



Syrma SGS Technology Limited (“Company” or “Issuer”) was incorporated as ‘Syrma Technology Private Limited’ pursuant to a certificate of incorporation dated August 23, 2004, issued by the Registrar of Companies, Maharashtra at Mumbai (“RoC”). Thereafter, pursuant to a resolution passed by our Shareholders in the extraordinary general meeting held on August 28, 2021, the name of our Company was changed from ‘Syrma Technology Private Limited’ to ‘Syrma SGS Technology Private Limited’, and consequently, a fresh certificate of incorporation dated September 14, 2021, was issued by the RoC to our Company. Thereafter, our Company was converted from a private limited company to a public limited company, pursuant to a resolution passed in the extraordinary general meeting of our Shareholders held on October 6, 2021, and the name of our Company was changed to Syрма SGS Technology Limited, and a fresh certificate of incorporation dated October 20, 2021, was issued to our Company by the RoC. For details of change in the name and registered office of our Company, see “History and Certain Corporate Matters” on page 207.

**Registered Office:** Unit No. 601, 6<sup>th</sup> Floor, Floral Deck Plaza, MIDC, Andheri (East), Mumbai, Maharashtra 400 093, India; **Telephone:** +91 22 40363000  
**Corporate Office:** Plot B27, Phase II, Zone B, MEPZ-SEZ, Sanatorium, Tambaram, Chennai, Tamil Nadu 600 045

**Contact Person:** Rahul N Sinnarkar, Company Secretary and Compliance Officer; **Telephone:** + 91 44 71728600; **E-mail:** compliance@syrmassgs.com  
**Website:** www.syrmassgs.com; **Corporate Identity Number:** U30007MH2004PLC148165

#### OUR PROMOTERS: SANDEEP TANDON, JASBIR SINGH GUJRAL, VEENA KUMARI TANDON AND TANCOM ELECTRONICS PRIVATE LIMITED

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (“EQUITY SHARES”) OF OUR COMPANY (“OUR COMPANY” OR THE “ISSUER”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE) (“OFFER PRICE”) AGGREGATING UP TO ₹ [●] MILLION. THE OFFER COMPRISES OF A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 9,260.00 MILLION (“FRESH ISSUE”) AND AN OFFER FOR SALE OF UP TO 3,369,360 EQUITY SHARES BY VEENA KUMARI TANDON (THE “SELLING SHAREHOLDER”, AND SUCH EQUITY SHARES, “OFFERED SHARES”) AGGREGATING UP TO ₹ [●] MILLION (“OFFER FOR SALE”, AND TOGETHER WITH THE FRESH ISSUE, “OFFER”). THE OFFER WILL CONSTITUTE [●]% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

OUR COMPANY, IN CONSULTATION WITH THE BRLMS, MAY CONSIDER A FURTHER ISSUE OF EQUITY SHARES THROUGH A RIGHTS ISSUE TO EXISTING SHAREHOLDERS, PRIVATE PLACEMENT, PREFERENTIAL OFFER OR ANY OTHER METHOD AS MAY BE PERMITTED UNDER APPLICABLE LAW TO ANY PERSON(S), AGGREGATING UP TO ₹ 1,800.00 MILLION, AT ITS DISCRETION, PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC (“PRE-IPO PLACEMENT”). IF THE PRE-IPO PLACEMENT IS COMPLETED, THE FRESH ISSUE SIZE WILL BE REDUCED TO THE EXTENT OF SUCH PRE-IPO PLACEMENT, SUBJECT TO THE OFFER COMPLYING WITH RULE 19(2)(B) OF THE SECURITIES CONTRACTS (REGULATION) RULES, 1957, AS AMENDED (“SCRR”).

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLMS AND WILL BE ADVERTISED IN [●] EDITIONS OF [●] (A WIDELY CIRCULATED ENGLISH NATIONAL DAILY NEWSPAPER), [●] EDITIONS OF [●] (A WIDELY CIRCULATED HINDI NATIONAL DAILY NEWSPAPER) AND [●] EDITION OF [●] (A WIDELY CIRCULATED MARATHI DAILY NEWSPAPER, MARATHI BEING THE REGIONAL LANGUAGE OF MUMBAI WHERE OUR REGISTERED OFFICE IS LOCATED), AT LEAST TWO WORKING DAYS PRIOR TO THE BID / OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED (“BSE”) AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSE”), TOGETHER WITH BSE, THE “STOCK EXCHANGES”) FOR UPLOADING ON THEIR RESPECTIVE WEBSITES IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE “SEBI ICDR REGULATIONS”).

In case of any revision in the Price Band, the Bid / Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid / Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of three Working Days, subject to the Bid / Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the website of the respective BRLMs and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank, as applicable.

This Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (“SCRR”) read with Regulation 31 of the SEBI ICDR Regulations. This Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers (“QIBs”) (the “QIB Portion”), provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders, other than Anchor Investors, are mandatorily required to participate in the Offer through the Application Supported by Blocked Amount (“ASBA”) process by providing details of their respective ASBA Account, (including UPI ID in case of Retail Individual Bidders), in which the corresponding Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable, to participate in the Offer. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA Process. For details, see “Offer Procedure” on page 629.

#### RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of the Equity Shares of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹ 10 each. The Offer Price and Price Band, as determined and justified by our Company in consultation with the Book Running Lead Managers and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, in accordance with the SEBI ICDR Regulations, and as stated in “Basis for the Offer Price” on page 120, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares nor 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 the 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 the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer 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 contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to “Risk Factors” on page 30.

#### ISSUER'S AND SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Offer, which is material in the context of the Offer, that the information contained in this Draft Red Herring 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 Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. The Selling Shareholder accepts responsibility for and confirms that the statements made or confirmed by them in this Draft Red Herring Prospectus to the extent of information specifically pertaining to them and the Equity Shares offered in the Offer for Sale and assume responsibility that such statements are true and correct in all material respects and not misleading in any material respect.

#### LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Company has received ‘in-principle’ approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●]. A signed copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Section 26(4) and Section 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus until the Bid / Offer Closing Date, see “Material Contracts and Documents for Inspection” on page 728.

#### BOOK RUNNING LEAD MANAGERS

#### REGISTRAR TO THE OFFER

<b>DAM Capital Advisors Limited</b> (Formerly IDFC Securities Limited) One BKC, Tower C, 15 <sup>th</sup> Floor, Unit No. 1511 Bandra Kurla Complex, Bandra (East) Mumbai 400051, Maharashtra, India <b>Telephone:</b> + 91 22 4202 2500 <b>Email:</b> syрма.ipo@damcapital.in <b>Investor grievance email:</b> complaint@damcapital.in <b>Website:</b> www.damcapital.in <b>Contact Person:</b> Gunjan Jain / Chandresh Sharma <b>SEBI Registration No:</b> MB/INM000011336	<b>ICICI Securities Limited</b> ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi Mumbai - 400025 Maharashtra, India <b>Tel:</b> +91 22 6807 7100 <b>E-mail:</b> syрма.ipo@icicisecurities.com <b>Investor grievance e-mail:</b> customercare@icicisecurities.com <b>Website:</b> www.icicisecurities.com <b>Contact Person:</b> Monank Mehta <b>SEBI Registration No.:</b> INM000011179	<b>IIFL Securities Limited</b> 10 <sup>th</sup> Floor, IIFL Centre Kamala City, Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013 Maharashtra, India <b>Telephone:</b> +91 22 4646 4600 <b>E-mail:</b> syrmassgs.ipo@iiflcap.com <b>Investor grievance e-mail:</b> ig.ib@iiflcap.com <b>Website:</b> www.iiflcap.com <b>Contact person:</b> Pinak Rudra Bhattacharyya <b>SEBI registration number:</b> INM000010940	<b>Link Intime India Private Limited</b> C 101, 247 Park L.B.S. Marg Vikhroli (West), Mumbai 400 083 Maharashtra, India <b>Telephone:</b> +91 22 4918 6200 <b>E-mail:</b> syрма.ipo@linkintime.co.in <b>Investor grievance e-mail:</b> syрма.ipo@linkintime.co.in <b>Website:</b> www.linkintime.co.in <b>Contact person:</b> Shanti Gopalkrishnan <b>SEBI registration number:</b> INR000004058

#### BID / OFFER PROGRAMME

<b>BID / OFFER OPENS ON</b>	[●]*
<b>BID / OFFER CLOSES ON</b>	[●]**

\* Our Company may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid / Offer Opening Date.

\*\*Our Company may, in consultation with the BRLMs, consider closing the Bid / Offer Period for QIBs one Working Day prior to the Bid / Offer Closing Date in accordance with the SEBI ICDR Regulations.

