fund , Leave Encashment or Gratuity benefits as at the reporting date.

**17 Segment Reporting**

The Company has only one business segment which is the Business of Manufacturing and Trading of Speed Limiting devices for Vehicles. Hence no segment report is given.

**18 DERIVATIVE INSTRUMENTS AND OTHER UN-HEDGED FOREIGN CURRENCY EXPOSURE**

There are no derivative contracts outstanding at the close of the year.

**FINANCIAL INDEBTEDNESS**
**STATEMENT OF FINANCIAL INDEBTNESS**

Based on the independent examination of Books of Accounts, Audited Financial Statements and other documents of the issuer Company, CONTAINTE TECHNOLOGIES LIMITED and further explanations and information provided by the management of the Companies, which we believe to be true and correct to the best of our information and belief, the financial indebtedness of the company as at **March 31, 2022** are as mentioned below:

Nature of Borrowing	Outstanding as on March 31, 2021	Outstanding as on March 31, 2022
<b>Secured Loan</b>		
-Cash Credit	51,14,126	-Nil-
-Vehicle Loan	14,31,970	-Nil-
-Term Loan	-Nil-	1,99,36,402
-Loan (UBI-511)	9,45,628	-Nil-
<b>Unsecured Loan</b>		
-Anand Kumar Seethala (Director)	2,80,82,218	7,23,108
-Botcha Bhavani (Director)	1,84,01,312	32,34,314
<b>Total</b>	<b>5,39,75,254</b>	<b>2,38,93,824</b>

**A. Secured Loans**

Name of Lender	Purpose	Sanctioned Amount (Rs.)	Outstanding as on March 31, 2021	Outstanding as on March 31, 2022
UNION BANK OF INDIA	Working Capital (CC)	50,00,000	51,14,126	-Nil-
INDUS IND	Car Loan	21,00,000	14,31,970	-Nil-
AXIS BANK	AP-Self Commercial Property	2,04,00,000	-Nil-	1,99,36,402
UNION BANK OF INDIA	Working Capital (GECL)	9,30,000	9,45,628	-Nil-
<b>Subtotal</b>			<b>74,91,724</b>	<b>1,99,36,402</b>

**Details Terms of Secured Loan:**
**1. [UNION BANK OF INDIA]**

<b>Facility</b>	: OPEN CASH CREDIT
<b>Loan Limit</b>	: 50,00,000 (Sub Limit 25 Lakhs against Book Debts not older than 90 days)
<b>Date of Sanction</b>	: 10/06/2014(First sanction date as per charge documents)
<b>Rate of Interest</b>	: 13.25% (Running: 13.50%)
<b>Repayment Terms</b>	: One Year

**Security offered**

<b>Primary Security</b>	: Hypothecation of Stocks and book Debts
<b>Collateral Security</b>	: M/s Containe Technologies Ltd Property (Equitable Mortgage of openland of 1000 Sq.yards at plot No.335,336 , Golu Nagar, Marriguda Hamlet of Mallapur GHMC, Kapra Circle, Uppal Mandal, R.R. District.)

<b>Personal Guarantee</b>	: Directors of M/s Containe Technologies Ltd (S. Anand Kumar-Networth – 70 Lakhs- Property statement dated 21/04/2014 & B Bhavani-Networth-18 lakhs-Property statement dated 21/04/2014)
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<b>Corporate Guarantee</b>	:
<b>Any Non-compliance of sanctioned terms</b>	: NIL

## 2. [INDUS IND BANK]

<b>Facility</b>	: VEHICLE LOAN
<b>Loan Limit</b>	: 21,00,000
<b>Date of Sanction</b>	: 28/06/2019
<b>Rate of Interest</b>	: 8.35%
<b>Repayment Terms</b>	: 48 Months, EMI-58,836

**Security offered**

<b>Primary Security</b>	: VEHICLE PURCHASED
<b>Collateral Security</b>	:
<b>Personal Guarantee</b>	:
<b>Corporate Guarantee</b>	:
<b>Any Non-compliance of sanctioned terms</b>	: NIL

## 3. [AXIS BANK]

<b>Facility</b>	: ASSET POWER BRE
<b>Loan Limit</b>	: 2,04,00,000
<b>Date of Sanction</b>	: 25/06/2021
<b>Rate of Interest</b>	: 8.5%
<b>Repayment Terms</b>	: 180 Months, EMI- 2,00,887 Monthly repayment of 1. Interest on the amount disbursed till ASSET POWER BRE loan is not fully disbursed or 12 months have not lapsed from the date of first disbursement whichever is earlier 2. Equated monthly installment there after

**Security offered**

<b>Primary Security</b>	: Mortgage of Property(Mortgage of openland of 1000 Sq.yards at plot No.335,336 , Golu Nagar, Marriguda Hamlet of Mallapur GHMC, Kapra Circle, Uppal Mandal, R.R. District.)
<b>Collateral Security</b>	:
<b>Personal Guarantee</b>	: Directors off M/s Containe Technologies Ltd. (S. Anand Kumar, B Bhavani)
<b>Corporate Guarantee</b>	:
<b>Any Non-compliance of sanctioned terms</b>	: NIL

## 4. [UNION BANK OF INDIA]

<b>Facility</b>	: Working Capital/Term Loan/Business Loan
<b>Loan Limit</b>	: 9,30,000
<b>Date of Sanction</b>	: 04/06/2020
<b>Rate of Interest</b>	: 7.5%
<b>Repayment Terms</b>	: 12 Months

**Security offered**

<b>Primary Security</b>	: Stocks and Book Debts
<b>Collateral Security</b>	: M/s Containe Technologies Ltd Property
<b>Personal Guarantee</b>	: Promoter (S. Anand Kumar, B Bhavani)
<b>Corporate Guarantee</b>	:
<b>Any Non-compliance of sanctioned terms</b>	: NIL

**B. Unsecured Loans:**

Name of Lender	Purpose	Re-Payment Terms	Outstanding as on March 31, 2021	Outstanding as on March 31, 2022
Anand Kumar Seethala (Director)	Working Capital	Can Be Converted to Share Capital	2,80,82,218	7,23,108
Botcha Bhavani (Director)	Working Capital	Can Be Converted to Share Capital	1,84,01,312	32,34,314
<b>Subtotal</b>			<b>4,64,83,530</b>	<b>39,57,422</b>

For Dhanunjaya & Haranath  
 Chartered Accountants  
 Firm's Registration Number:014288S  
 Peer Review Certificate No.013982

Sd/-

Dhanunjay Kumar Alla  
 Partner  
 Membership No:206446  
 UDIN: 22206446AMYDQK2313

Place of Signature: Hyderabad  
 Date:15/07/2022

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our restated financial statements for the financial year ended on 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2021 and 31<sup>st</sup> March 2020 including the notes and significant accounting policies thereto and the reports thereon, which appear elsewhere in this prospectus. You should also see the section titled “**Risk Factors**” beginning on page 20 of this prospectus, which discusses a number of factors and contingencies that could impact our financial condition and results of operations. The following discussion relates to our Company, unless otherwise stated, is based on restated audited financial statements.*

*These financial statements have been prepared in accordance with Ind GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the report of our auditors dated July 15, 2022 which is included under the section titled “**Financial Information as Restated**” beginning on page 128 of this prospectus. The restated financial statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated financial statements to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and U.S. GAAP or IFRS as applied to our restated financial statements.*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under “**Risk Factors**” and “**Forward Looking Statements**” beginning on pages 20 and 15 respectively, and elsewhere in this prospectus*

*Accordingly, the degree to which the financial statements in this prospectus will provide meaningful information depends entirely on such potential investor's level of familiarity with Indian accounting practices. Our F.Y. ends on March 31 of each year; therefore, all references to a particular fiscal are to the twelve-month period ended March 31 of that year. Please also refer to section titled “**Certain Conventions, Use of Financial, Industry and Market Data and Currency Presentation**” beginning on page 13 of this prospectus.*

### **BUSINESS OVERVIEW**

Our Company is founded and promoted by Mr. Anand Kumar Seethala in the year 2008 and is engaged in the business of Automobile Safety and GPS solutions in Automobile Sector. We manufacture wide range of technology-intensive electronic and mechanical automotive products. These have applications across vehicle segments, including for four-wheeler passenger vehicles, light commercial vehicles, heavy commercial vehicles.

Our Company is manufacturing electronic Speed Limiting Device (SLD), “MOTOREYE & LIMITS” Brand Electronic Fuel Regulator & Pedal Interface, suitable for the latest Vehicle of BS-IV Standards to the Oldest Vehicles. The Speed Limiting Devices are Tested and Approved by Automotive Research Association of India (ARAI), Pune. It is suitable for all types of commercial transport category of vehicles and educational institutions Buses. Our Company is also manufacturing Vehicle Location Tracking Devices (VLTD), “TRANOPRO” Brand, suitable for all types of vehicles. The Vehicle Location Tracking Devices are Tested and Approved by International Centre for Automotive Technology (ICAT).

We have one manufacturing unit at Marriguda, Secunderabad, Hyderabad. We employ an extensive and stringent quality control mechanism at each stage of the manufacturing process in these facilities to ensure that our finished product conforms to the exact requirements of Central Motor Vehicle (CMV) Rules, Government of India.

Our products are mainly sold through distributors and dealers. Our Company appoints Distributors in various states and the distributors appoint dealers under them. Our Company supplies our products to the distributors and in turn distributors supplies the products to the dealers. We have built strong and long-standing relationships with our distributors by aligning our offerings with their business needs.

Our devices are successfully tested and approved on various models of Maruti Suzuki, Mahindra & Mahindra Ashok Leyland, TATA Motors, Eicher, Swaraj Mazda, Force Motors, Toyota, Hyundai and General Motors. We have installed our devices widespread across PAN India.

We have also exported to countries like United Kingdom and United Arab Emirates. With a high functional level combined with expertise in the subject, our company believes in quality deliverables to its customers with the state-of-the-art technology combined with a robust technical team, we define the quantum and scope of work in a deliverable platform with a structured time frame, quality being the prime objective.

We have a dedicated R&D facility to research and develop new indigenous products. This enables us to customize our products as per customer requirements. Our R&D Team is working continuously in advancing the SLD technology centered on the latest generation of ECM (Electronic Control Module) of BSVI Vehicles Models and new IOT Revolutionary Specialty of Variable Speed Limiting Devices Development, and Intelligent Transport Management Systems (ITMS) which has tremendous demand due to mandatory installation by State Governments.

Containe Technologies Limited is an ISO 9001:2015 certified organization engaged in the business of Design, Development, Manufacturing, Supply & Service of Electronic Speed Limiting Devices and GSM/GPRS/GPS/IRNSS based Communication & Controlling Vehicle Location Tracking Devices, Marketing & Sales of IOT Devices & Lithium Ion Battery Operated 2-wheeler & 3-wheeler Auto Rickshaws. We are committed to provide quality work to our customers that meets the industry standards.

### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST AUDITED PERIOD**

In the opinion of the Board of Directors of our Company, since the date of the last audited period i.e., March 31, 2022 as disclosed in this prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the trading or profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. The Board of Directors have decided to get their equity shares listed on SME Platform of BSE Limited and pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on July 04, 2022, proposed the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra Ordinary General Meeting held on July 06, 2022 authorized the Initial Public Offer.