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## TABLE OF CONTENTS

<b>SECTION I - GENERAL .....</b>	<b>3</b>
DEFINITIONS AND ABBREVIATIONS.....	3
CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND MARKET DATA AND CURRENCY OF PRESENTATION .....	15
FORWARD-LOOKING STATEMENTS.....	19
<b>SECTION II - SUMMARY OF THE OFFER DOCUMENT .....</b>	<b>20</b>
<b>SECTION III - RISK FACTORS.....</b>	<b>30</b>
<b>SECTION IV – INTRODUCTION .....</b>	<b>64</b>
THE OFFER.....	64
SUMMARY FINANCIAL INFORMATION .....	65
GENERAL INFORMATION .....	73
CAPITAL STRUCTURE.....	82
<b>SECTION V – PARTICULARS OF THE OFFER.....</b>	<b>95</b>
OBJECTS OF THE OFFER .....	95
BASIS FOR THE OFFER PRICE.....	120
STATEMENT OF SPECIAL TAX BENEFITS .....	125
<b>SECTION VI - ABOUT OUR COMPANY .....</b>	<b>137</b>
INDUSTRY OVERVIEW .....	137
OUR BUSINESS.....	180
KEY REGULATIONS AND POLICIES .....	202
HISTORY AND CERTAIN CORPORATE MATTERS .....	207
OUR SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES .....	213
OUR MANAGEMENT.....	217
OUR PROMOTERS AND PROMOTER GROUP .....	234
GROUP COMPANIES .....	240
DIVIDEND POLICY .....	243
<b>SECTION VII – FINANCIAL INFORMATION .....</b>	<b>244</b>
RESTATEd FINANCIAL INFORMATION .....	244
PROFORMA FINANCIAL INFORMATION.....	409
OTHER FINANCIAL INFORMATION .....	552
CAPITALISATION STATEMENT .....	556
MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS.....	557
FINANCIAL INDEBTEDNESS.....	599
<b>SECTION VIII – LEGAL AND OTHER INFORMATION.....</b>	<b>601</b>
OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS .....	601
GOVERNMENT AND OTHER APPROVALS .....	605
OTHER REGULATORY AND STATUTORY DISCLOSURES .....	607
<b>SECTION IX - OFFER INFORMATION.....</b>	<b>620</b>
TERMS OF THE OFFER.....	620
OFFER STRUCTURE .....	624
OFFER PROCEDURE.....	629
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES .....	648
<b>SECTION X – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION .....</b>	<b>649</b>
<b>SECTION XI - OTHER INFORMATION .....</b>	<b>728</b>
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION .....	728
DECLARATION .....	731

## SECTION I - GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below, and references to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rule guidelines or policy as amended from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*The words and expressions used in this Draft Red Herring Prospectus but not defined herein, shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.*

*Notwithstanding the foregoing, terms in “Basis for the Offer Price”, “Statement of Special Tax Benefits”, “Industry Overview”, “Key Regulations and Policies”, “Restated Financial Information”, “Proforma Financial Information”, “Outstanding Litigation and Other Material Developments”, and “Main Provisions of the Articles of Association” on pages 120, 125, 137, 202, 244, 49, 601, and 649 will have the meaning ascribed to such terms in those respective sections.*

#### General terms

Term	Description
our Company / the Company / the Issuer	Syrma SGS Technology Limited, a public limited company incorporated under the Companies Act, 1956 and having its Registered Office at Unit No. 601, 6th Floor, Floral Deck Plaza, MIDC, Andheri (East), Mumbai, Maharashtra 400 093, India
we / us / our	Unless the context otherwise requires, our Company together with our Subsidiaries

#### Company-related terms

Term	Description
2021 SSPSA	Share sale and purchase and shareholders’ agreement dated September 16, 2021, entered into between SGS Tekniks Manufacturing Private Limited, Jasbir Singh Gujral, Sanjiv Narayan, Krishna Kumar Pant, Ranjeet Singh Lonial and our Company
AoA / Articles of Association / Articles	The articles of association of our Company, as amended
Audit Committee	Audit committee of our Company, described in “Our Management – Corporate Governance” on page 224
Auditors / Statutory Auditors	The statutory auditors of our Company, currently being Deloitte Haskins & Sells LLP , Chartered Accountants
B&M Project Report	The project report dated December 12, 2021 prepared by Rahul R Pujara & Associates in connection with the project proposed to be undertaken by our Company in Bawal and Manesar
Board / Board of Directors	The board of directors of our Company, as constituted from time to time or any duly constituted committee thereof
Chennai Project Report	The project report dated December 12, 2021 prepared by Rahul R Pujara & Associates in connection with the project proposed to be undertaken by our Company in Chennai
Chief Financial Officer / CFO	Chief financial officer of our Company, namely Bijay Kumar Agarwal. For details, see “Our Management – Key Managerial Personnel” on page 231
Company Secretary	Company secretary of our Company, namely Rahul N Sinnarkar. For details, see “Our Management – Key Managerial Personnel” on page 231
Compliance Officer	Compliance officer of our Company appointed in accordance with the requirements of the SEBI Listing Regulations and the SEBI ICDR Regulations, namely Rahul N Sinnarkar. For details, see “Our Management – Key Managerial Personnel” on page 231
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Company, described in “Our Management – Corporate Governance” on page 224
Corporate Office	The corporate office of our Company, situated at Plot B27, Phase II, Zone B, MEPZ-SEZ, Sanatorium, Tambaram, Chennai, Tamil Nadu 600 045, India
Director(s)	The director(s) on our Board
Equity Shares	The equity shares of our Company of face value of ₹ 10 each
Executive Chairman	Executive chairman of the board of directors of our Company
Executive Director(s)	Executive director(s) of our Company
F&S	Frost & Sullivan (India) Private Limited



Term	Description
F&S Report	Report titled “Assessment of electronics manufacturing services (EMS) industry in India” dated December 13, 2021 commissioned by our Company and issued by F&S
Group Companies	Our group companies, as disclosed in the section “Group Companies” on page 240
Hosur Project Report	The project report dated December 12, 2021 prepared by Rahul R Pujara & Associates in connection with the project proposed to be undertaken by our Company in Hosur
Hyderabad Project Report	The project report dated December 12, 2021 prepared by Rahul R Pujara & Associates in connection with the project proposed to be undertaken by our Company in Hyderabad
Independent Director(s)	Independent director(s) of our Company
IPO Committee	IPO committee of the board of directors of our Company, comprising Sandeep Tandon, Sridhar Narayan, Jayesh Doshi and Jasbir Singh Gujral
KMP / Key Managerial Personnel	Key managerial personnel of our Company in terms of Regulation 2(1) (bb) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as further described in “Our Management – Key Managerial Personnel” on page 231
Materiality Policy	The policy adopted by our Board on November 20, 2021 for identification of material (a) outstanding litigation proceedings; (b) group companies; and (c) creditors, pursuant to the requirements of the SEBI ICDR Regulations and for the purposes of disclosure in this Draft Red Herring Prospectus
Material Subsidiaries	Material subsidiaries of our Company, namely SGS Teknics Manufacturing Private Limited and Perfect ID India Private Limited
MoA / Memorandum of Association	The memorandum of association of our Company, as amended
Non-Executive Director(s)	A Director, not being an Executive Director or Independent Director
Nomination and Remuneration Committee	The nomination and remuneration committee of our Company, described in “Our Management – Corporate Governance” on page 224
Perfect ID	Our Subsidiary, Perfect ID India Private Limited
Proforma Condensed Combined Financial Information	The pro forma condensed combined financial information for illustrative purposes presented in “Financial Information – Proforma Financial Information” on page 409, prepared to demonstrate the effects of the acquisition of and SGS Teknics Manufacturing Private Limited and its subsidiaries (collectively, the “SGS Teknics Group”) and Perfect ID India Private Limited and its limited liability partnership (collectively, the “Perfect ID Group”) SGS Teknics Group and Perfect ID Group by our Company, as if such acquisitions had taken place on April 1, 2018
Promoter Group	Persons and entities constituting the promoter group of our Company, pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed in “Our Promoters and Promoter Group” on page 234
Promoter(s)	The Promoters of our Company, namely Sandeep Tandon, Jasbir Singh Gujral, Veena Kumari Tandon and Tancom Electronics Private Limited. For details, see “Our Promoters and Promoter Group” on page 234
Registered Office	The registered office of our Company, situated at Unit No. 601, 6th Floor, Floral Deck Plaza, MIDC, Andheri (East), Mumbai, Maharashtra 400 093, India
Restated Standalone Financial Information	The restated standalone financial information of our Company, as at and for the three months ended June 30, 2021 and the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 (as adjusted), comprising the restated standalone summary statement of assets and liabilities as at June 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019 (as adjusted), restated standalone summary statements of profit and loss (including Other Comprehensive Income), and restated standalone summary cash flow statements and restated summary statements of changes in equity for the three months ended June 30, 2021 and the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 (as adjusted), the standalone summary statement of notes and other explanatory information derived from our audited standalone financial statements as at and for the three months ended June 30, 2021 and the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 (as adjusted) prepared in accordance with Ind AS and restated by the Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI
Restated Consolidated Financial Information	The restated consolidated financial information of our Company, as at and for the three months ended June 30, 2021 and the financial year ended March 31, 2021, comprising the restated consolidated summary statement of assets and liabilities as at June 30, 2021 and March 31, 2021, restated consolidated summary statements of profit and loss (including Other Comprehensive Income), and restated consolidated summary cash flow statements and restated summary statements of changes in equity for the three months ended June 30, 2021 and the financial year ended March 31, 2021, the consolidated summary statement of notes and other explanatory information derived from our audited consolidated financial statements as at and for the three months ended June 30, 2021 and

Term	Description
	the financial year ended March 31, 2021 prepared in accordance with Ind AS and restated by the Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI
Restated Financial Information	Restated financial statements of our Company comprising (i) our Restated Standalone Financial Information, and (ii) our Restated Consolidated Financial Information
RoC / Registrar of Companies	The Registrar of Companies, Maharashtra at Mumbai
Selling Shareholder or Promoter Selling Shareholder	Veena Kumari Tandon
SGS Teknics	Our Subsidiary, SGS Teknics Manufacturing Private Limited
SHA	Amended and restated shareholders' agreement dated September 16, 2021, entered into between South Asia Growth Fund II Holdings LLC, Sandeep Tandon, Tancom Electronics Private Limited, Veena Kumari Tandon, Sanjiv Narayan, Jasbir Singh Gujral, Krishna Kumar Pant, Ranjeet Singh Lonial and our Company
Shareholders	The holders of the Equity Shares from time to time
Subsidiaries	The subsidiaries and step down subsidiaries of our Company, as defined under the Companies Act, 2013 and the applicable accounting standard, namely (i) SGS Teknics Manufacturing Private Limited; (ii) SGS Infosystems Private Limited; (iii) SGS Solutions GmbH, and (iv) Perfect ID India Private Limited.
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Company, described in "Our Management – Corporate Governance" on page 224

#### Offer-related terms

Term	Description
Acknowledgement Slip	The slip or document issued by a Designated Intermediary(ies) to a Bidder as proof of registration of the Bid cum Application Form
Allot / Allotment / Allotted	Unless the context otherwise requires, allotment or transfer, as the case may be of Equity Shares offered pursuant to the Fresh Issue and transfer of the Offered Shares by the Selling Shareholder pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus, which will be decided by our Company in consultation with the BRLMs during the Anchor Investor Bidding Date
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bidding Date	The day, being one Working Day prior to the Bid / Offer Opening Date, on which Bids by Anchor Investors shall be submitted, prior to and after which the BRLMs will not accept any Bids from Anchor Investors, and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	Final price at which the Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by our Company in consultation with the BRLMs
Anchor Investor Pay-in Date	With respect to Anchor Investor(s), it shall be the Anchor Investor Bidding Date, and in the event the Anchor Investor Allocation Price is lower than the Offer Price, not later than two Working Days after the Bid / Offer Closing Date
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company in consultation with the BRLMs, to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations  One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorize an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB or to block the Bid Amount using the UPI Mechanism

Term	Description
ASBA Account	A bank account maintained with an SCSB which may be blocked by such SCSB or the account of the RIBs blocked upon acceptance of UPI Mandate Request by the RIBs using the UPI Mechanism to the extent of the Bid Amount of the ASBA Bidder
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Banker(s) to the Offer	Collectively, the Escrow Collection Bank(s), Refund Bank(s), Sponsor Bank and Public Offer Account Bank(s)
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer, as described in “Offer Procedure” on page 629
Bid	An indication to make an offer during the Bid / Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations. The term “ <b>Bidding</b> ” shall be construed accordingly
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case maybe, upon submission of the Bid in the Offer, as applicable
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter
Bid / Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper), and [●] edition of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Mumbai where our Registered Office is located). In case of any revisions, the extended Bid / Offer Closing Date shall also be notified on the websites and terminals of the members of the Syndicate, as required under the SEBI ICDR Regulations and communicated to the Designated Intermediaries and the Sponsor Bank
Bid / Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●], which shall be published in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper), and [●] edition of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Mumbai where our Registered Office is located)
Bid / Offer Period	Except in relation to Anchor Investors, the period between the Bid / Offer Opening Date and the Bid / Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof, in accordance with the SEBI ICDR Regulations. Provided that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors  Our Company may, in consultation with the BRLMs, consider closing the Bid / Offer Period for the QIB Category one Working Day prior to the Bid / Offer Closing Date in accordance with the SEBI ICDR Regulations
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	Centres at which at the Designated Intermediaries shall accept the ASBA Forms, i.e., Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Book Building Process	Book building process, as provided in Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made
Book Running Lead Managers / BRLMs	The book running lead managers to the Offer namely, DAM Capital Advisors Limited (Formerly IDFC Securities Limited), ICICI Securities Limited and IIFL Securities Limited
Broker Centres	Broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker  The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> )
CAN / Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, on / after the Anchor Investor Bidding Date

Term	Description
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted
Cash Escrow and Sponsor Bank Agreement	Agreement to be entered into by our Company, the Selling Shareholder, the Registrar to the Offer, the BRLMs and the Banker(s) to the Offer for the appointment of the Sponsor Bank in accordance with the UPI Circulars, the collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account(s) and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant(s) / CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations as per the list available on the websites of BSE and NSE
Collecting Registrar and Share Transfer Agents / CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of the UPI Circulars
Cut-off Price	Offer Price, finalised by our Company in consultation with the BRLMs, which shall be any price within the Price Band  Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs, including Anchor Investors, and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
DAM Capital	DAM Capital Advisors Limited ( <i>Formerly IDFC Securities Limited</i> )
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father / husband, investor status, occupation and bank account details and UPI ID, where applicable
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> )
Designated Date	The date on which funds are transferred from the Escrow Account(s) and the amounts blocked are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account(s) or the Refund Account(s), as appropriate, in terms of the Red Herring Prospectus and the Prospectus, after the finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange, following which the Board of Directors may Allot Equity Shares to successful Bidders in the Offer
Designated Intermediaries	In relation to ASBA Forms submitted by RIBs by authorising an SCSB to block the Bid Amount in the ASBA Account, Designated Intermediaries shall mean SCSBs.  In relation to ASBA Forms submitted by RIBs where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by such RIB using the UPI Mechanism, Designated Intermediaries shall mean Syndicate, sub-syndicate / agents, Registered Brokers, CDPs, SCSBs and RTAs.  In relation to ASBA Forms submitted by QIBs and Non-Institutional Bidders, Designated Intermediaries shall mean Syndicate, sub-syndicate / agents, SCSBs, Registered Brokers, the CDPs and RTAs
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs.  The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> )
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://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
Designated Stock Exchange	[●]
Draft Red Herring Prospectus / DRHP	This draft red herring prospectus dated December 13, 2021 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer, including any addenda or corrigenda thereto
Eligible NRI(s)	NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the ASBA Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit / NEFT / RTGS / NACH in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	The Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Account(s) will be opened

Term	Description
First Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
Fresh Issue	The fresh issue component of the Offer comprising of an issuance by our Company of up to [●] Equity Shares at ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ 9,260.00 million.
General Information Document	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. The General Information Document shall be available on the websites of the Stock Exchanges and the BRLMs
Gross Proceeds	The Offer proceeds from the Fresh Issue
IIFL	IIFL Securities Limited
ICICI Securities	ICICI Securities Limited
Mobile App	The mobile applications which may be used by RIBs to submit Bids using the UPI Mechanism as provided under 'Annexure A' for the SEBI circular number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019
Monitoring Agency	[●]
Mutual Fund Portion	5% of the Net QIB Portion, or [●] Equity Shares, which shall be available for allocation to Mutual Funds only on a proportionate basis, subject to valid Bids being received at or above the Offer Price
Net Proceeds	The proceeds from the Fresh Issue less the Offer related expenses applicable to the Fresh Issue. For further details regarding the use of the Net Proceeds and the Offer related expenses, see " <i>Objects of the Offer</i> " on page 95
Net QIB Portion	The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Non-Institutional Bidder / NIBs	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15% of the Offer, consisting of [●] Equity Shares, which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Offer	The initial public offering of up to [●] Equity Shares for cash at a price of ₹ [●] each, aggregating up to ₹ [●] million comprising the Fresh Issue and the Offer for Sale  Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the offer complying with Rule 19(2)(b) of the SCRR
Offer Agreement	The agreement dated December 13, 2021 amongst our Company, the Selling Shareholder and the BRLMs, pursuant to the SEBI ICDR Regulations, based on which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale component of the Offer, comprising of an offer for sale of up to 3,369,360 Equity Shares aggregating up to ₹ [●] million by Veena Kumari Tandon
Offer Price	The final price at which Equity Shares will be Allotted to successful Bidders, other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus.  The Offer Price will be decided by our Company in consultation with the BRLMs on the Pricing Date, in accordance with the Book Building Process and in terms of the Red Herring Prospectus
Offer Proceeds	The proceeds of the Fresh Issue which shall be available to our Company and the proceeds of the Offer for Sale which shall be available to the Selling Shareholder. For further information about use of the Offer Proceeds, see " <i>Objects of the Offer</i> " on page 95
Offered Shares	The Equity Shares being offered by Veena Kumari Tandon as part of the Offer for Sale comprising up to 3,369,360 Equity Shares

Term	Description
Pre-IPO Placement	<p>A further issue of Equity Shares through a rights issue to existing Shareholders, private placement, preferential offer or any other method as may be permitted under applicable law to any person(s), aggregating up to ₹ 1,800.00 million, at its discretion, which may be undertaken by our Company, in consultation with the BRLMs, prior to the filing of the Red Herring Prospectus with the RoC.</p> <p>If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR. Upon allotment of Equity Shares issued pursuant to the Pre- IPO Placement and after compliance with requirements prescribed under the Companies Act, our Company shall utilise the proceeds from such Pre-IPO Placement towards one or more of the Objects.</p>
Price Band	Price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company in consultation with the BRLMs, and will be advertised in [●] editions of [●] (a widely circulated English national daily newspaper), [●] editions of [●] (a widely circulated Hindi national daily newspaper) and [●] edition of [●] (a widely circulated Marathi daily newspaper, Marathi being the regional language of Mumbai, where our Registered Office is located) at least two Working Days prior to the Bid / Offer Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price, and shall be made available to the Stock Exchanges for the purpose of uploading on their respective websites
Pricing Date	The date on which our Company in consultation with the BRLMs, will finalise the Offer Price
Promoters' Contribution	Aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company that is eligible to form part of the minimum promoters' contribution, as required under the provisions of the SEBI ICDR Regulations, held by our Promoters, which shall be locked-in for a period of three years from the date of Allotment
Prospectus	The Prospectus to be filed with the RoC in accordance with the Companies Act, 2013, and the SEBI ICDR Regulations containing, <i>inter alia</i> , the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account(s)	Bank account(s) to be opened with the Public Offer Account Bank(s) under Section 40(3) of the Companies Act, 2013, to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date
Public Offer Account Bank(s)	The banks with which the Public Offer Account(s) is opened for collection of Bid Amounts from Escrow Account(s) and ASBA Accounts on the Designated Date
QIB Category / QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Offer, consisting of [●] Equity Shares which shall be Allotted to QIBs (including Anchor Investors)
Qualified Institutional Buyers / QIBs / QIB Bidders"	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
Red Herring Prospectus / RHP	<p>The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer including any addenda or corrigenda thereto</p> <p>The Red Herring Prospectus will be filed with the RoC at least three Working Days before the Bid / Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date</p>
Refund Account(s)	The account(s) opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made
Refund Bank(s)	The Banker(s) to the Offer with whom the Refund Account(s) will be opened
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the BRLMs and the Syndicate Members and eligible to procure Bids
Registrar Agreement	The agreement dated December 7, 2021 among our Company, the Selling Shareholder and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
Registrar and Share Transfer Agents / RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations as per the lists available on the websites of BSE and NSE
Registrar to the Offer / Registrar	Link Intime India Private Limited
Retail Individual Bidder(s) / RIB(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 <i>karta</i> and Eligible NRIs and does not include NRIs other than Eligible NRIs)