### **KEY FACTORS AFFECTING OUR RESULTS OF OPERATION**

- Changes in laws and regulations relating to the Sectors in which we operate;
- Emergence of alternate products which may be technologically advanced and our inability to keep pace with the change
- Political instability or changes in the Government in India or in the government of the states where we operate could cause us significant adverse effects;
- Our dependence on limited number of customers/suppliers/brands for a significant portion of our revenues;
- Any failure to comply with the financial and restrictive covenants under our financing arrangements;
- Our ability to retain and hire key employees or maintain good relations with our workforce;
- Impact of any reduction in sales of our products;
- Increased competition in industries/sector in which we operate;
- Our ability to expand our geographical area of operation;
- General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
- Failure to obtain any applicable approvals, licenses, registrations and permits in a timely manner;
- Occurrence of natural or man-made disasters could adversely affect our results of operations and financial condition;
- Our inability to successfully diversify our product offerings may adversely affect our growth and negatively impact our profitability; and
- COVID-19 pandemic and similar circumstances

### **SIGNIFICANT ACCOUNTING POLICIES:**

Our significant accounting policies are described in the section entitled “*Financial Statements as Restated*” beginning from page no. 128 of the prospectus

**SUMMARY OF THE RESULTS OF OPERATION:**

The following table sets forth select financial data from restated profit and loss accounts for the financial year ended on 31<sup>st</sup> March 2022, 31<sup>st</sup> March 2021 and 31<sup>st</sup> March 2020 and the components of which are also expressed as a percentage of total income for such periods.

(Rs. In Lakhs, except otherwise mentioned)

Particulars	March 31, 2022	% of Total Revenue	March 31, 2021	% of Total Revenue	March 31, 2020	% of Total Revenue
Revenue from operations	206.95	99.99	58.91	97.48	291.65	99.78
Other income	0.03	0.01	1.52	2.52	0.64	0.22
<b>Total Income (I + II)</b>	<b>206.98</b>	<b>100.00</b>	<b>60.43</b>	<b>100.00</b>	<b>292.29</b>	<b>100.00</b>
Expenses:						
Cost of materials consumed	23.12	11.17	158.82	262.82	184.77	63.21
Purchases of Stock-in-Trade		-				
Changes in inventories of finished goods	41.38	19.99	-209.68	-346.98	-33.33	-11.40
Work-in-progress and Stock-in-Trade		-		-		
Employee benefits expense	67.87	32.79	57.94	95.88	71.66	24.52
Finance costs	19.06	9.21	9.73	16.10	9.23	3.16
Depreciation and amortisation expense	9.03	4.36	8.58	14.20	7.12	2.44
Other expenses	37.69	18.21	32.48	53.75	45.55	15.58
<b>Total expenses</b>	<b>198.15</b>	<b>95.73</b>	<b>57.87</b>	<b>95.76</b>	<b>285.00</b>	<b>97.51</b>
<b>Profit before exceptional and extraordinary items and tax</b>	<b>8.83</b>	<b>4.27</b>	<b>2.56</b>	<b>4.24</b>	<b>7.29</b>	<b>2.49</b>
Exceptional items						
Extraordinary items						
<b>Profit before tax (VII- VIII)</b>	<b>8.83</b>	<b>4.27</b>	<b>2.56</b>	<b>4.24</b>	<b>7.29</b>	<b>2.49</b>
Tax expense:						
(1) Current tax	3.85	1.86	1.86	3.09	1.70	0.58
(2) Deferred tax	0.64	0.31	0.04	0.06	0.20	0.07
<b>Profit (Loss) for the period</b>	<b>4.34</b>	<b>2.10</b>	<b>0.66</b>	<b>1.09</b>	<b>5.39</b>	<b>1.85</b>

**COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2022 WITH FISCAL 2021**

**Total Income:** During the FY 2021-22 the revenue from operation and other income of the company has been increased to ₹206.95 Lacs as against ₹58.91 Lacs in the FY 2020-21. This increase was mainly due to increase in volume of operation.

**Total Expenses:** The total expenditure excluding depreciation, Interest and tax amount, for the FY 2021-22 has been increased to ₹173.88 Lacs as against ₹39.97 Lacs in the FY 2020-21. This increase was mainly due to increase in volume of operation during the FY as mentioned in revenue from operation above.

**Cost of Materials Consumed and Changes in Inventories of Finished Goods:** The Cost of Materials Consumed and Changes in Inventories of Finished Goods for the FY 2021-2022 has been increased to ₹64.50 Lacs as against ₹(50.86) Lacs in the FY 2020-21. This increase was mainly due to increase in volume of operation during the FY as mentioned in revenue from operation above.

**Employee Benefit Expenses:** The Employee Benefit Expenses for the FY 2021-22 has been increased to ₹67.87 Lacs as against ₹57.94 Lacs in the FY 2020-21. This increase was mainly due to increase in volume of operation during the FY as mentioned in revenue from operation above.

**Finance Cost:** The Finance Cost for the FY 2021-22 has been increased to ₹19.06 Lacs as against ₹9.73 Lacs in the FY 2020-21.

**Other Expenses:** The Other Expenses for the FY 2021-2022 has been increased to ₹37.69 Lacs as against ₹32.48 Lacs in the FY 2020-21. This increase was mainly due to increase in volume of operation during the FY as mentioned in revenue from operation above.

**Profit/ (Loss) After Tax:** The restated Profit after Tax for FY 2021-22 has been increased to ₹4.34 Lacs as against ₹0.66 Lacs in the FY 2020-21. This increase was mainly due to increase in volume of operation during the FY as mentioned in revenue from operation above.

## COMPARISON OF THE FINANCIAL PERFORMANCE OF FISCAL 2021 WITH FISCAL 2020

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**Total Income:** During the FY 2020-21 the revenue from operation and other income of the company was decreased to ₹58.91 Lacs as against ₹291.65 Lacs in the FY 2019-20. This change was mainly due to decrease in sales in FY 2020-21 due to COVID-19 pandemic.

**Total Expenses:** The total expenditure excluding depreciation, Interest and tax amount, for the FY 2020-21 has been decreased to ₹39.97 Lacs as against ₹270.39 Lacs in the FY 2019-20. This decrease was mainly due to decrease in volume of operation during the FY as mentioned in revenue from operation above.

**Cost of Materials Consumed and Changes in Inventories of Finished Goods:** The Cost of Materials Consumed and Changes in Inventories of Finished Goods for the FY 2021-2022 has been decreased to ₹(50.86) Lacs as against ₹151.44 Lacs in the FY 2020-21. This decrease was mainly due to decrease in volume of operation during the FY as mentioned in revenue from operation above.

**Employee Benefit Expenses:** The Employee Benefit Expenses for the FY 2020-21 has been decreased to ₹57.94 Lacs as against ₹71.66 Lacs in the FY 2019-20. This decrease was mainly due to decrease in volume of operation during the FY as mentioned in revenue from operation above.

**Finance Cost:** The Finance Cost for the FY 2020-21 has been decreased to ₹9.73 Lacs as against ₹9.23 Lacs in the FY 2019-20.

**Other Expenses:** The other Expense for the FY 2020-2021 has been decreased to ₹32.48 Lacs as against ₹45.55 Lacs in the FY 2019-20. This decrease was mainly due to decrease in volume of operation during the FY as mentioned in revenue from operation above.

**Profit/ (Loss) After Tax:** The restated Profit after Tax for FY 2020-21 has been decreased to ₹0.66 Lacs as against ₹5.39 Lacs in the FY 2019-20. This decrease was mainly due to decrease in volume of operation during the FY as mentioned in revenue from operation above.

## AN ANALYSIS OF REASONS FOR THE CHANGES IN SIGNIFICANT ITEMS OF INCOME AND EXPENDITURE IS GIVEN HEREUNDER:

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**1. Unusual or infrequent events or transactions**

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

**2. Significant economic changes that materially affected or are likely to affect income from continuing operations.**

There are no significant economic changes that may materially affect or likely to affect income from continuing operations except the Covid-19 pandemic which is still to be controlled. However, Government policies governing the sector in which we operate as well as the overall growth of the Indian economy has a significant bearing on our operations. Major changes in these factors can significantly impact 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.**

Apart from the risks as disclosed under Section “*Risk Factors*” beginning on page 20 in the prospectus, in our opinion there are no other known trends or uncertainties that have had or are expected to have a material adverse impact on revenue or income from continuing operations.

**4. *Expected Future changes in relationship between costs and revenues***

Our Company's future costs and revenues will be determined by demand/supply situation, Government Policies and Currency fluctuations.

**5. *Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or increased sales prices***

Changes in revenue in the last financial years are as explained in the part "**Comparison of the financial performance**" of above.

**6. *Total turnover of each major industry segment in which our Company operates***

The Company is mainly engaged in Automobile Safety and GPS solutions in Automobile Sector. Therefore, there are no separate reportable segments.

**7. *Status of any publicly announced New Products or Business Segment***

Our Company has not announced any new product except as disclosed in the Prospectus.

**8. *Seasonality of business***

Our Company's business is not seasonal in nature as our company deals in Automobile Safety and GPS solutions.

**9. *Competitive conditions***

Competitive conditions are as described under the Chapters "**Industry Overview**" and "**Our Business**" beginning on page 66 and 82 respectively of the prospectus.

**10. *Details of material developments after the date of last balance sheet i.e., March 31, 2022.***

Except as mentioned in this prospectus, no material circumstances have arisen since the date of last financial statement until the date of filing the prospectus, which materially and adversely affect or are likely to affect the operations or profitability of our Company, or value of its assets, or its ability to pay its liability within next twelve months.

## SECTION X: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*Except as described below, there are no outstanding litigations, suits, civil or criminal prosecutions or proceedings against our Company, our Directors, our Promoters and Entities Promoted by our Promoters before any judicial, quasi-judicial, arbitral or administrative tribunals or any disputes, tax liabilities, non-payment of statutory dues, over dues to banks/financial institutions, defaults against banks/financial institutions, defaults in dues towards instrument holders like debenture holders, fixed deposits, defaults in creation of full security as per terms of issue/ other liabilities, proceedings initiated for economic/ civil/ any other offences (including past cases where penalties may or may not have been imposed and irrespective of whether they are specified under paragraph (i) of Part I of Schedule XIII of the Companies Act, 1956 and/or paragraph (i) of Part I of Schedule V of the Companies Act, 2013) against our Company, our Directors, our Promoters and the Entities Promoted by our Promoters, except the following:*

*Except as stated herein, there are no past cases in which penalties have been imposed on our Company, the Promoters, directors, Promoter Group companies and there is no outstanding litigation against any other company whose outcome could have a material adverse effect on the position of our Company. Neither our Company nor its Promoters, members of the Promoter Group, Subsidiaries, associates and Directors have been declared as willful defaulters by the RBI or any other Governmental authority and, except as disclosed in this section in relation to litigation, there are no violations of securities laws committed by them in the past or pending against them.*

*Further, apart from those as stated below, there are no show-cause notices / claims served on the Company, its Promoters, its Directors or it's Group Companies from any statutory authority / revenue authority that would have a material adverse effect on our business.*

#### **I. CONTINGENT LIABILITIES OF OUR COMPANY:**

##### a) Classification of Contingent liabilities:

- Claims against the company not acknowledged as debts	-
- Guarantees given in favour of company	1.80 lakhs
- Other money for which the company is contingently liable.	-

##### b) Classification of Commitments into:

- Estimated amount of contracts remaining to be executed on capital account and not provided for	-
- Uncalled liability on shares and other investments partly paid	-
- Other commitments (specifying nature)	-

#### **II. LITIGATION INVOLVING OUR COMPANY**

##### **A. LITIGATION AGAINST OUR COMPANY**

- 1. Litigation Involving Criminal matters: NIL**
- 2. Litigation Involving Civil matters: NIL**
- 3. Litigation involving Tax Liabilities**

**(i) Direct Tax Liabilities: As mentioned below:**

<b>A. Y.</b>	<b>Section Code</b>	<b>Date of Demand</b>	<b>Amount</b>	<b>Particulars and status</b>
2017-2018	143(1)(a)	15/04/2019	₹79,090	No appeal has been preferred against the said demand. The matter is pending.
2018-2019	143(1)(a)	02/07/2019	₹93,510	No appeal has been preferred against the said demand. The matter is pending.
<b>TOTAL</b>			<b>1,72,600</b>	

**(ii) Indirect Taxes Liabilities: NIL****4. Other Pending Litigations: NIL****B. CASES FILED BY OUR COMPANY**

- 1. Litigation Involving Criminal matters: NIL**
- 2. Litigation Involving Civil matters: NIL**
- 3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
- 4. Other Pending Litigations: NIL**

**III. LITIGATION INVOLVING OUR DIRECTORS****A. LITIGATION AGAINST OUR DIRECTORS**

- 1. Litigation Involving Criminal matters: NIL**
- 2. Litigation Involving Civil matters: NIL**
- 3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL**
- 4. Litigation involving Tax Liabilities**
  - (i) Direct Tax Liabilities:**
  - (ii) Indirect Taxes Liabilities: NIL**
- 5. Other Pending Litigations: NIL**

**B. LITIGATION FILED BY OUR DIRECTORS**

1. Litigation Involving Criminal matters: NIL
2. Litigation Involving Civil matters: NIL
3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL
4. Other Pending Litigations: NIL

**IV. LITIGATION INVOLVING OUR PROMOTERS AND PROMOTER GROUP**

**A. LITIGATION AGAINST OUR PROMOTERS AND PROMOTER GROUP**

1. Litigation Involving Criminal matters: NIL
2. Litigation Involving Civil matters: NIL
3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL
4. Litigation involving Tax Liabilities
  - (i) Direct Tax Liabilities: NIL
  - (ii) Indirect Taxes Liabilities: NIL
5. Other Pending Litigations: NIL

**B. LITIGATION FILED BY OUR PROMOTERS AND PROMOTER GROUP**

1. Litigation Involving Criminal matters: NIL
2. Litigation Involving Civil matters: As per point No. III (B) (2).
3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL
4. Other Pending Litigations: NIL

**V. LITIGATION INVOLVING OUR GROUP ENTITIES**

1. Litigation Involving Criminal matters:
2. Litigation Involving Civil matters:
3. Litigation Involving Actions by Statutory/Regulatory Authorities: NIL
4. Litigation involving Tax Liabilities
  - (i) Direct Tax Liabilities: NIL
  - (ii) Indirect Taxes Liabilities: NIL
5. Other Pending Litigations: NIL

**VI. Penalties imposed in past cases for the last five years: NIL**

### **OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS**

There are no disputes with such entities in relation to payments to be made to our Creditors. The details pertaining to amounts due towards such creditors are available on the website of our Company.

Below are the details of the Creditors where outstanding amount as on March 31, 2022:

Name	Balance as on March 31, 2022
Total Outstanding dues to Micro and Small & Medium Enterprises (MSME)	Nil
Total Outstanding dues to Creditors other than MSME#	55.72

# As per restated audited balance sheet.

#### **Outstanding Litigations involving the Company or involving any other person or company whose outcome may have a material adverse effect on the Company's results of operations or financial position.**

Except as described above, as on date of this prospectus, there are no outstanding litigations involving the Company, or involving any other person or company whose outcome may have a material adverse effect on the Company's results of operations or financial position.

#### **There are no litigations or legal actions, pending or taken, by any Ministry or Department of the Government or a statutory authority against our Promoters during the last 5 years.**

#### **Pending proceedings initiated against our Company for economic offences.**

There are no pending proceedings initiated against our Company for economic offences.

#### **Inquiries, investigations etc. instituted under the Companies Act, 2013 or any previous Companies enactment in the last 5 years against our Company.**

There are no inquiries, investigations etc. instituted under the Companies Act or any previous Companies enactment since incorporation against our Company.

#### **Material Fraud against our Company in the last five years**

There has been no material fraud committed against our Company since incorporation.

#### **Fines imposed or compounding of offences for default**

There are no fines imposed or compounding of offences for default or outstanding defaults.

#### **Non-Payment of Statutory Dues**

Except as disclosed in the chapter titled "*Financial Statements as Restated*" beginning on pages 128 there are have been no defaults or outstanding defaults in the payment of statutory dues payable under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and the Employees State Insurance Act, 1948.

### **MATERIAL DEVELOPMENTS OCCURING AFTER LAST BALANCE SHEET DATE**

Except as disclosed in Chapter titled "*Management's Discussion & Analysis of Financial Conditions & Results of Operations*" beginning on page 157 of this prospectus, there have been no material developments that have occurred after the Last Balance Sheet Date.

## 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. In view of the approvals listed below, we can undertake the Issue and our current business activities and no further major approvals from any governmental/regulatory authority, or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above 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.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

### I. Approvals for the Issue

- a) The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a resolution passed at its meeting held on 4<sup>th</sup> July, 2022 authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
- b) The shareholders of our Company have, pursuant to Section 62(1)(c) of the Companies Act, 2013, by a special resolution passed in the Extra Ordinary General Meeting held on 6<sup>th</sup> July, 2022 authorized the Issue.
- c) Our Company has received an in-principle approval from the BSE dated September 09, 2022 for listing of Equity Shares issued pursuant to the Issue.
- d) Our Company's ISIN is **"INE0M8901010"**.

### II. Approvals pertaining to Incorporation of our Company

- a) Certificate of Incorporation bearing no. U72200TG2008PTC061063 dated September 16, 2008 under the Companies Act, 1956 issued by Registrar of Companies, Hyderabad in the name of *"Containe Technologies Private Limited Private Limited"*.
- b) Certificate of Incorporation bearing no. U72200TG2008PLC061063 dated March 21, 2022 under the Companies Act, 2013 issued by Registrar of Companies, Hyderabad, consequent upon conversion of private limited to public limited Company to *"Containe Technologies Limited"*.

### III. Business Related Approvals

- a) Certificate of Importer-Exporter Code dated April 04, 2014 bearing IEC number 0914000691 issued by Office of Zonal Director General of Foreign Trade, Secunderabad.
- b) Udyam Registration Certificate dated February 26, 2021 bearing reference number UDYAM-TS-20-0010523 issued by Ministry of Micro, Small and Medium Enterprises, Government of India.

### IV. Tax Related Approvals

- a) Our Company's Permanent Account Number issued by the Income Tax Department is AADCC6416A.
- b) Our Company's Tax Deduction Account Number issued by the Income Tax Department is HYDC04748C.
- c) Registration certificate of Goods and Services Tax (Telangana) bearing registration number 36AADCC6416A1Z6 dated April 26, 2022 issued by GST Department, CBIC.
- d) Registration certificate of Goods and Services Tax (Haryana) bearing registration number 06AADCC6416A1Z9 dated April 30, 2022 issued by GST Department, CBIC.

- e) Registration certificate of Goods and Services Tax (Delhi) bearing registration number 07AADCC6416A1Z7 dated April 22, 2022 issued by GST Department, CBIC.

#### V. Product Related Approvals

Sl. No.	Type of License/ Approval	Issuing Authority	Reference/ Registration/ License No.	Date of Issue/ Renewal	Valid upto
1.	Conformity of Production Certificate (COP) as per AIS-037 for Electronic Fuel Regulator – AA1835	The Automotive Research Association of India (ARAI)	SHL/16/2021-22/3000019129/OTH/4086	December 15, 2021	September 30, 2022
2.	Type Approval Certificate (TAC) as per AIS-037 for Electronic Fuel Regulator – AA1835	The Automotive Research Association of India (ARAI)	SHL/295/2010-11/1989/1835	August 17, 2010	Perpetual
3.	Conformity of Production Certificate (COP) as per AIS-037 for Electronic Fuel Regulator – AH3363	The Automotive Research Association of India (ARAI)	SHL/16/2021-22/3000019129/OTH/4087	December 15, 2021	September 30, 2022
4.	Type Approval Certificate (TAC) as per AIS-037 for Electronic Fuel Regulator – AH3363	The Automotive Research Association of India (ARAI)	SHL/16/2017-18/2659/3363	October 12, 2017	Perpetual
5.	Conformity of Production Certificate (COP) as per AIS-140 for Vehicle Location Tracking Device	International Centre for Automotive Technology (ICAT)	CC0GR8733	May 23, 2022	March 31, 2023
6.	Type Approval Certificate (TAC) as per AIS-140 for Vehicle Location Tracking Device	International Centre for Automotive Technology (ICAT)	CK8073	June 27, 2019	Perpetual

#### VI. Quality Related Approvals

Sl. No.	Type of License/ Approval	Issuing Authority	Reference/Registration/ Certificate/License No.	Date of Issue/ Renewal	Valid upto
1.	Certificate issued for Quality Management System (ISO 9001:2015) for Design, Development, Manufacturing, Marketing, Sales & Service of Electronic Speed Limiting Devices, GSM/ GPRS/ GPS Based Communication, Controlling & Vehicle Tracking Devices. Marketing & Sales of Biometric, IOT Devices & Lithium Ion Battery Operated 2 Wheelers & 3 Wheeler Auto Rickshaws	TUV SUD South Asia Private Limited	99 100 19903	May 30, 2019	May 29, 2023

#### VII. Intellectual Property Related Approvals

The following trademark has been registered in the name our company:

Logo	Class	Trademark Type	Owner of Trademark	Application No.	Date of application	Valid Upto
	9*	Word Mark: CTPL	Containe Technologies Private Limited	1960623	May 04, 2010	May 04, 2030
	38#	Word Mark: TRANO – YOUR EYE WAY	Anand Kumar Seethala	3756258	February 17, 2018	February 17, 2028
	9	Device	Anand Kumar Seethala	3756257	February 17, 2018	February 17, 2028
	7	Device	Convertz Technologies (I) Pvt Ltd	2016372	August 31, 2010	Abandoned
	9	Device	Anandkumar Seethala	3756256	February 17, 2018	February 17, 2028
	9	Device	Containe Technologies Private Limited	1960624	May 04, 2010	May 04, 2020

\* The logo is registered by Containe Technologies Private Limited under Batteries, Electric, Invertors, Converters, Batteries for Lighting, Lamps, Optical Lamps, Optical Lamps, Light Dimmers (Regulators), Plugs, Sockets and other Contacts, Thermionic Lamps and Tubes, Distance Measuring Apparatus, Distance Recording Apparatus, Gauges, Parking, Parking Meters, Photovoltaic Cells, Scales Being Included in Class 9

# The logo is registered by Anand Kumar Seethala under Telecommunication Services; all Included in Class 38

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Issue

1. The Fresh Issue of Equity Shares in terms of this prospectus has been authorized by a resolution by the Board of Directors passed at their meeting held on 4<sup>th</sup> July, 2022 under Section 62(1)(c) of the Companies Act 2013 and subject to the approval of the members and such other authorities as may be necessary.
2. The Fresh Issue of Equity Shares in terms of this prospectus has been authorized by the shareholders by special resolution at the Extra Ordinary General Meeting held on 6<sup>th</sup> July, 2022 under Section 62(1)(c) and other applicable provisions of the Companies Act 2013.
3. Our Company has received In-principal approval from BSE vide their letter dated September 09, 2022 to use the name of BSE in this prospectus for listing of the Equity Shares on SME Platform of BSE Limited. BSE Limited is the Designated Stock Exchange.
4. Our Board has approved the Prospectus through its resolution dated September 14, 2022.