Term		Description
Retail Portion		The portion of the Offer being not less than 35% of the Offer consisting of [●] Equity Shares, which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price
Revision Form		Form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s), as applicable  QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid / Offer Period and withdraw their Bids until Bid / Offer Closing Date
Self-Certified Bank(s) / SCSB(s)	Syndicate	The list of SCSBs notified by SEBI for the ASBA process is available at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://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. A list of the Designated SCSB Branches with which an ASBA Bidder (other than a RII using the UPI Mechanism), not bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the Bid cum Application Forms, is available at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> , or at such other websites as may be prescribed by SEBI from time to time.  In relation to Bids (other than Bids by Anchor Investor) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI ( <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35</a> ) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35as">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=35as</a> updated from time to time.  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
Share Escrow Agent		Escrow agent to be appointed pursuant to the Share Escrow Agreement
Share Escrow Agreement		Agreement to be entered into amongst the Selling Shareholder, our Company and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer by the Selling Shareholder and credit of such Equity Shares to the demat account of the Allottees
Specified Locations		Bidding Centres where the Syndicate shall accept ASBA Forms from Bidders
Sponsor Bank		The Banker to the Offer registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and the NPCI in order to push the mandate collect requests and / or payment instructions of the RIBs, using the UPI Mechanism and carry out any other responsibilities in terms of the UPI Circulars
Stock Exchanges		Collectively, BSE and NSE
Syndicate		Together, the BRLMs and the Syndicate Members
Syndicate Agreement		Agreement to be entered into among our Company, the Selling Shareholder, the BRLMs and the Syndicate Members in relation to collection of Bid cum Application Forms by Syndicate
Syndicate Members		Intermediaries (other than the BRLMs) registered with SEBI who are permitted to accept bids, applications and place order with respect to the Offer and carry out activities as an underwriter
Systemically Important Non-Banking Financial Company / NBFC-SI		Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
Underwriters		[●]
Underwriting Agreement		The agreement to be entered into among the Underwriters, our Company and the Selling Shareholder on or after the Pricing Date, but prior to filing of the Prospectus
UPI		Unified Payments Interface, which is an instant payment mechanism developed by NPCI

Term	Description
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/DIL-2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and any subsequent circulars or notifications issued by SEBI in this regard.
UPI ID	ID created on UPI for single-window mobile payment system developed by the NPCI
UPI Mandate Request	A request (intimating the RIB by way of a notification on the UPI Mobile App and by way of a SMS directing the RIB to such UPI Mobile App) to the RIB initiated by the Sponsor Bank to authorise blocking of funds in the relevant ASBA Account through the UPI Mobile App equivalent to the Bid Amount and subsequent debit of funds in case of Allotment  In accordance with the 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, RIBs 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
UPI Mechanism	The mechanism that may be used by an RIB to make a Bid in the Offer in accordance with the UPI Circulars
UPI PIN	Password to authenticate UPI transaction
UPI Streamlining Circulars	SEBI circular number SEBI/HO/CFD/DIL-2/CIR/P/2021/2480/1/M dated March 16, 2021 as amended by SEBI circular number SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021
Wilful Defaulter	A company or person, as the case may be, categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI
Working Day	All days on which commercial banks in Mumbai are open for business; provided, however, with reference to (a) announcement of Price Band; and (b) Bid / Offer Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; (c) the time period between the Bid / Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays in Mumbai, India, as per the circulars issued by SEBI

### Conventional and general terms and abbreviations

Term	Description
AIF(s)	Alternative Investment Funds
Bn	Billion
BSE	BSE Limited
CAGR	Compound Annual Growth Rate, which is computed by dividing the value as at the year-end by its value at the beginning of that period, raise the result to the power of one divided by the period length, and subtract one from the subsequent result $((\text{End Value} / \text{Start Value})^{(1 / \text{Periods})} - 1)$
CCI	Competition Commission of India
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act, 1956	The erstwhile Companies Act, 1956 along with the relevant rules made thereunder



Term	Description
Companies Act / Companies Act, 2013	Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder, as amended to the extent currently in force
Competition Act	Competition Act, 2002
Consolidated FDI Policy	The consolidated FDI Policy, issued by the Department of Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time
CSR	Corporate Social Responsibility
Debt equity ratio	Total borrowings (aggregate of non-current borrowings, current maturities of non-current borrowings and current borrowings) / total equity (aggregate of equity share capital and other reserves)
Depositories	NSDL and CDSL, collectively
Depositories Act	The Depositories Act, 1996
DIN	Director Identification Number
DP ID	Depository Participant's identity number
DPIIT	The Department for Promotion of Industry and Internal Trade (earlier known as Department of Industrial Policy and Promotion)
EPS	Earnings per share
ESI Act	Employees' State Insurance Act, 1948
ESIC	Employees' State Insurance Corporation
Euro	Euro, the official currency of the European Union
FCNR Account	Foreign Currency Non Resident (Bank) account established in accordance with the FEMA
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA NDI Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019
FEMA Regulations	Foreign Exchange Management (Transfer of Issue of Security by a Person Resident outside India) Regulations, 2017
Financial Year / Fiscal / Fiscal Year	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
FPIs	Foreign Portfolio Investors, as defined under SEBI FPI Regulations
FVCI	Foreign Venture Capital Investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) registered with SEBI
GAAR	General Anti-Avoidance Rules
GDP	Gross Domestic Product
GoI / Government / Central Government	Government of India
GST	Goods and Services Tax
HUF(s)	Hindu Undivided Family(ies)
IAS Rules	Companies (Indian Accounting Standards) Rules, 2015, as amended
ICAI	Institute of Chartered Accountants of India
ICDS	Income Computation and Disclosure Standards
IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board
IFSC	Indian Financial System Code
IGST	Integrated Goods and Services Tax
Income Tax Act	Income Tax Act, 1961
Ind AS	The Indian Accounting Standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013
Ind AS 24	Indian Accounting Standard 24, notified by the Ministry of Corporate Affairs under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Companies Act, 2013
Indian GAAP	Accounting standards notified under section 133 of the Companies Act, 2013, read with Companies (Accounting Standards) Rules, 2006, as amended) and the Companies (Accounts) Rules, 2014, as amended
IT Act	The Income Tax Act, 1961
INR / Rupee / ₹ / Rs.	Indian Rupee, the official currency of the Republic of India
IRDAI	Insurance Regulatory and Development Authority of India
IT	Information Technology
KYC	Know Your Customer
MAT	Minimum Alternate Tax
MCA	The Ministry of Corporate Affairs, Government of India
Mn	Million
MoU	Memorandum of Understanding

Term	Description
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A.	Not applicable
NACH	National Automated Clearing House
NAV	Net Asset Value
NBFC	Non-Banking Financial Company
NEFT	National Electronic Fund Transfer
NPCI	National Payments Corporation of India
NR / Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI
NRI	Non-Resident Indian as defined under the FEMA Regulations
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OCB	Overseas Corporate Body
PAN	Permanent account number
PAT	Profit after tax
R&D	Research and development
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	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 FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
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
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996
STT	Securities Transaction Tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Trademarks Act	Trademarks Act, 1999
US\$ / USD / US Dollar	United States Dollar, the official currency of the United States of America
USA / U.S. / US	United States of America and its territories and possessions, including any state of the United States of America, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands and the District of Columbia
U.S. GAAP	Generally Accepted Accounting Principles in the United State of America
U.S. Securities Act	U.S. Securities Act of 1933, as amended
VAT	Value Added Tax
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be

#### Technical / industry-related terms

Term	Description
AOI	Automatic Optical Inspection
BGA	Ball grid array
BOAT	Board of apprentice training
BOSA	Bi-directional Optical Sub-Assembly
CPAP	Continuous positive airway pressure
DC	Direct current
DRAM	Dynamic random access memory
EMS	Electronics manufacturing services
EPC	Engineering, procurement, and construction
ERP	Enterprise resource planning

Term	Description
ESDM	Electronics system design and manufacturing
FGPA	Field-programmable gate array
GSM	Global System for Mobile communication
IC	Integrated circuit
IoT	Internet of Things
LED	Light-emitting diode
LTE	Long-Term Evolution
NPI	National Provider Identifier
OCF	Operating cash flow
ODM	Original design manufacturer
OEM	Original equipment manufacturer
PCB	Printed circuit board
PCBA	Printed circuit board assembly
RFID	Radio frequency identification
RFQ	Request for quote
ROCE	Return on capital employed
ROE	Return on equity
SMT	Surface-mount technology
UPS	Uninterruptible power supply
USB	Universal Serial Bus

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

### **Certain conventions**

All references in this Draft Red Herring Prospectus to “India” are to the Republic of India and its territories and possessions and all references herein to the “Government”, “Indian Government”, “GoI”, “Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

All references herein to the “US”, the “U.S.”, the “USA”, or the “United States” are to the United States of America and its territories and possessions, including any state of the United States of America, Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands and the District of Columbia.

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

### **Financial data**

Unless stated otherwise or the context otherwise requires, the financial data in this Draft Red Herring Prospectus is derived from the Restated Financial Information.

The Restated Financial Information comprises the Restated Standalone Financial Information and Restated Consolidated Financial Information.

The Restated Standalone Financial Information comprises the restated standalone summary statement of assets and liabilities as at June 30, 2021, March 31, 2021, March 31, 2020 and March 31, 2019 (as adjusted), restated standalone summary statements of profit and loss (including Other Comprehensive Income), and restated standalone summary cash flow statements and restated summary statements of changes in equity for the three months ended June 30, 2021 and the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 (as adjusted), the standalone summary statement of notes and other explanatory information derived from our audited standalone financial statements as at and for the three months ended June 30, 2021 and the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 (as adjusted) prepared in accordance with Ind AS and restated by the Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI.