### Confirmation:

- Our Company, our Promoters, Promoter Group, our directors, person(s) in control of the promoter or our Company have not been prohibited from accessing the capital market or debarred from buying, selling or dealing in securities under any order or direction passed by the SEBI or any securities market regulator in any other jurisdiction or any other authority/court.
- Our Company, our Promoters, Promoters' Group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018.
- None of our Directors are in any manner 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 promoters or directors.
- None of the Directors are associated with any entities, which are engaged in securities market related business and are registered with SEBI for the same.
- There are no violations of securities laws committed by any of them in the past or pending against them, nor have any companies with which any of our Company, our Promoter, Directors, persons in control of our Company or any natural person behind the Promoter are or were associated as a promoter, director or person in control, been debarred or prohibited from accessing the capital markets under any order or direction passed by the SEBI or any other regulatory or government authority.
- Neither our Company, nor our Promoters, 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 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 Section titled, "**Outstanding Litigations and Material Developments**" beginning on page no. 162 of this prospectus.
- Our Company is an "**Unlisted Issuer**" in terms of the SEBI (ICDR) Regulations; and this Issue is an "**Initial Public Issue**" in terms of the SEBI (ICDR) Regulations.

### Eligibility for the Issue

- Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:
  - Neither our company, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.
  - Neither our promoters, nor any directors of our company is a promoter or director of any other company which is debarred from accessing the capital market by the Board
  - 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 Fraudulent Borrowers.
- Our Company is eligible for the Issue in accordance with Regulation 229(1) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital will not be more than 10 crores, and can issue Equity Shares to the public and propose to list the same on the **SME Platform of BSE Limited**.

**We further confirm that:**

- i. In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this issue is 100% underwritten and that the Lead Manager to the Issue shall underwrite minimum 15% of the Total Issue Size.
- ii. 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.
- iii. 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 SME Platform of BSE Limited.

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.

- iv. In accordance with Regulation 261 of the SEBI (ICDR) Regulations, we hereby confirm that we have entered into an agreement dated August 18, 2022 with the Lead Manager and a Market Maker to ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of Equity Shares on the SME Platform of BSE Limited.

**In terms of Regulation 229(3) of the SEBI (ICDR) Regulations, 2018, We confirm that we have fulfilled eligibility criteria for SME Platform of BSE Limited, which are as under:****❖ Incorporation: The Company shall be incorporated under the Companies Act, 1956/2013.**

Our Company is incorporated under the Companies Act, 1956 in India.

**❖ Post Issue Paid up Capital: The post issue paid up capital of the company (face value) shall not be more than Rs. 25 crores.**

The post issue paid up capital (Face Value) of the company will be ₹ 6.24 crores. So, the company has fulfilled the criteria of post issue paid up capital shall not be more than ₹ 25 crores.

**❖ Net-worth: Positive Net-worth.**

As per restated financial statement, the net-worth of the company is ₹ 473.87 Lakhs as on March 31, 2022. Our company has positive net-worth. So, the company has fulfilled the criteria of positive net-worth of the company.

**❖ Tangible Asset: Net Tangible Assets should be minimum ₹ 1.50 Crore**

As per restated financial statement, the net tangible assets of the company are ₹ 4.74 crores as on March 31, 2022. So, the company has fulfilled the criteria of minimum net tangible assets shall not be less ₹ 1.50 crores.

**❖ Track Record: The company or the partnership/proprietorship/LLP Firm or the firm which have been converted into the company should have combined track record of at least 3 years**

Our company was incorporated on September 16, 2008 and having track record of more than 3 years.

- ❖ *The company should have Positive cash accruals (earnings before depreciation and tax) in any of the years out of last three years:*

Our company is having positive cash accruals in last 2 financial years, details are mentioned as below

(Amt. in Lakhs.)

Particulars	F.Y. 2021-22	F.Y. 2020-21	F.Y. 2019-20
Total Turnover	206.98	60.43	292.29
Cash Accruals (Earnings Before Depreciation and Tax) as per restated financials	17.86	11.14	14.41

- ❖ *It is mandatory for a company to have a website.*

Our Company has a live and operational website i.e., [www.containe.in](http://www.containe.in)

- ❖ *It is mandatory for the company to facilitate trading in demat securities and enter into an agreement with both the depositories.*

Our Company shall mandatorily facilitate trading in demat securities and have entered into an agreement with both the depositories. Our Company has entered into an agreement for registration with the Central Depository Services Limited (CDSL) dated 14<sup>th</sup> June, 2022 and National Securities Depository Limited dated 21<sup>st</sup> June, 2022 for establishing connectivity.

- ❖ *There should not be any change in the promoters of the company in preceding one year from date of filing the application to BSE for listing under SME segment.*

There has been no change in the promoter(s) of our Company in the preceding one year from date of filing application to BSE for listing on BSE SME.

- ❖ Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- ❖ There is no winding up petition against our Company, which has been admitted by the Court or a liquidator has not been appointed.
- ❖ No material regulatory or disciplinary action by a stock exchange or regulatory authority in the past three years against the applicant company.

*We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.*

#### DISCLAIMER CLAUSE OF 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 SEPTEMBER 14, 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.**

***THE DUE DILIGENCE CERTIFICATE TO BE SUBMITTED AS PER FORM A OF SCHEDULE V INCLUDING ADDITIONAL CONFIRMATION AS PROVIDED IN FORM G OF SCHEDULE V IS PRODUCED AS UNDER:***

**WE, THE LEAD MERCHANT BANKER TO THE ABOVE-MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:**

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL WHILE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
  - A. THE PROSPECTUS FILED WITH THE EXCHANGE/BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;
  - B. ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS SPECIFIED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
  - C. THE MATERIAL DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.
5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH THE BOARD/EXCHANGE TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.
6. WE CERTIFY THAT ALL APPLICABLE PROVISION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.
7. WE UNDERTAKE THAT ALL APPLICABLE PROVISION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 WHICH RELATE TO RECEIPT OF PROMOTERS CONTRIBUTION PRIOR TO OPENING OF THE ISSUE SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS'

CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD/EXCHANGE. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – **NOT APPLICABLE**

8. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGE MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – **NOTED FOR COMPLIANCE**
9. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
10. WE CERTIFY THAT ALL THE SHARES SHALL BE ISSUED IN DEMATERIALIZED FORM IN COMPLIANCE WITH THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 AND THE DEPOSITORIES ACT, 1996, AND THE REGULATIONS MADE THEREUNDER.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL-INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:
  - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
  - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.
14. WE ENCLOSE A NOTE EXPLAINING THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US INCLUDING IN RELATION TO THE BUSINESS OF THE ISSUER, THE RISK IN RELATION TO THE BUSINESS, EXPERIENCE OF THE PROMOTERS AND THAT THE RELATED PARTY TRANSACTION ENTERED INTO FOR THE PERIOD DISCLOSED IN THE PROSPECTUS HAVE BEEN ENTERED INTO BY THE ISSUER IN ACCORDANCE WITH APPLICABLE LAWS.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015.

**ADDITIONAL CONFIRMATIONS/CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH ISSUE DOCUMENT REGARDING SME PLATFORM OF BSE LIMITED.**

- (1) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES ISSUED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
- (3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 - **NOTED FOR COMPLIANCE**.
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
- (5) THE ISSUER HAS REDRESSED AT LEAST NINETY-FIVE PER CENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF FILING OF THE OFFER DOCUMENT WITH THE REGISTRAR OF COMPANIES. - **NOT APPLICABLE**.
- (6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 261 AND 262 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE- **NOTED FOR COMPLIANCE**.

**DISCLAIMER FROM OUR COMPANY AND THE LEAD MANAGER**

Our Company and the Lead Manager accept no responsibility for statements made otherwise than those contained in this prospectus or in the advertisements or any other material issued by or at our Company's instance and that anyone placing reliance on any other source of information would be doing so at his or her own risk.

**CAUTION**

The LM accepts no responsibility, save to the limited extent as provided in the Issue Agreement entered between the LM (Finshore Management Services Limited) and our Company on July 25, 2022 and the Underwriting Agreement dated August 18, 2022 entered into between the Underwriters and our Company and the Market Making Agreement dated August 18, 2022 entered into among the Market Maker, LM and our Company.

All information shall be made available by our Company and the LM 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 LM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company, our Promoter Group, 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 Promoter Group, Group Entities, and our affiliates or associates, for which they have received and may in future receive compensation.

Note: Investors who apply in the Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriters 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 Underwriters 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, cooperative 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, VCFs, 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 Lakh and pension funds with a minimum corpus of ₹ 2,500.00 Lakh, 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. This prospectus does not, however, constitute an Issue to sell or an invitation to subscribe for Equity Shares Issued hereby in any jurisdiction other than India to any person to whom it is unlawful to make an Issue or invitation in such jurisdiction. Any person into whose possession this prospectus comes is required to inform himself 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 *Hyderabad, Telangana, 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. Accordingly, the Equity Shares represented hereby may not be Issued or sold, directly or indirectly, and this prospectus may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this 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.

### DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE LIMITED

As required, a copy of this Offer Document has been submitted to BSE Limited (hereinafter referred to as BSE).

**BSE Limited (“BSE”) has vide its letter dated September 09, 2022 given permission to “Containe Technologies Limited” to use its name in the offer document as the Stock Exchange on whose Small and Medium Enterprises platform (“SME platform”) the company’s securities are proposed to be listed. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this company. BSE does not in any manner: -**

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer documents; or**
- ii. warrant that this company’s securities will be listed on completion of Initial Public Offering or will continue to be listed on BSE; or**
- iii. take any responsibility for the financial or other soundness of this company, its promoters, its management or any scheme or project of this company.**
- iv. warrant, certify, or endorse the validity, correctness or reasonableness of the price at which the equity shares are offered by the company and investors are informed to take the decision to invest in the equity shares of the company only after making their own independent enquiries, investigation and analysis. The price at which the equity shares are offered by the company is determined by the company in consultation with the Merchant Banker(s) to the issue and the Exchange has no role to play in the same and it should not for any reason be deemed or construed that the contents of this offer document have been cleared or approved by BSE. Every person who desires to apply for or otherwise acquire any securities of this company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE 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 for any other reason whatsoever.**
- v. BSE does not in any manner be liable for any direct, indirect, consequential or other losses or damages including loss of profits incurred by any investor or any third party that may arise from any reliance on this offer document or for the reliability, accuracy, completeness, truthfulness or timeliness thereof.**
- vi. The company has chosen the SME platform on its own initiative and its own risk, and is responsible for complying with local laws, rules, regulations, and other statutory or regulatory requirements stipulated by BSE/other regulatory authority. Any use of the SME platform and the related services are subject to Indian laws and courts exclusively situated in Mumbai.**

### **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 Issued and sold outside the United States in compliance with Regulation S of the Securities Act and the applicable laws of the jurisdiction where those Issues 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 Applicants 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.

### **LISTING**

The Equity Shares of our Company are proposed to be listed on SME Platform of BSE Limited. Our Company has obtained In-principle approval from BSE by way of its letter dated September 09, 2022 for listing of equity shares on SME Platform of BSE Limited.

BSE 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 BSE, 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 SME Platform of BSE Limited mentioned above are taken within Six (6) Working Days of the Issue Closing Date.

### **FILING**

The draft prospectus is being filed with BSE Limited, at 20<sup>th</sup> Floor, P.J. Towers, Dalal Street, Fort, Mumbai-400001, Maharashtra

After getting in-principal approval from BSE, 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, Hyderabad, Telangana.

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.

### **IMPERSONATION**

Attention of the Applicants is specifically drawn to the provisions of 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 to action under Section 447 of the Companies, Act 2013.*

### **CONSENTS**

Consents in writing of (a) Our Directors, Our Promoters, Our Company Secretary & Compliance Officer, Chief Financial Officer, Our Statutory Auditor, Key Managerial Personnel, Our Peer Review Auditor, (b) Lead Manager, Registrar to the Issue,

Banker(s) to the Issue, Sponsor Bank, Legal Advisor to the Issue, Underwriter(s) to the Issue and Market Maker to the Issue to act in their respective capacities shall be obtained as required under Section 26 of the Companies Act, 2013 and shall be filed along with a copy of the prospectus with the RoC, as required under Sections 32 of the Companies Act, 2013 and such consents will 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. DHANUNJAYA & HARANATH**, Chartered Accountant, our Statutory Auditors of the Company has agreed to provide their written consent to the inclusion of their respective reports on “Statement of Tax Benefits” relating to the possible tax benefits and restated financial statements as included in this 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 this prospectus for filling with Roc.

#### **EXPERTS OPINION**

Except for the reports in the Section, “*Statement of Possible Tax Benefits*” and “*Financial Statement as Restated*” on page no 63 and page no 128 of this prospectus from the Peer Review Auditors and Statutory Auditor respectively; our Company has not obtained any expert opinions. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act 1933.

#### **PARTICULARS REGARDING PUBLIC OR RIGHTS ISSUES DURING THE LAST FIVE (5) YEARS**

Except as stated under Section titled “*Capital Structure*” beginning on page no. 46 of this prospectus our Company has not undertaken any previous public or rights issue. Further, we are an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, 2018, amended from time to time and the Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations, 2018, amended from time to time.

#### **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION ON PREVIOUS ISSUES IN LAST 5 YEARS**

Since this is the initial public Issuing of our Company’s Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing for or procuring or agreeing to procure subscription for any of the Equity Shares since our incorporation.

#### **PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED GROUP-COMPANIES / 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-A-VIS OBJECTS–PUBLIC/RIGHT ISSUE OF OUR COMPANY**

Except as stated under Section titled “*Capital Structure*” beginning on page 46 of this prospectus our Company has not undertaken any previous public or rights issue.

#### **PERFORMANCE VIS-A-VIS OBJECTS - LAST ISSUE OF LISTED SUBSIDIARIES/LISTED PROMOTERS**

We don’t have any listed company under the same management or any listed subsidiaries or any listed promoters as on date of this prospectus.

#### **OUTSTANDING DEBENTURES OR BOND ISSUES OR REDEEMABLE PREFERENCE SHARES OR ANY OTHER CONVERTIBLE INSTRUMENTS ISSUED BY OUR COMPANY**

Our Company does not have any outstanding debentures or bonds or Preference Redeemable Shares as on the date of filing this prospectus.

#### **OPTION TO SUBSCRIBE**

Equity Shares being issued through the prospectus can be applied for in dematerialized form only.

#### **STOCK MARKET DATA OF THE EQUITY SHARES**

This being an initial public Issue of the Equity Shares of our Company, the Equity Shares are not listed on any Stock Exchanges.

#### **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Company has appointed “**Cameo Corporate Services Limited**” as the Registrar to the Issue, to handle the investor grievances in co-ordination with the Compliance Officer of the Company.

The Agreement dated July 14, 2022 amongst the Registrar to the Issue and our Company provides for retention of records with the Registrar to the Issue for a period of at least three (3) year from the last date of dispatch of the letters of allotment, or demat credit or where refunds are being made electronically, giving of unblocking instructions to the clearing system, to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the bank branch or collection center where the application was submitted.

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 relevant Designated Branch or the collection center of the SCSBs where the Application Form was submitted by the ASBA Applicants in ASBA account or UPI ID linked bank account number in which the amount equivalent to the Bid Amount was blocked. Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

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 estimates that the average time required by our Company or the Registrar to the Issue for the redressal of routine investor grievances shall be fifteen (15) Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Mrs. Nikitha Sarda, Company Secretary, as the Compliance Officer to redress complaints, if any, of the investors participating in the Issue. Contact details for our Company Secretary and Compliance Officer are as follows:

#### **Nikitha Sarda**

*Company Secretary & Compliance Officer*

Containe Technologies Limited

H. No. 3-13-142/ 341P, 342, Gokul Nagar,

Marriguda, Mallapur, Secunderabad,

Hyderabad – 500076, Telangana, India

Tel No: +91 8143224767

Email: [cs@containe.in](mailto:cs@containe.in)

Website: [www.containe.in](http://www.containe.in)

Investors can contact the 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 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.

#### **DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT AS OUR COMPANY:**

We don't have any listed company under the same management or any listed subsidiaries or any listed promoters.

#### **EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI**

The Company has not sought for any exemptions from complying with any provisions of securities laws.

**PRICE INFORMATION OF LAST 10 (TEN) ISSUED 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	Timescan Logistics (India) Limited	4.81	51/-	12/01/2022	82.00	78.43 [-3.33]	79.90 [-2.95]	27.45 [-10.94]
2	Safa Systems & Technologies Ltd.	4.00	10/-	09/02/2022	16.55	7.00 [-5.13]	-5.80 [-6.83]	8.10 [-0.13]
3	Shigan Quantum Technologies Limited	22.70	50/-	11/03/2022	61.00	150.50 [6.94]	83.00 [-1.65]	117.80 [6.16]
4	Swaraj Suiting Limited	10.68	56/-	28/03/2022	56.00	32.14 [-0.12]	-16.88 [-8.84]	N. A.
5	Fone4 Communications (India) Limited	6.80	10/-	06/05/2022	10.00	-39.00 [1.70]	-43.90 [6.41]	N. A.
6	Scarnose International Limited	6.60	55/-	27/06/2022	55.50	-5.09 [3.96]	N. A.	N. A.
7	Healthy Life Agritec Limited	10.00	10/-	26/07/2022	8.90	-9.10 [6.91]	N. A.	N. A.
8	Agni Green Powers Limited	5.25	10/-	01/08/2022	25.00	216.50 [2.42]	N. A.	N. A.
9	Upsurge Seeds of Agriculture Limited	22.81	120/-	11/08/2022	140.00	180.30 [0.99]	N. A.	N. A.
10	Naturo Indiabull Limited	10.92	30/-	02/09/2022	25.00	N. A.	N. A.	N. A.

Status as on 13-09-2022

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/Startups and Nifty where securities have been listed in NSE Emerge.
4. N.A. – Period not completed

**Summary statement of Disclosure:**

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	7	73.31	N. A.	1	1	3	1	1	1	1	N. A.	2	1	1
2022-23	6	62.38	N. A.	1	2	2	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.

Status as on 13-09-2022

**TRACK RECORD OF PASGENERAT 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 XI: ISSUE INFORMATION

### TERMS OF THE ISSUE

*The Equity Shares being Issued are subject to the provisions of the Companies Act, SCRA, SCRR, SEBI (ICDR) Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this prospectus, the 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 SEBI (ICDR), 2018 read with SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all the investors 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 investor.*

#### AUTHORITY FOR THE PRESENT ISSUE

This Issue has been authorized by a resolution of the Board passed at their meeting held on 04<sup>th</sup> July, 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 Extra Ordinary General Meeting held on 06<sup>th</sup> July, 2022.

#### RANKING OF EQUITY SHARES

The Equity Shares being Issued shall be subject to the provisions of the Companies Act, 2013 and our Memorandum and Articles of Association 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, “*Description of Equity Shares and Terms of the Articles of Association*”, beginning on page 207 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 Articles of Association of our Company, the provisions of the SEBI 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, for further details in relation to dividends, please refer to Sections titled, “*Dividend Policy*” and “*Description of Equity Shares and Terms of the Articles of Association*”, beginning on page 127 and 207 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 ₹15/- 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 61 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 SEBI (ICDR) Regulations as amended time to time. 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 Articles of Association of our Company, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & 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;
- Right to receive Issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; subject to any statutory and other preferential claims being satisfied;
- Right of free transferability of the Equity Shares, subject to applicable law, including any RBI Rules and Regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the previous Companies Act, 1956 and Companies Act, 2013, as may be applicable, terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For further details on the main provision of our Company's Articles of Association dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/or consolidation/splitting, etc., please refer to Section titled, "**Description of Equity Shares and Terms of the Articles of Association**", beginning on page 207 of this prospectus.

## MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issuer:

1. Tripartite agreement dated 21-06-2022 between our Company, NSDL and the Registrar to the Issue.
2. Tripartite agreement dated 14-06-2022 between our Company, CDSL and the Registrar to the Issue

The trading of the Equity Shares will happen in the minimum contract size of 8,000 Equity Shares and the same may be modified by the SME Platform of BSE Limited 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 8,000 Equity Shares subject to a minimum allotment of 8,000 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 SEBI 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 within 4 working days of closure of issue.

## JOINT HOLDERS

Where two (2) 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 sole or first 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, 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, the Board 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 ninety (90) days, the Board 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 investors require changing the nomination, they are requested to inform their respective depository participant.