The Restated Consolidated Financial Information comprises the restated consolidated summary statement of assets and liabilities as at June 30, 2021 and March 31, 2021, restated consolidated summary statements of profit and loss (including Other Comprehensive Income), and restated consolidated summary cash flow statements and restated summary statements of changes in equity for the three months ended June 30, 2021 and the financial year ended March 31, 2021, the consolidated summary statement of notes and other explanatory information derived from our audited consolidated financial statements as at and for the three months ended June 30, 2021 and the financial year ended March 31, 2021 prepared in accordance with Ind AS and restated by the Company in accordance with the requirements of Section 26 of Part I of Chapter III of the Companies Act, 2013, relevant provisions of the SEBI ICDR Regulations, and the Guidance Note on Reports on Company Prospectuses (Revised 2019) issued by the ICAI.

We have included in this Draft Red Herring Prospectus the Proforma Condensed Combined Financial Information (to be read in conjunction with the “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on page 557) as at and for the three months ended June 30, 2021 and the financial years ended March 31, 2021, March 31, 2020 and March 31, 2019 to demonstrate the effects of the acquisition of SGS Teknics Manufacturing Private Limited and Perfect ID India Private Limited by our Company, on our Company, as if such acquisitions had taken place on April 1, 2018. For further details, see “*Proforma Financial Information*” on page 409 and “*History and Certain Corporate Matters – Details regarding acquisition or divestment of business or undertakings*” on page 209, and “*Risk Factors – The Proforma Condensed Combined Financial Information included in this Draft Red Herring Prospectus may not accurately reflect our future financial condition, results of operations, cash flows and business.*” on page 52.

For further information on our Company's financial information, please see the section entitled "*Financial Information*" on page 244.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures have been rounded off to two decimal places. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row.

Our Company's financial year commences on April 1 and ends on March 31 of the next year. Accordingly, all references in this Draft Red Herring Prospectus to a particular Financial Year, Fiscal or Fiscal Year, unless stated otherwise, are to the 12-month period ended on March 31 of that particular calendar year.

The degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies, Ind AS, the Companies Act 2013 and the SEBI ICDR Regulations and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. There are significant differences between Ind AS, Indian GAAP, US GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or US GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our Company's financial data. For details in connection with risks involving differences between Ind AS, U.S. GAAP and IFRS please see the section entitled "*Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors' assessment of our financial condition.*". We urge the Investors to consult their respective advisors regarding such differences and their impact on our financial data.

#### **Non-GAAP financial measures**

Certain non-GAAP measures presented in this Draft Red Herring Prospectus are a supplemental measure of our performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit / (loss) for the year / period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not a standardised term and, therefore, a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting their usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that they are useful to an investor in evaluating us because these are widely used measures to evaluate a company's operating performance.

#### **Industry and market data**

Unless stated otherwise, industry and market data used throughout this Draft Red Herring Prospectus has been obtained from publicly available information, as well as various government publications and industry sources. Further, the information has also been derived from a report dated December 13, 2021, and titled "*Assessment of electronics manufacturing services (EMS) industry in India*" (the "**F&S Report**") that has been commissioned by our Company and prepared by F&S. Industry publications generally state that the information contained in such publications has been obtained from sources generally believed to be reliable, but their accuracy, adequacy, completeness or underlying assumptions are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. For further details, please refer the risk factor "*Risk Factors – This Draft Red Herring Prospectus contains information from an industry report which we have paid for and commissioned from F&S. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate*" on page 55.

Although we believe that the industry and market data used in this Draft Red Herring Prospectus is reliable,

industry sources and publications may base their information on estimates and assumptions that may prove to be incorrect. The data used in these sources may also have been reclassified by us for the purposes of presentation and may also not be comparable. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends upon the reader's familiarity with, and understanding of, the methodologies used in compiling such information. There are no standard data gathering methodologies in the industry in which our Company conducts business and methodologies and assumptions may vary widely among different market and industry sources. Such information involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in *"Risk Factors – This Draft Red Herring Prospectus contains information from an industry report which we have paid for and commissioned from F&S. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate."* on page 55.

In accordance with the SEBI ICDR Regulations, the section *"Basis for the Offer Price"* on page 120 includes information relating to our peer group companies. Such information has been derived from publicly available sources and neither we, nor the BRLMs or any of their affiliates, have independently verified such information. Accordingly, no investment decision should be made solely on the basis of such information.

Unless the context otherwise indicates, any percentage amounts, as set forth in *"Risk Factors"*, *"Our Business"* and *"Management's Discussion and Analysis of Financial Position and Results of Operations"* on pages 30, 180 and 557, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of amounts based on or derived from our Restated Financial Information.

### **Disclaimer of F&S**

This Draft Red Herring Prospectus contains data and statistics from the F&S Report, which is subject to the following disclaimer:

*"Assessment of Electronics Manufacturing Services (EMS) Industry in India )" has been prepared for the proposed initial public offering of equity shares by Syрма SGS Technology Limited (the "Company").*

*This study has been undertaken through extensive primary and secondary research, which involves discussing the status of the industry with leading market participants and experts, and compiling inputs from publicly available sources, including official publications and research reports. Estimates provided by Frost & Sullivan (India) Private Limited ("Frost & Sullivan") and its assumptions are based on varying levels of quantitative and qualitative analyses, including industry journals, company reports and information in the public domain.*

*Frost & Sullivan has prepared this study in an independent and objective manner, and it has taken all reasonable care to ensure its accuracy and completeness. We believe that this study presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and it does not purport to be exhaustive. The results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged*

*Forecasts, estimates, predictions, and other forward-looking statements contained in this report are inherently uncertain because of changes in factors underlying their assumptions, or events or combinations of events that cannot be reasonably foreseen. Actual results and future events could differ materially from such forecasts, estimates, predictions, or such statements.*

*In making any decision, the recipient should conduct its own investigation and analysis of all facts and information and the recipient must rely on its own examination. The recipients should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors."*

### **Currency and Units of Presentation**

All references to:

- **'Rupees'** or **'₹'** or **'Rs.'** are to Indian Rupees, the official currency of the Republic of India.
- **'U.S.\$'**, **'U.S. Dollar'**, **'USD'** or **'U.S. Dollars'** are to United States Dollars, the official currency of the United States of America.
- **'Euro'** are to Euro, the official currency of the European Union.

In this Draft Red Herring Prospectus, our Company has presented certain numerical information. All figures have been expressed in millions. One million represents ‘10 lakhs’ or 1,000,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than millions, such figures appear in this Draft Red Herring Prospectus expressed in such denominations as provided in their respective sources.

Figures sourced from third-party industry sources may be expressed in denominations other than millions or may be rounded off to other than two decimal points in the respective sources, and such figures have been expressed in this Draft Red Herring Prospectus in such denominations or rounded-off to such number of decimal points as provided in such respective sources.

## Time

All references to time in this Draft Red Herring Prospectus are to Indian Standard Time.

## Exchange rates

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

The exchange rates of USD, EUR and GBP into Indian Rupees for the periods indicated are provided below:

(in ₹)

Currency	Exchange Rate as on*			
	March 29, 2019 <sup>(1)</sup>	March 31, 2020	March 31, 2021	June 30, 2021
1 USD	69.17	75.39	73.50	74.35
1 EUR	77.70	83.05	86.10	88.50
1 GBP	90.48	93.08	100.95	102.95

Source: [www.rbi.org.in](http://www.rbi.org.in) and [www.fbil.org.in](http://www.fbil.org.in)

<sup>(1)</sup> Exchange rate as on March 29, 2019, as RBI reference rate is not available for March 31, 2019 and March 30, 2019 being a Sunday and a Saturday, respectively.

## FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain statements which are not statements of historical fact and may be described as “forward-looking statements”. These forward looking statements include statements which can generally be identified by words or phrases such as “aim”, “anticipate”, “are likely”, “believe”, “continue”, “can”, “could”, “expect”, “estimate”, “intend”, “may”, “likely”, “objective”, “plan”, “propose”, “seek to”, “will achieve”, “will continue”, “will likely”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe the strategies, objectives, plans or goals of our Company are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

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 be materially different from those that have been estimated. Forward-looking statements reflect our current views as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on our management’s belief and assumptions, current plans, estimates and expectations, which in turn are based on currently available information.

Although we believe that the assumptions on which such statements are based are reasonable, any such assumptions as well as statements based on them could prove to be inaccurate. Actual results may differ materially from those suggested by such forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. This may be due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries we cater to, and our ability to respond to them, our ability to successfully implement our strategies, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in our industry and incidence of any natural calamities and / or acts of violence. There can be no assurance to investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements to be a guarantee of our future performance.

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

- Cancellation or change in production requirements of our customers;
- Failure to comply with the quality requirements of our customers;
- Loss of relationship with our customers;
- Failure of our suppliers in meeting their obligations with respect to supply of raw materials; and
- Delay in expansion into new territories.

For a further discussion of factors that could cause our actual results to differ, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” on pages 30, 180 and 557, respectively.

Neither our Company, nor the Selling Shareholder, nor the BRLMs, nor any Syndicate Member, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI ICDR Regulations, our Company will ensure that investors in India are informed of material developments pertaining to our Company and the Equity Shares forming part of the Offer for Sale from the date of the Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. In accordance with the requirements of SEBI, the Selling Shareholder shall to the extent of statements specifically made or confirmed by them in relation to the Offered Shares in this Draft Red Herring Prospectus, ensure that investors in India are informed of material developments in relation to statements and undertakings specifically made or confirmed by such Selling Shareholder in the Red Herring Prospectus until the time of grant of listing and trading permission by the Stock Exchanges for the Offer.



## SECTION II - SUMMARY OF THE OFFER DOCUMENT

*This section is a general summary of certain disclosures included in this Draft Red Herring Prospectus and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Red Herring Prospectus or all details relevant to prospective investors. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Draft Red Herring Prospectus, including the sections titled “Risk Factors”, “The Offer”, “Capital Structure”, “Our Business”, “Industry Overview”, and “Outstanding Litigation and Other Material Developments” on pages 30, 64, 82, 180, 137 and 601 respectively of this Draft Red Herring Prospectus.*

### Primary business of our Company

We are a technology-focussed engineering and design company engaged in turnkey electronics manufacturing services, specialising in precision manufacturing for diverse end-use industries. According to the F&S Report, among the large bouquet of EMS players in India, we are one of the fastest growing Indian-headquartered ESDM companies. (Source: F&S Report) Our Company has a track record of technical innovation which involves working with the engineering teams of our marquee customers, and over the years, we have evolved to provide integrated services and solutions to OEMs, from the initial product concept stage to volume production through concept co-creation and product realization.