#### PERIOD OF SUBSCRIPTION LIST OF PUBLIC ISSUE

<b>ISSUE OPENS ON</b>	September 20, 2022
<b>ISSUE CLOSES ON</b>	September 22, 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).*

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 Applicants on Issue Closing Date maybe extended in consultation with the LM, RTA and SME Platform of BSE Limited 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 issues, 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 LM is liable for any failure in uploading the Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI 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 Applicants can revise or withdraw their Application Forms prior to the Issue Closing Date. Allocation to Retail Individual Applicants, 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 BSE SME 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

In accordance with Regulation 260(1) of SEBI (ICDR) Regulations, this Issue is 100% underwritten, so this issue is not restricted to any minimum subscription level.

As per section 39 of the new Companies Act, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of thirty (30) days from the date of issue of prospectus, the application money has to be returned within such period as may be prescribed.

If our Company does not receive the subscription of 100% of the Issue through this Issue Document including devolvement of Underwriters, our Company shall forthwith unblock the entire subscription amount received. If there is a delay beyond eight (8) days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under section 73 of the Companies Act, 2013 and applicable law.

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 8,000 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 SEBI 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 SME Platform of BSE Limited.

#### **APPLICATION BY ELIGIBLE NRI'S, FPI'S/FII'S REGISTERED WITH SEBI, VCF'S REGISTERED WITH SEBI AND QFIs**

It is to be understood that there is no reservation for Eligible NRIs or FPIs/FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FIIs 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 OF 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.

#### **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 Promoter minimum contribution in the Issue as detailed in the Section titled "*Capital Structure*" beginning on page 46 of this prospectus, and except as provided in the Articles of Association 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, "*Description of Equity Shares and Terms of the Articles of Association*", beginning on page 207 of this prospectus.

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 LM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the LM are not liable to inform the investors of any amendments or modifications 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 Applied for do not exceed the applicable limits under laws or regulations.

**OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM**

As per Section 29 of the Companies Act, 2013 and in accordance with SEBI (ICDR) Regulations, every company making public Issue shall issue securities only in dematerialized form only. Hence, the Equity Shares being Issued can be applied for in the dematerialized form only. Further, it has been decided by the SEBI that trading in securities of companies making an initial public Issue shall be in dematerialized form only. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Platform of BSE Limited.

**MIGRATION TO MAIN BOARD**

As per the provisions of the Chapter IX of the SEBI ICDR Regulations, the migration to the Main board of BSE from the SME Platform of BSE Limited on a later date shall be subject to the following:

- If the Paid up Capital of our 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 our Company has obtained in-principal approval from the main board), we shall have to apply to BSE 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 crore but below ₹25 crore, 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 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.

**MARKET MAKING**

The Equity Shares offered through this Issue are proposed to be listed on the SME Platform of BSE Limited, wherein Nikunj Stock Brokers Limited is the Market Maker to this Issue shall ensure compulsory Market Making through the registered Market Makers of the BSE SME for a minimum period of three (3) years from the date of listing on the SME Platform of BSE Limited. For further details of the agreement entered into between our Company, the Lead Manager and the Market Maker please refer to Section titled, ***“General Information- Details of the Market Making Arrangements for this Issue”*** 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.

**JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in ***Hyderabad, Telangana, India.***

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 to, or for the account or benefit of “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from or in a transaction not subject to, registration requirements of the U.S. Securities Act and applicable U.S. state Securities laws. Accordingly, the Equity Shares are only being Issued or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those Issues 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.

## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 229(1) of Chapter IX of the SEBI (ICDR) Regulations 2018, whereby, an issuer whose post issue face value capital is less than ten crore rupees, issue shares to the public and propose to list the same on the SME platform of BSE Limited. For further details regarding the salient features and terms of such this Issue, please refer to Sections titled “*Terms of the Issue*” and “*Issue Procedure*” beginning on pages 180 and 187, respectively, of this prospectus.

The present Issue of 17,44,000 Equity Shares at an issue price of ₹15/- each aggregating to ₹261.60 Lakhs by our Company. The Issue and the Net Issue will constitute 27.93% and 26.52%, respectively of the post issue paid up equity share capital of the Issuer Company.

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
<b>Number of Equity Shares</b>	16,56,000 Equity Shares	88,000 Equity Shares
<b>Percentage of Issue Size available for allocation</b>	94.95% of the Issue Size	5.05% of the Issue Size
<b>Basis of Allotment/Allocation if respective category is oversubscribed</b>	Proportionate subject to minimum allotment of Equity Shares and further allotment in multiples of 8,000 Equity Shares each.  For further details please refer to “ <i>Basis of Allotment</i> ” under Section titled “ <i>Issue Procedure</i> ” beginning on page 187 of this prospectus.	Firm Allotment
<b>Mode of Application</b>	Through ASBA Process or up to Rs. 5.00 lakhs through UPI for Individual Investors	Through ASBA Process Only
<b>Mode of Allotment</b>	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
<b>Minimum Application Size</b>	<b>For Other than Retail Individual Investors:</b> 16,000 Equity Shares at Issue price of ₹15/- each so that the Application Value exceeds ₹ 2,00,000.  <b>For Retail Individuals:</b> 8,000 Equity Shares at Issue price of ₹15/- each.	88,000 Equity Shares @ ₹15/- each
<b>Maximum Application Size</b>	<b>For Other than Retail Individual Investors:</b> 16,56,000 Equity Shares at Issue price of ₹15/- each. (The 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>For Retail Individuals Investors:</b> 8,000 Equity Shares at Issue price of ₹15/- each.	88,000 Equity Shares @ ₹15/- each
<b>Trading Lot</b>	8,000 Equity Shares	8000 Equity Shares. However, the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2018.
<b>Terms of Payment</b>	<b>100% at the time of application</b>	<b>100% at the time of application</b>

This Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations. For further details please refer to section titled “*Issue Structure*” beginning on page 185 of this Prospectus.

\*Since present issue is a fixed price issue, the allocation in the net offer to the public category in terms of Regulation 253 (2) of the SEBI (ICDR) Regulations, 2018 shall be made as follows:

Minimum fifty per cent to retail individual investors; and

- a) Remaining to: (i) individual applicants other than retail individual investors; and (ii) 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 Offer to Public, please refer to chapter titled “*The Issue*” on page no. 35 of this Prospectus.

#### 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.

In case, our Company wishes to withdraw the Issue after Issue Opening but before allotment, our Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two (2) widely circulated national newspapers (one each in English and Hindi) and one (1) in regional newspaper where the registered office of the Company is situated.

The Lead Manager, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) Working Day from the day of receipt of such instruction. 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. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public Issuing of Equity Shares, our Company will file a fresh Issue document 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.

#### ISSUE PROGRAMME

Issue Opening Date	September 20, 2022
Issue Closing Date	September 22, 2022
Finalisation of Basis of Allotment with BSE SME	September 27, 2022
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	September 28, 2022
Credit of Equity Shares to demat accounts of the Allottees	September 29, 2022
Commencement of trading of the Equity Shares on BSE SME	September 30, 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 SME Platform of BSE Limited 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 BSE. The Commencement of the trading of Equity shares will be entirely at the discretion of the BSE SME 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. On the Issue Closing Date when applications will be accepted only between 10:00 a.m. to 4:00 p.m. (Indian Standard Time).

Due to limitation of time available for uploading the application on the Issue Closing Date, Applicants are advised to submit their applications one day prior to the Issue Closing Date and, in any case, not later than 1:00 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 applications are received on the Issue Closing Date, as is typically experienced in public Issues, some applications may not get uploaded due to lack of sufficient time. Such applications 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 holiday)

## ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/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 SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Application Form. The General Information Document is available on the websites of the Stock Exchanges and the Lead Managers. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue especially in relation to the process for Bids by Retail Individual Investors 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 Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Issue; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) payment instructions for ASBA Bidders; (v) issuance of Confirmation of Allocation Note (“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 bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (xi) applicable provisions of Companies Act relating to punishment for fictitious applications; (xii) mode of making refunds; and (xiii) interest in case of delay in Allotment or refund.

SEBI vide 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, 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 Retail Individual Investors 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 Bids by Retail Individual Investors 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 Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later (“**UPI Phase II**”). However, given the prevailing uncertainty due to the COVID-19 pandemic, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, has decided to **continue with the UPI Phase II till further notice**. The final reduced timeline will be made effective using the UPI Mechanism for applications by Retail Individual Investors (“**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 the SEBI from time to time.

SEBI vide Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, which came into effect from May 01, 2021 had put in place measures to have a uniform policy to further streamline the processing of ASBA applications through UPI process among intermediaries/SCSBs and also provided a mechanism of compensation to investors.

However, in view of the representations received from stakeholders, SEBI vide Circular no: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 02, 2021 given some relaxation for the implementation timelines for the provisions of “the circular” which are 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.

***SEBI vide Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 05, 2022, which came into force for public issue opening on or after May 01, 2022 has decided that all Individual Investors applying in Public Issues where the application amount is upto Rs. 5 Lakhs shall use UPI.***

***Further, as per SEBI circular no SEBI/HO/CFD/DIL2/CIR/P/2022/75 dated May 30, 2022. All ASBA applications in Public Issues shall be processed only after the application money is blocked in the investor's bank accounts. The provisions of the circular shall be for all issues opening from 01 September, 2022 onwards.***

*In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding 4 (four) Working Days from the Issue Closing Date, the Applicant shall be compensated at a uniform rate of Rs.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 the LM do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Prospectus. Further, our 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 (UPI)***

SEBI has issued the various UPI Circulars in relation to streamlining the process of public issue of inter alia, equity shares. 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 ASBA) for applications by Retail Individual Investors through Designated 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 Circulars have introduced the UPI 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 was later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Investor had the option to submit the ASBA Form with any of the Designated 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. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 had extended the timeline for implementation of UPI Phase II till March 31, 2020. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020 dated March 30, 2020 decided to continue Phase II of UPI with ASBA until further notice. Under this phase, submission of the ASBA Form by Retail Individual Investors through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI Mechanism. However, the time duration from public issue closure to listing would continue 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. For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the Managers.

## FIXED PRICE ISSUE PROCEDURE

The Issue is being made in compliance with the provisions of Chapter IX of the SEBI ICDR Regulations, 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 is being offered to Other Investors including QIBs and Non-Institutional Applicants. However, in case of under-subscription in either category, unsubscribed portion shall be allocated to investors in other category subject to valid Applications being received from them at the Issue Price.

Subject to the valid Applications being received at the Issue Price, allotment to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Individual Investors Category where Allotment to each Retail Individual Applicants shall not be less than the minimum lot, subject to availability of Equity Shares in Retail Individual Investors Category, 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.

**The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges. Investors should note that the Equity Shares will be Allotted to all successful Applicants only in dematerialised form. It is mandatory to furnish the details of Applicant's depository account along with Application Form. The Application Forms which do not have the details of the Applicants' depository account, including the DP ID Numbers and the beneficiary account number shall be treated as incomplete and rejected. Application Forms which do not have the details of the Applicants' PAN, (other than Applications made on behalf of the Central and the State Governments, residents of the state of Sikkim and official appointed by the courts) shall be treated as incomplete and are liable to be rejected. Applicants will not have the option of being Allotted Equity Shares in physical form.**

## APPLICATION FORM

Copies of Application Forms and Abridged Prospectus will be available with the Syndicate/sub-Syndicate members, SCSBs and at our Registered Office. In addition, an electronic copy of the Application Forms and Abridged Prospectus will also be available for download on the website of the Company, Lead Manager and Stock Exchange, BSE ([www.bseindia.com](http://www.bseindia.com)), at least one day prior to the Issue Opening Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. The Retail Individual Investors can additionally Bid through the UPI Mechanism.

All ASBA Bidders must provide either, (i) bank account details and authorizations to block funds in the ASBA Form; or (ii) the UPI ID (in case of Retail Individual Investors), as applicable, in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected. Applications made by the Retail Individual Investors using third party bank account or using third party linked bank account UPI ID are liable for rejection. Retail Individual Investors bidding using the UPI Mechanism must provide the valid UPI ID in the relevant space provided in the Application Form and the Application Form that does not contain the UPI ID are liable to be rejected.

Applicants shall ensure that the Applications are made on Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs or Registrars to an Issue and Share Transfer Agents or Depository Participants, as the case may be, 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 applying in this issue is as follows:

Category	Colour
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA)**	White*
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)**	Blue*

\* Excluding electronic Application Form.

\*\* Application forms will also be available on the website of the BSE ([www.bseindia.com](http://www.bseindia.com)). Same Application Form applies to all ASBA Applicants/ Retail Individual Applicants applying through UPI mechanism, irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, to Registrars to an Issue and Share Transfer Agents, Depository Participants or to the Syndicate (in Specified Cities).

In case of ASBA Forms, Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges.

Subsequently, for ASBA Forms (other than Retail Individual Investors using UPI Mechanism), Designated Intermediaries (other than SCSBs) shall submit / deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank. Stock Exchanges 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 Exchanges. Stock Exchanges shall allow modification of either DP ID/Client ID or PAN ID, bank code and location code in the Bid details already uploaded.

For Retail Individual Investors using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis through API integration to enable the Sponsor Bank to initiate UPI Mandate Request to Retail Individual Investors for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to Retail Individual Investors, 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 Exchanges bidding platform, and the liability to compensate Retail Individual Investors (Bidding through UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the issuer bank) 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 issuer bank. The Sponsor Banks and the Bankers to the Issue shall provide the audit trail to the LM for analysing the same and fixing liability.

The Sponsor Bank will undertake a reconciliation of Bid responses received from Stock Exchanges and sent to NPCI and will also ensure that all the responses received from NPCI are sent to the Stock Exchanges platform with detailed error code and description, if any. Further, the Sponsor Bank will undertake reconciliation of all Bid requests and responses throughout their lifecycle on daily basis and share reports with the LM in the format and within the timelines as specified under the UPI Circulars. Sponsor Bank and issuer banks shall download UPI settlement files and raw data files from the NPCI portal after every settlement cycle and do a three-way reconciliation with UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

#### 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:

- i. 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);
- ii. Applications belonging to an account for the benefit of a minor (under guardianship);
- iii. 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;
- iv. Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- v. QIBs;
- vi. NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;

- vii. Qualified Foreign Investors subject to applicable law;
- viii. Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations and other laws, as applicable);
- ix. 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;
- x. Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- xi. Insurance companies registered with IRDAI;
- xii. Mutual Funds registered with SEBI;
- xiii. FPIs other than Category III Foreign Portfolio Investor;
- xiv. Category III Foreign Portfolio Investors, which are foreign corporates or foreign individuals only under the Other Investors Category;
- xv. Scientific and/ or industrial research organizations authorised in India to invest in the Equity Shares; and
- xvi. 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:**

- i. Minors (except through their Guardians)
- ii. Partnership firms
- iii. Foreign Nationals (except NRIs)
- iv. 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 8,000 Equity Shares and in multiples of 8,000 Equity Shares thereafter, so as to ensure that the Application Price payable by the Applicant does not exceed Rs 200,000. 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 8,000 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 8,000 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: 8,000 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 8,000 Equity Shares the allotment will be made as follows:
  - i. Each successful applicant shall be allotted 8,000 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 8,000 Equity Shares, the applicant would be allotted Shares by rounding off to the lower nearest multiple of 8,000 Equity Shares subject to a minimum allotment of 4,000 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 8,000 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, up to 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 LM AND THE SYNDICATE MEMBERS**

The LM, Market Maker and the Underwriter, if any shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting and market making obligations. However, associates/affiliates of the LM and Syndicate Members, if any may subscribe for Equity Shares in the Issue, either in the QIB Category or in the Non- Institutional Category as may be applicable to the Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

## **APPLICATION BY MUTUAL FUNDS**

As per the current regulations, the following restrictions are applicable for investments by Mutual fund:

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.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Applications in respect of more than one scheme of the Mutual Fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Application made by Asset Management Companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

## **APPLICATIONS BY ELIGIBLE NRIS**

Only Applications accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs intending to make payment through freely convertible foreign exchange and Applying on a repatriation basis could make payments through the ASBA process only by blocking the funds for the amount payable on application in their NRE Account or FCNR Accounts, maintained with banks authorised by the RBI to deal in foreign exchange.

Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents, accompanied by a bank certificate confirming that the payment has been made by blocking the relevant funds in their NRE or FCNR account, as the case may be. Payment for Application by non-resident Applicants applying on a repatriation basis will not be accepted out of NRO accounts for the full Application amount, at the time of submission of the Application Form.

Eligible NRIs applying on non-repatriation basis are advised to use the Application Form for residents (white in colour). Eligible NRIs applying on a repatriation basis are advised to use the Application Form meant for Non-Residents (blue in colour).

## **APPLICATIONS BY HUF**

Application by Hindu Undivided Families or HUFs should be 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 by individuals.

## **APPLICATIONS BY FPI'S**

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) is not permitted to exceed 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to the RBI.

In case the total holding of an FPI increases beyond 10% of the total paid-up Equity Share capital of our Company, 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.

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 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue 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 that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority. In case of Applications made by FPIs, a verified true copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached along with the Application form, failing which our Company reserves the right to reject the Application without assigning any reasons thereof.

#### **APPLICATIONS BY BANKING COMPANIES**

In case of Applications made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the 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 reserves the right to reject any Application by a banking company without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, 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 bank's 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 bank's interest on loans/investments made to a company. The bank is required to submit a timebound action plan for disposal of such shares within a specified period to the RBI. A banking company would require a prior approval of the RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and (ii) 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.

#### **APPLICATIONS BY SCSB'S**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. 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 ASBA applications.

#### **APPLICATIONS BY SEBI REGISTERED VENTURE CAPITAL FUNDS, ALTERNATIVE INVESTMENT FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS**

The SEBI VCF Regulations and the SEBI FVCI Regulations, as amended, inter alia prescribe the investment restrictions on VCFs and FVCIs, respectively, registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs.

Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only upto 33.33% of the investible funds in various prescribed instruments, including in public offerings.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus 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 its corpus 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 Regulations.

All Non-Resident Applicants including Eligible NRIs, FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and /or commission. There is no reservation for Eligible NRIs, FIIs and FVCIs and all Applicants will be treated on the same basis with other categories for the purpose of allocation.

Further, according to the SEBI Regulations, the shareholding of VCFs, category I or II AIFs and FVCIs held in a company prior to making an initial public offering would be exempt from lock-in requirements only if the shares have been held by them for at least one year prior to the time of filing the prospectus with SEBI. However, such equity shares shall be locked in for a period of at least one year from the date of purchase by the VCF, category I or II AIF or FVCI, as the case may.

#### **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 this, our Company reserves the right to reject any Application without assigning any reason thereof.

#### **APPLICATIONS BY INSURANCE COMPANIES**

In case of Applications made by Insurance Companies, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2016 (the "IRDAI Investment Regulations") are broadly set forth below:

- a) Equity shares of a company: the lower of 10% of the outstanding Equity Shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or 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 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 belong to not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, 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) and (iii) above, as the case may be.

The above limit of 10.00% shall stand substituted as 15.00% of outstanding equity shares (face value) for insurance companies with investment assets of ₹2,500,000 million or more and 12.00% of outstanding equity shares (face value) for insurers with investment assets of ₹500,000.00 million or more but less than ₹2,500,000.00 million.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

#### **APPLICATIONS BY PROVIDENT FUNDS/ PENSION FUNDS**

In case of Applications made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, 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, our Company reserves the right to reject any Application, without assigning any reason thereof.

## APPLICATIONS UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Mutual Funds, Eligible FPIs, insurance companies Systemically Important Non-Banking Financial Companies, insurance funds set up by the army, navy or air force of the 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 and pension funds with a minimum corpus of ₹ 250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), 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 reserves the right to accept or reject any such Application without assigning any reasons therefor.

## APPLICATIONS BY SYSTEMICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Application by Systemically Important Non-Banking Financial Companies, certified copy of a) the certificate of registration issued by RBI, b) certified copy of its latest audited financial statement on a standalone basis and a net worth certificate from its statutory auditor and c) such other approval as may be required by Systemically Important Non-Banking Financial Companies are required to be attached to the Application Form. Failing this, our Company reserves the right to accept or reject any such Application without assigning any reasons therefor. Systemically Important Non-Banking Financial Companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

*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 Applicants are advised to ensure that any single Application from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this 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 withdraw/ 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 ₹15/- 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 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:

Sl. No.	Details*
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 in 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 88,000 Equity Shares shall be reserved for Market Maker and 16,56,000 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 2013, our Company shall, after filing the prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper; (ii) Hindi National Newspaper and (iii) Regional Newspaper each with wide circulation where the registered office of the Company is situated.

#### **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	September 20, 2022
Issue Closing Date	September 22, 2022
Finalisation of Basis of Allotment with BSE SME	September 27, 2022
Initiation of Allotment / Refunds/ unblocking of ASBA Accounts	September 28, 2022
Credit of Equity Shares to demat accounts of the Allottees	September 29, 2022
Commencement of trading of the Equity Shares on BSE SE	September 30, 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 SME Platform of BSE Limited 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 BSE. The Commencement of the trading of Equity shares will be entirely at the discretion of the BSE SME 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 colour 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, Applicants 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 of BSE Limited 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 up to 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 up to 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 firm. However, a Limited Liability Partnership can apply in its own name.
- 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 8,000;
- 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 does 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 BSE.
- 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 August 18, 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 21-06-2022 between NSDL, the Company and the Registrar to the Issue;
- b) Agreement dated 14-06-2022 between CDSL, the Company and the Registrar to the Issue;

The Company's equity shares bear an ISIN No. "INE0M8901010".

**RESTRICTIONS OF FOREIGN OWNERSHIP OF INDIAN SECURITIES**

There are two routes through which foreign investors may invest in India. One is the “automatic route”, where no government approval is required under Indian foreign exchange laws to make an investment as long as it is within prescribed thresholds for the relevant sector. The other route is the “government route”, where an approval is required under foreign exchange laws from the relevant industry regulator, prior to the investment.

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, 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 Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment (“FDI”) and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion) (“DPIIT”), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the Consolidated FDI Policy Circular of 2020 (“FDI Policy”) by way of circular bearing number DPIIT file number 5(2)/2020-FDI Policy dated October 15, 2020, which with effect from October 15, 2020, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict between FEMA and such policy pronouncements, FEMA prevails.