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

Electronics production in India is estimated at ₹ 4,975 Billion (USD 67 Billion) in FY21, and is expected to grow at a CAGR of 32.3% to reach ₹ 20,133 Billion (USD 272 Billion) by FY26. India has the potential to be one of the most attractive manufacturing destinations and support the objective of ‘Make in India for the World’. Government and Industry needs to collaborate and drive initiatives to help India move among top 5 countries in electronics production and among top 3 in electronics consumption. (Source: F&S Report)

### Name of Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters are Sandeep Tandon, Jasbir Singh Gujral, Veena Kumari Tandon and Tancom Electronics Private Limited. For further details, see “Our Promoters and Promoter Group” on page 234.

### The Offer

The following table summarizes the details of the Offer. For further details, see “The Offer” and “Offer Structure” on pages 64 and 624, respectively.

<b>Offer<sup>(1)</sup></b>	Up to [●] Equity Shares for cash at price of ₹ [●] per Equity Share (including a premium of [●] per Equity Share), aggregating up to [●] million
<b>of which</b>	
<b>(i) Fresh Issue<sup>(1)^</sup></b>	[●] Equity Shares aggregating up to ₹ 9,260.00 million
<b>(ii) Offer for Sale<sup>(2)</sup></b>	Up to 3,369,360 Equity Shares aggregating up to ₹ [●] million by Veena Kumari Tandon

<sup>(1)</sup> The Offer has been authorized by a resolution of our Board dated November 13, 2021 and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated November 20, 2021.

<sup>(2)</sup> The Equity Shares being offered by the Selling Shareholder are eligible for being offered for sale in terms of the SEBI ICDR Regulations. The Selling Shareholder has authorized the sale of the Offered Shares in the Offer for Sale. For details on the authorisation of the Selling Shareholder in relation to the Offered Shares, see “Other Regulatory and Statutory Disclosures – Authority for the Offer” on page 607.

<sup>^</sup> Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement aggregating up to ₹ 1,800.00 million. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR.

The Offer shall constitute [●] % of the post Offer paid up Equity Share capital of our Company. The above table summarises the details of the Offer.

### Objects of the Offer

Our Company proposes to utilise the Net Proceeds towards funding the following objects:

(in ₹ million)	
Objects	Amount*
Funding capital expenditure requirements for development of a R&D facility and expansion / setting	5,712.15

(in ₹ million)	
Objects	Amount*
up of manufacturing facilities	
Funding our long-term working capital requirements	1,315.80
General corporate purposes*	●
<b>Net Proceeds*</b>	●

\* To be finalised upon determination of the Offer Price. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds. Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR. Upon allotment of Equity Shares issued pursuant to the Pre-IPO Placement and after compliance with requirements prescribed under the Companies Act, our Company shall utilise the proceeds from such Pre-IPO Placement towards one or more of the Objects.

For further details, see “Objects of the Offer” on page 95.

### Aggregate pre-Offer Shareholding of our Promoters, the members of our Promoter Group (other than our Promoters) and the Selling Shareholder

The aggregate pre-Offer shareholding of our Promoters (which includes our Selling Shareholder) and the Promoter Group, as a percentage of the pre-Offer paid-up Equity Share capital of our Company is set out below:

S. No.	Name of Shareholder	No. of Equity Shares	% of total pre-Offer paid up Equity Share capital
<b>Promoters</b>			
1.	Sandeep Tandon	Nil	Nil
2.	Tancom Electronics Private Limited	63,319,425	46.01
3.	Jasbir Singh Gujral	12,694,690	9.22
4.	Veena Kumari Tandon*	4,884,360	3.55
<b>Total (A)</b>		<b>80,898,475</b>	<b>58.78</b>
<b>Promoter Group</b>			
5.	Modern Die Casting LLP	5,656,000	4.11
<b>Total (B)</b>		<b>5,656,000</b>	<b>4.11</b>
<b>Grand total (A+B)</b>		<b>86,554,475</b>	<b>62.89</b>

\* Also the Selling Shareholder.

### Summary derived from the Restated Financial Information

The following information has been derived from our Restated Standalone Financial Information for the last three Fiscals and the three months ended June 30, 2021:

Particulars	As at and for the Fiscal ended			As at and for the three months ended
	March 31, 2019	March 31, 2020	March 31, 2021	June 30, 2021
Share capital	7.02	7.02	7.48	7.48
Net worth	571.93	1,017.05	2,381.71	2,440.11
Total income	3,573.95	4,048.82	4,444.80	1,352.72
Profit / (loss) after tax	209.67	438.80	286.15	55.57
Earnings per share (basic)*	2.96	6.19	3.32	0.64
Earnings per share (diluted)*	2.96	6.19	3.32	0.64
Net Asset Value per Equity Share*	8.07	14.34	27.61	28.28
Borrowings	943.46	838.03	561.21	515.97

\*As adjusted for bonus issue of Equity Shares undertaken pursuant to a resolution of our shareholders dated October 28, 2021, pursuant to which our Company has issued and allotted 136,255,300 bonus equity shares in the ratio of 100 fully paid-up bonus share of the face value of ₹ 10 each for every existing one fully paid up equity share of the face value of ₹ 10 each held by the members as on October 28, 2021.

The following information has been derived from our Restated Consolidated Financial Information for the previous Fiscal and the three months ended June 30, 2021:

Particulars	As at and for the Fiscal ended		As at and for the three months ended
	March 31, 2021		June 30, 2021
Share capital	7.48		7.48
Net worth	2,415.75		2,484.99

Particulars	As at and for the Fiscal ended March 31, 2021	As at and for the three months ended June 30, 2021
Total Income	4,444.80	1,352.72
Profit / (loss) after tax	320.17	66.32
Earnings per share (basic)*	3.72	0.77
Earnings per share (diluted)*	3.72	0.77
Net Asset Value per Equity Share*	28.00	28.80
Borrowings	561.21	515.97

\*As adjusted for the bonus issue of Equity Shares undertaken pursuant to a resolution of our shareholders dated October 28, 2021, pursuant to which our Company has issued and allotted 136,255,300 bonus equity shares in the ratio of 100 fully paid-up bonus share of the face value of ₹ 10 each for every existing one fully paid up equity share of the face value of ₹ 10 each held by the members as on October 28, 2021.

For further details see “Restated Financial Information” on page 244.

### Auditor qualifications

There are no qualifications by the Statutory Auditors which have not been given effect to in the Restated Financial Information.

### Outstanding litigation

A summary of outstanding litigation proceedings as on the date of this Draft Red Herring Prospectus as disclosed in the section titled “*Outstanding Litigation and Other Material Developments*” in terms of the SEBI ICDR Regulations is provided below:

(₹ in million)		
Nature of cases	Number of cases	Total amount involved (to the extent quantifiable)
<b>Litigation involving our Company</b>		
<i>Proceedings against our Company</i>		
Material civil	1	56.17
Criminal	Nil	NA
Tax	2	14.02
Action by statutory or regulatory authorities	Nil	NA
<i>Proceedings by our Company</i>		
Material civil	Nil	NA
Criminal	Nil	NA
<b>Litigation involving our Subsidiaries</b>		
<i>Proceedings against our Subsidiaries</i>		
Material civil	Nil	NA
Criminal	Nil	NA
Tax	5	5.30
Action by statutory or regulatory authorities	Nil	NA
<i>Proceedings by our Subsidiaries</i>		
Material civil	Nil	NA
Criminal	Nil	NA
<b>Litigation involving our Promoters</b>		
<i>Proceedings against our Promoters</i>		
Material civil	Nil	NA
Criminal	Nil	NA
Tax	Nil	NA
Action by statutory or regulatory authorities	Nil	NA
Disciplinary action in the last five Fiscals	Nil	NA
<i>Proceedings by our Promoters</i>		
Material civil	Nil	NA
Criminal	Nil	NA
<b>Litigation involving our Directors</b>		
<i>Proceedings against our Directors</i>		
Material civil	Nil	NA
Criminal	2	NA
Tax	Nil	NA
Action by statutory or regulatory authorities	Nil	NA
<i>Proceedings by our Directors</i>		
Material civil	Nil	NA
Criminal	Nil	NA

(₹ in million)

Nature of cases	Number of cases	Total amount involved (to the extent quantifiable)
<b>Litigation involving our Group Companies</b>		
Pending litigation which has a material impact on our Company	Nil	NA

For further details, see “*Outstanding Litigation and Other Material Developments*” on page 601.

## Risk factors

Specific attention of the Investors is invited to “*Risk Factors*” on page 30 to have an informed view before making an investment decision.

## Summary of contingent liabilities

As of June 30, 2021, our contingent liabilities as per the Restated Consolidated Financial Information, that have not been provided for were as follows:

Particulars	Amount (₹ in million)
Claims against the company not acknowledged as debt	56.17
Karnataka VAT related matters	14.02
Company's share of associate contingent liability	1.06
<b>Total</b>	<b>71.25</b>

For further information on such contingent liabilities as per Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets, see “*Restated Financial Information*” on page 244.

## Summary of related party transactions

A summary of the related party transactions entered into by our Company in Fiscals 2019, 2020, 2021 and three months ended June 30, 2021, and as per Ind AS 24 - Related Party Disclosures, derived from the Restated Standalone Financial Information is detailed below:

(₹ in million)

Particulars	Name of the Related party	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2021	For the period ended June 30, 2021
<b>Income</b>					
Sales of Goods and Services	Infinx Services Private Limited	3.15	4.66	3.43	-
	TIS International (USA) Inc	9.98	4.26	0.47	-
	Syrma Tech Singapore Pte Ltd	7.05	-	-	-
<b>Expenses</b>					
Purchase of Goods and Services	TIS International (USA) Inc	97.87	64.52	-	10.14
	Memory Electronics Private Limited	25.25	-	0.03	-
	Infinx Services Private Limited	-	0.14	-	-
	Reliable Consultancy Services Pvt Limited	4.80	4.80	-	-
	Tancom Electronics Private Limited	0.08	-	-	-
	Tandon Holdings Limited	-	-	-	5.91
	Syrma Tech Singapore Pte Ltd	-	1.39	-	-
Interest on Unsecured Loan	Advance Power Devices Pvt Limited*	0.39	0.34	0.04	-
	Ballast Trading Company Pvt Limited*	0.98	0.79	-	-
	Delta Computer Prints Pvt. Ltd.	1.54	1.56	-	-
	Golden Computers Limited	0.06	0.12	-	-
	Hybrid Agricultural Limited	0.28	0.81	-	-
	Ornis Trading Co. Pvt Limited*	0.23	0.89	-	-
	Rine Trading Co Pvt Limited*	0.22	0.87	-	-
	Tancom Electronics Private Limited	0.45	0.46	0.24	-
	Tassel Trading LLP	6.74	5.68	1.04	-
	Titus Trading and Agencies Limited	0.63	0.77	0.16	-
	Tandon Holdings Limited	1.86	2.42	-	-

Particulars	Name of the Related party	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2021	For the period ended June 30, 2021
	Mrs. Veena Kumari Tandon	-	1.96	3.65	-
Remuneration to KMP					
a) Salary	Mr. Sandeep Tandon	20.00	22.00	24.00	6.00
b) Contribution to PF and other funds	Mr. Sandeep Tandon	2.40	2.64	2.76	0.72
c) Perquisite to KMP	Mr. Sandeep Tandon	4.80	4.80	4.80	1.20
Remuneration to KMP					
a) Salary	Mr. Vikram Chopra	3.10	3.10	-	-
b) Contribution to PF and other funds	Mr. Vikram Chopra	0.20	0.20	-	-
<b>Other transactions</b>					
Dividend Paid on Redeemable Preference Shares	Tandon Holdings Limited		0.02	0.71	-
	Reliable Consultancy Services Pvt Limited		0.83	1.05	-
	Advance Motors Technology Private Limited*		0.22	-	-
Issue of equity share (Including securities premium)	Mrs. Veena Kumari Tandon	-	-	210.53	-
Issue of preference share (Including securities premium)	Tandon Holdings Limited	30.00	45.00	-	-
	Sandeep Tandon	-	-	-	-
Redemption of preference share	Sandeep Tandon	30.00	45.00	-	-
	Reliable Consultancy Services Private Limited	-	-	11.80	-
	Advance Motors Technology Private Limited*	-	-	3.20	-
	Tandon Holdings Limited	-	45.00	30.00	-
Loans availed	Mrs. Veena Kumari Tandon	41.05	67.25	-	-
	Advance Power Devices Pvt Limited*	0.36	-	-	-
	Delta Computer Prints Pvt. Ltd.	1.20	-	-	-
	Golden Computers Limited	1.80	-	-	-
	Hydrid Agriculture Ltd	0.90	-	-	-
	Ornis Trading Co. Pvt Limited*	13.20	-	-	-
	Rine Trading Co Pvt Limited*	12.80	-	-	-
	Sandeep Tandon	31.50	-	-	-
	Tandon Holdings Limited	30.00	-	-	-
	Titus Trading and Agencies Limited	9.50	-	-	-
Recovery of Expenses	Infinx Services Private Limited	-	17.46	13.97	4.72
	Syrma Tech Singapore Pte Ltd	-	7.95	-	-
Other Expenses	Infinx Services Private Limited	0.09	-	-	-
	Vedacom India Pvt Ltd	0.00	-	-	-
	Tancom Electronics Private Limited	0.00	-	-	-
	TIS International (USA) Inc	-	64.52	36.70	-
Loans repaid during the year	Advance Power Devices Pvt Limited*	1.18	3.50	0.89	-
	Ballast Trading Company Pvt Limited*	-	10.84	-	-
	Delta Computer Prints Pvt. Ltd.	0.78	17.50	-	-
	Golden Computers Limited	0.10	1.70	-	-
	Hydrid Agriculture Ltd	0.65	2.75	-	-
	Ornis Trading Co. Pvt Limited*	-	13.20	-	-
	Rine Trading Co Pvt Limited*	-	12.80	-	-
	Mr. Sandeep Tandon	65.02	27.30	0.48	-
	Tandon Holdings Limited	-	30.00	-	-
	Tassel Trading LLP	-	52.62	22.06	-
	Tandon Magnetics (India) Private Limited	1.17	-	-	-
	Titus Trading and Agencies Limited	1.50	-	9.10	-
	Mrs. Veena Kumari Tandon	26.50	-	81.80	-
	Surendra & Co	0.05	-	-	-

Particulars	Name of the Related party	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2021	For the period ended June 30, 2021
	Tancom Electronics Private Limited	-	-	11.06	-
<b>Assets at Year End</b>					
Non-Current Investments	SGS Teknics Manufacturing Private Limited	-	-	887.41	887.41
Security Deposit	Reliable Consultancy Services Pvt. Limited	10.00	10.00	10.00	10.00
Advance to suppliers	Infinx Services Private Limited	-	12.57	23.29	19.22
	Memory Electronics Private Limited	-	0.12	0.09	0.12
	Reliable Consultancy Services Pvt Ltd	-	-	-	0.12
	Tandon Holdings Limited	-	-	0.47	0.47
Loans and advances	Reliable Consultancy Services Pvt Limited	1.06	1.06	1.06	1.06
	Memory Electronics Private Limited	0.10	-	-	-
	Tancom Electronics Private Limited	0.00	0.00	0.00	0.00
Trade Receivable	Infinx Services Private Limited	2.45	23.54	6.12	10.84
	TIS International (USA) Inc	16.74	24.72	18.28	18.62
	Syrma Tech Singapore Pte Ltd	2.12	2.79	0.15	-
<b>Liabilities at Year End</b>					
Unsecured Loans	Advance Power Devices Pvt Limited*	4.39	0.89	-	-
	Ballast Trading Company Pvt Limited*	10.84	-	-	-
	Delta Computer Prints Pvt. Ltd.	17.50	-	-	-
	Golden Computers Limited	1.70	-	-	-
	Hydrid Agriculture Ltd	2.75	-	-	-
	Ornis Trading Co. Pvt Limited*	13.20	-	-	-
	Rine Trading Co Pvt Limited*	12.80	-	-	-
	Mr. Sandeep Tandon	27.78	0.48	-	-
	Tancom Electronics Private Limited	11.06	11.06	-	-
	Tandon Holdings Limited	30.00	-	-	-
	Tassel Trading LLP	74.68	22.06	-	-
	Titus Trading and Agencies Limited	9.10	9.10	-	-
	Surendra & Co	0.05	-	-	-
	Mrs. Veena Kumari Tandon	14.55	81.80	-	-
Interest payable on Unsecured Loans	Advance Power Devices Pvt Limited*	0.97	0.31	0.04	0.04
	Ballast Trading Company Pvt Limited*	3.40	0.71	-	-
	Delta Computer Prints Pvt. Ltd.	2.71	1.40	-	-
	Golden Computers Limited	0.05	0.11	-	-
	Hydrid Agriculture Ltd	1.04	0.73	-	-
	Ornis Trading Co. Pvt Limited*	0.21	0.80	-	-
	Rine Trading Co Pvt Limited*	0.20	0.78	-	-
	Tancom Electronics Private Limited	1.84	0.41	0.22	0.22
	Tandon Holdings Limited	1.67	2.18	-	-
	Tassel Trading LLP	13.93	5.11	0.96	0.96
	Titus Trading and Agencies Limited	0.85	0.69	0.15	0.15
	Veena Kumari Tandon	-	1.77	2.93	2.93
	Tranquil Trading Co. Ltd	0.07	-	-	-
	Vedacom (India) Private Limited	0.00	-	-	-
Trade Payable	Infinx Services Private Limited	-	1.52	1.52	1.52
	Reliable Consultancy Services Pvt Limited	-	0.13	0.93	0.68
	TIS International (USA) Inc	19.11	8.72	6.90	7.29
	Memory Electronics Private Limited	0.03	-	-	-
	Tancom Electronics Private Limited	0.15	-	-	-

\*Amalgamated with Reliable Consultancy Services Private Limited vide the order of the National Company Law Tribunal, Mumbai dated June 11, 2020

A summary of the related party transactions entered into by our Company in Fiscal 2021 and three months ended June 30, 2021, and as per Ind AS 24 - Related Party Disclosures, derived from the Restated Consolidated Financial Information is detailed below:

(₹ in million)