RBI has also issued Master Direction- Foreign Investment in India dated January 4, 2018. In terms of the Master Direction, an Indian company may issue fresh shares to persons resident outside India (who are 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 RBI, in exercise of its power under the FEMA, has also notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017 to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (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 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 sale 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 above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to consult their legal counsel, to make their independent investigations and ensure that Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

## DESCRIPTION OF EQUITY SHARES AND TERMS OF THE ARTICLES OF ASSOCIATION

### THE COMPANIES ACT, 2013 COMPANY LIMITED BY SHARES ARTICLES OF ASSOCIATION OF CONTAINE TECHNOLOGIES LIMITED

#### INTERPRETATIONS

##### *Preliminary*

Subject as hereinafter provided the Regulations contained in Table 'F' in the Schedule I to the Companies Act, 2013 shall apply to the Company.

##### *Interpretation*

I. 1. In these regulations—

- (a) “The Act” means the Companies Act, 2013,
- (b) “The Year” means 1<sup>st</sup> April to 31<sup>st</sup> March respectively.

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.

##### **Public Company**

3. As per Section 2(71) of the Companies Act, 2013 “Public company” means a company which—

- a) Is not a Private Company

Provided that a Company which is a subsidiary of a Company, not being a Private Company, shall be deemed to be a Public Company for the purpose of this Act even where such Subsidiary Company continues to be a Private Company in its articles;

##### **Share capital and in variation of rights**

II. 1. Subject to the provisions of the Act and these Articles, the shares 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. Further provided that the option or right to call of shares shall not be given to any person except with the sanction of the Company in general meeting.

*\* Altered vide resolution passed at the Extra Ordinary General Meeting dated 15<sup>th</sup> March 2022.*

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) The Company agrees to issue certificate within fifteen days of the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;
  - (iii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
  - (iv) 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 ad equate, 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.
9. Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered in compliance with the relevant provisions of Companies Act, 2013 and any other applicable law

## 10. DEMATERIALISATION OF SHARES

- I. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its shares, debentures and other securities and to offer any shares, debentures or other securities proposed to be issued by it for subscription in a dematerialized form and on the same being done, the Company shall further be entitled to maintain a Register of Members/ Debenture holders/ other security holders with the details of members/debenture holders/ other securities both in materialized and dematerialized form in any medium as permitted by the Act.
- II. Every person subscribing to or holding securities of the Company shall have the option to receive security certificates or to hold the securities in electronic form with a Depository. If a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of the information, the Depository shall enter in its records the name of the allottee as the Beneficial Owner of the Security.
- III. Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears as the beneficial owner of the shares, debentures and other securities in the records of the Depository as the absolute owner

thereof as regards receipt of dividends or bonus on shares, interest/premium on debentures and other securities and repayment thereof or for service of notices and all or any other matters connected with the Company and accordingly the Company shall not (except as ordered by the Court of competent jurisdiction or as by law required and except as aforesaid) be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such shares, debentures or other securities as the case may be, on the part of any other person whether or not it shall have express or implied notice thereof.

- IV. In the case of transfer of shares, debentures or other securities where the Company has not issued any certificates and where such shares, debentures or other securities are being held in an electronic and fungible form, the provisions of the Depositories Act, shall apply.

Provided that in respect of the shares and securities held by the depository on behalf of a beneficial owner, provisions of Section 9 and any other applicable section as amended of the Depositories Act shall apply so far as applicable.

- V. Every Depository shall furnish to the Company, information about the transfer of securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws of the Depository and the Company in that behalf.
- VI. Except as specifically provided in these Articles, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held in electronic form so far as they apply to shares in physical form subject however to the provisions of the Depositories Act.

## Lien

11. (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.

Every fully paid shares shall be free from all lien and that in the case of partly paid shares the issuer's lien shall be restricted to moneys called or payable at fixed time in respect of such shares.

(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.

12. 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.

13. (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.

14. (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.

**Calls on shares**

15. (i) 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.

16. A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.

17. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

18. (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.

19. (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.

20. 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.

**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.
- (c) Provided however that the Company will not decline to register or acknowledge any transfer of shares on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever.
- (d) The common form of transfer shall be used by the Company.

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.

#### ***Transmission of shares***

25. (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.

26. (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.

27. (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 afore said as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

28. 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.

#### ***Forfeiture of shares***

29. If a member fails to pay any call, or installment of a call, on the day appointed for payment thereof, the Board may, at any time there after during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment of so much of the call or installment as is unpaid, together with any interest which may have accrued.

30. 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.

31. 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.

32. (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.
- 33.** (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.
- 34.** (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.
- (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.
- 35.** The provisions of these regulations as to forfeiture shall apply in the case of non-payment 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.

#### *Alteration of capital*

- 36.** 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.
- 37.** 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.
- 38.** 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.
  - (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.
- 39.** 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.

#### **Capitalization of Profit**

40. (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;
- (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

41. (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 capitalized 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 capitalization, 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 capitalized, 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) Capital 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.

#### **Buy-back of shares**

42. 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.

#### **General meetings**

43. All general meetings other than annual general meeting shall be called extra-ordinary general meeting.

44. (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.

#### **Proceedings at general meetings**

45. (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.

46. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.

47. 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.

48. 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.

#### ***Adjournment of meeting***

49. (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.

#### ***Voting rights***

50. 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.

51. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

52. (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.

53. 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.

54. Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

55. 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.

56. (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.

#### ***Proxy***

57. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized 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.

58. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
59. 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.

#### **Board of Directors**

60. 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.

The First Directors of the Company are:

- 1) **Seethala Anand Kumar**
- 2) **Botcha Bhavani**

61. (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.

62. The Board may pay all expenses incurred in getting up and registering the company.
63. 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.
64. 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.
65. 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.
66. (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.

#### **67. MANAGING DIRECTOR(S)/WHOLE TIME DIRECTOR(S)/KEY MANAGERIAL PERSONNEL**

The Managing Director or Whole Time Director shall be appointed in compliance with the Provisions of Companies Act, 2013 and any other applicable law in force.

#### **68. Powers and duties of Managing Director or whole-time Director**

The Managing Director/Whole-time Director shall be subject to the supervision, control and direction of the Board and subject to the provisions of the Act, exercise such powers as are exercisable under these presents by the Board of Directors, as they may think fit and confer such power for such time and to be exercised as they may think expedient and they may confer such power either collaterally with or to the exclusion of any such substitution for all or any of the powers of the Board of Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any such powers. The Managing Directors/whole time Directors may exercise all the powers entrusted to them by the Board of Directors in accordance with the Board's direction.

***Proceedings of the Board***

- 69.** (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.
- 70.** (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.
- 71.** 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.
- 72.** (i) The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office .
- (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 directors present may choose one of their number to be Chairperson of the meeting.
- 73.** (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
- 74.** (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.
- 75.** (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.
- 76.** 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.
- 77.** 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.

***Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer***

- 78.** Subject to the provisions of the Act,—
- a. 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;
  - b. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- 79.** 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.

***The Seal***

**80.** (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.

***Dividends and Reserve***

**81.** The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.

**82.** 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.

**83.** (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 equalising 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.

**84.** (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.

**85.** 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.

**86.** (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.

**87.** 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.

**88.** 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.

**89.** No dividend shall bear interest against the company.

Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law.

**Accounts**

**90.** (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.

**Winding up**

**91.** Subject to the provisions of Chapter XX of the Act and rules made thereunder—

- a. 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.
- b. 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.
- c. 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.

**Indemnity**

**92.** 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 XII: 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 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 have been attached to the copy of the prospectus delivered to the RoC for filing, and also the documents for inspection referred to hereunder, may be inspected at our Registered Office H. No. 3-13-142/ 341P, 342, Gokul Nagar Murriguda, Mallapur, Secunderabad, Hyderabad – 500076, Telangana, India, from 10.00 am to 5.00 pm on all Working Days from the date of prospectus until the Issue Closing Date.

#### A. Material Contracts to the Issue

1. Issue Agreement dated July 25, 2022 entered into among our Company and the Lead Manager.
2. Agreement dated July 14, 2022 entered into among our Company and the Registrar to the Issue.
3. Tripartite Agreement dated June 21, 2022 entered into among our Company, NSDL and the Registrar to the Issue.
4. Tripartite Agreement dated June 14, 2022 entered into among our Company, CDSL and the Registrar to the Issue.
5. Banker to the Issue Agreement August 18, 2022 among our Company, the Lead Manager, Banker to the Issue and the Registrar to the Issue.
6. Market Making Agreement dated August 18, 2022 between our Company, the Lead Manager and the Market Maker.
7. Underwriting Agreement dated August 18, 2022 between our Company and the Lead Manager.

#### B. Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company.
2. Certificate of Incorporations of our Company dated September 16, 2008 and March 21, 2022 issued by Registrar of Companies.
3. Resolution of the Board of Directors of our Company and Equity Shareholders of our Company dated July 04, 2022 and July 06, 2022 respectively, authorizing the Issue and other related matters.
4. Copies of Audited Financial Statements of our Company as at and for the financial year ended March 31, 2022, March 31, 2021 and March 31, 2020.
5. Peer Review Auditors Report dated July 15, 2022 on Restated Financial Statements of our Company as at and for the financial year ended March 31, 2022, March 31, 2021 and March 31, 2020.
6. Copy of Statement of tax benefits dated July 15, 2022 from the Statutory Auditor included in this prospectus.
7. Consents of Directors, Company Secretary & Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Review Auditor, Legal Advisor to the Issue, Banker to the Issue, Sponsor Bank, Lead Manager, Registrar to the Issue, Underwriter and Market Maker to include their names in the prospectus to act in their respective capacities.
8. In-principle listing approval dated September 09, 2022 from the BSE Limited for listing the Equity Shares on the SME Platform of BSE Limited.
9. Due Diligence certificate dated September 14, 2022 submitted to SEBI after filing the prospectus with RoC.

Any of the contracts or documents mentioned in this 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, without reference to the Shareholders subject to compliance with the provisions contained in the Companies Act and other relevant statutes.

<b>DECLARATION</b>
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We certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations or guidelines issued by the 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, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this prospectus are true and correct.

**SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:**

Name and Designation	Signature
<b>Mr. Anand Kumar Seethala</b> DIN: 01575973 Designation: <i>Managing Director</i>	Sd/-
<b>Mrs. Botcha Bhavani</b> DIN: 02299110 Designation: <i>Whole Time Director</i>	Sd/-
<b>Mrs. Botcha Vijaya Kumari</b> DIN: 9475695 Designation: <i>Non-executive Director</i>	Sd/-
<b>Mr. Sunmeet Singh</b> DIN: 09475107 Designation: <i>Independent Director</i>	Sd/-
<b>Mr. Madhi Doraiswamy</b> DIN: 09475483 Designation: <i>Independent Director</i>	Sd/-

<b>SIGNED BY THE COMPANY SECRETARY &amp; COMPLIANCE OFFICER</b>	<b>SIGNED BY THE CHIEF FINANCIAL OFFICER</b>
Sd/-	Sd/-
<b>Mrs. Nikitha Sarada</b>	<b>Mr. Vijay Kumar Jojoda</b>

**Dated:** September 14, 2022

**Place:** Hyderabad, Telangana.