Particulars	Name of the Related party	For the year ended March 31, 2021	For the period ended June 30, 2021
<b>Income</b>			
Sales of Goods and Services	Infinx Services Private Limited	3.43	-
	TIS International (USA) Inc	0.47	-
<b>Expenses</b>			
Purchase of Goods and Services	TIS International (USA) Inc	-	10.14
	Memory Electronics Private Limited	0.03	-
	Tandon Holdings Limited	-	5.91
Interest on Unsecured Loan	Advance Power Devices Pvt Limited*	0.04	-
	Tancom Electronics Private Limited	0.24	-
	Tassel Trading LLP	1.04	-
	Titus Trading and Agencies Limited	0.16	-
	Mrs. Veena Kumari Tandon	3.65	-
Other Expenses	TIS International (USA) Inc	36.70	-
Remuneration to KMP			
a) Salary	Mr. Sandeep Tandon	24.00	6.00
b) Contribution to PF and other funds	Mr. Sandeep Tandon	2.76	0.72
c) Perquisite to KMP	Mr. Sandeep Tandon	4.80	1.20
Other transactions			
Dividend Paid on Redeemable Preference Shares	Tandon Holdings Limited	0.71	-
	Reliable Consultancy Services Pvt Limited	1.05	-
Issue of equity share (Including securities premium)	Mrs. Veena Kumari Tandon	210.53	-
Redemption of preference share	Reliable Consultancy Services Private Limited	11.80	-
	Advance Motors Technology Private Limited*	3.20	-
	Tandon Holdings Limited	30.00	-
Recovery of Expenses	Infinx Services Private Limited	13.97	4.72
	Syrma Tech Singapore Pte Ltd	-	-
Loans repaid	Advance Power Devices Pvt Limited*	0.89	-
	Mr. Sandeep Tandon	0.48	-
	Tassel Trading LLP	22.06	-
	Titus Trading and Agencies Limited	9.10	-
	Mrs. Veena Kumari Tandon	81.80	-
	Tancom Electronics Private Limited	11.06	-
<b>Assets at Year End</b>			
Non-Current Investments	SGS Teknics Manufacturing Private Limited	887.41	887.41
Security Deposit	Reliable Consultancy Services Pvt. Limited	10.00	10.00
Advance to suppliers	Infinx Services Private Limited	23.29	19.22
	Memory Electronics Private Limited	0.09	0.12
	Reliable Consultancy Services Pvt Ltd	-	0.12
	Tandon Holdings Limited	0.47	0.47
Loans and advances	Reliable Consultancy Services Pvt Limited	1.06	1.06
	Memory Electronics Private Limited	-	-
	Tancom Electronics Private Limited	0.00	0.00
Trade Receivable	Infinx Services Private Limited	6.12	10.84
	TIS International (USA) Inc	18.28	18.62
	Syrma Tech Singapore Pte Ltd	0.15	-
<b>Liabilities at Year End</b>			
Interest payable on Unsecured Loans	Advance Power Devices Pvt Limited*	0.04	0.04
	Tancom Electronics Private Limited	0.22	0.22
	Tassel Trading LLP	0.96	0.96
	Titus Trading and Agencies Limited	0.15	0.15
	Mrs. Veena Kumari Tandon	2.93	2.93
Trade Payable	Infinx Services Private Limited	1.52	1.52
	Reliable Consultancy Services Pvt Limited	0.93	0.68
	TIS International (USA) Inc	6.90	7.29

\*Amalgamated with Reliable Consultancy Services Private Limited vide the order of the National Company Law Tribunal, Mumbai dated June 11, 2020

For further details, see “Restated Financial Information” on page 244.

### Financing arrangements

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors and their relatives (as defined in Companies Act, 2013) and the directors of our corporate Promoter have financed the purchase by any other person of securities of our Company, during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

### Weighted average price at which specified securities were acquired by the Shareholders in the one year preceding the date of this Draft Red Herring Prospectus

Except as disclosed below, no other Shareholder has acquired Equity Shares in the one year preceding the date of this Draft Red Herring Prospectus. The weighted average price at which the Equity Shares were acquired by our Shareholders in the one year preceding the date of this Draft Red Herring Prospectus, is set forth below:

S. No.	Name	Number of Equity Shares acquired in the last one year preceding the date of this Draft Red Herring Prospectus	Weighted average price of acquisition per Equity Share (in ₹) <sup>#</sup>
<b>Promoters</b>			
1.	Sandeep Tandon	Nil	NA
2.	Tancom Electronics Private Limited	62,692,500*	Nil
3.	Jasbir Singh Gujral	12,694,690	52.88
<b>Promoter Selling Shareholder</b>			
1.	Veena Kumari Tandon	4,851,000	16.52
<b>Other Shareholders of the Company</b>			
1.	Krishna Kumar Pant	12,694,690	52.88
2.	Ranjeet Singh Lonial	12,694,690	52.88
3.	Sanjiv Narayan	12,694,690	52.88
4.	South Asia Growth Fund II Holdings, LLC	10,647,927	69.77**
5.	Modern Die Casting LLP	5,656,000	52.88
6.	Ayush Jatia	6,94,000*	Nil
7.	Jindal Combines Pvt Ltd	6,94,000*	Nil
8.	Bairavarasu Amrith Rau	203,300*	Nil
9.	South Asia EBT Trust <sup>#</sup>	81,405	69.83
10.	QED Innovation Labs LLP	69,400*	Nil
11.	Sangeeta Singh	4,900*	Nil
12.	Raghavendra Nagaraj	94,940	52.88
13.	Sreeram Srinivasan	282,800	52.88
14.	Nelsonsamuel Jayakumar	94,940	52.88
15.	Sreedharan Narayanan Gopalan	94,940	52.88

\* These Equity Shares were acquired through the bonus issue of Equity Shares undertaken pursuant to a resolution of our shareholders dated October 28, 2021, pursuant to which our Company has issued and allotted 136,255,300 bonus equity shares in the ratio of 100 fully paid-up bonus share of the face value of ₹ 10 each for every existing one fully paid up equity share of the face value of ₹ 10 each held by the members as on October 28, 2021.

\*\* The cost of acquisition of the 0.01% compulsory convertible preference shares, pursuant to which equity shares were allotted to South Asia Growth Fund II Holdings, LLC and South Asia EBT Trust on October 19, 2021, have been taken into consideration for the computation of the weighted average price of acquisition.

<sup>#</sup> As certified by M/s Sundararajan & Co by way of their certificate dated December 13, 2021.

### Weighted average price at which specified securities were acquired by the Shareholders in the three years preceding the date of this Draft Red Herring Prospectus

Except as disclosed below, no other Shareholder has acquired Equity Shares in the three years preceding the date of this Draft Red Herring Prospectus. The weighted average price at which Equity Shares were acquired by the Shareholders in the three years preceding the date of this Draft Red Herring Prospectus is as follows:

S. No.	Name	Number of Equity Shares acquired in the three years preceding the date of this Draft Red Herring Prospectus	Weighted average price of acquisition per Equity Share (in ₹) <sup>#</sup>
<b>Promoters</b>			
1.	Sandeep Tandon	Nil	NA
2.	Tancom Electronics Private Limited	62,692,500*	Nil



S. No.	Name	Number of Equity Shares acquired in the three years preceding the date of this Draft Red Herring Prospectus	Weighted average price of acquisition per Equity Share (in ₹) <sup>#</sup>
3.	Jasbir Singh Gujral	12,694,690	52.88
<b>Promoter Selling Shareholder</b>			
1.	Veena Kumari Tandon	4,884,246	59.97
<b>Other Shareholders of the Company</b>			
1.	Krishna Kumar Pant	12,694,690	52.88
2.	Ranjeet Singh Lonial	12,694,690	52.88
3.	Sanjiv Narayan	12,694,690	52.88
4.	South Asia Growth Fund II Holdings, LLC	10,648,026**	69.84
5.	Modern Die Casting LLP	5,656,000	52.88
6.	Ayush Jatia	700,940	71.33
7.	Jindal Combines Pvt Ltd	700,940	71.33
8.	Bairavarasu Amrith Rau	205,333	71.33
9.	South Asia EBT Trust <sup>#</sup>	81,406	69.92
10.	QED Innovation Labs LLP	70,094	71.33
11.	Sangeeta Singh	4,949	71.33
12.	Raghavendra Nagaraj	94,940	52.88
13.	Sreeram Srinivasan	2,82,800	52.88
14.	Nelsonsamuel Jayakumar	94,940	52.88
15.	Sreedharan Narayanan Gopalan	94,940	52.88

\* These Equity Shares were acquired through the bonus issue of Equity Shares undertaken pursuant to a resolution of our shareholders dated October 28, 2021, pursuant to which our Company has issued and allotted 136,255,300 bonus equity shares in the ratio of 100 fully paid-up bonus share of the face value of ₹ 10 each for every existing one fully paid up equity share of the face value of ₹ 10 each held by the members as on October 28, 2021.

\*\*The cost of acquisition of the 0.01% compulsory convertible preference shares, pursuant to which equity shares were allotted to South Asia Growth Fund II Holdings, LLC and South Asia EBT Trust on October 19, 2021, have been taken into consideration for the computation of the weighted average price of acquisition.

<sup>#</sup> As certified by M/s Sundararajan & Co by way of their certificate dated December 13, 2021.

#### Details of price at which specified securities were acquired in the last three years preceding the date of this Draft Red Herring Prospectus

The details of the price at which specified securities were acquired in the last three years preceding the date of this Draft Red Herring Prospectus, by our Promoter, Promoter Group, Promoter Selling Shareholder and Shareholders with nominee director or other rights is disclosed below:

S. No.	Name of the acquirer/shareholder	Date of acquisition of Equity Shares	Number of Equity Shares acquired	Acquisition price per Equity Share <sup>#</sup> (in ₹)
<b>Promoters</b>				
1.	Jasbir Singh Gujral	September 16, 2021	125,690	5,341.00
		October 30, 2021	12,569,000*	-
2.	Tancom Electronics Private Limited	October 30, 2021	62,692,500*	-
<b>Promoter Selling Shareholder</b>				
1.	Veena Kumari Tandon	March 23, 2019	949	565.00
		March 23, 2019	975	565.00
		March 23, 2019	2,100	565.00
		October 1, 2020	11,104	7,204.50
		October 5, 2020	11,178	7,204.50
		November 3, 2020	6,940	7,204.50
		October 27, 2021	15,000	5,341.00
		October 30, 2021	4,836,000*	-
<b>Promoter Group</b>				
1.	Modern Die Casting LLP	October 21, 2021	32,000	5,341.00
		October 22, 2021	24,000	5,341.00
		October 30, 2021	5,600,000*	-
<b>Shareholders with nominee director or other rights</b>				
1.	South Asia Growth Fund II Holdings LLC	November 3, 2020	99	7,204.50
		October 19, 2021	105,327*	-

S. No.	Name of the acquirer/shareholder	Date of acquisition of Equity Shares	Number of Equity Shares acquired	Acquisition price per Equity Share <sup>#</sup> (in ₹)
		October 30, 2021	10,542,600*	-
2.	South Asia EBT Trust	November 3, 2020	1	7,204.50
		October 19, 2021	805*	-
		October 30, 2021	80,600*	-
				-
3.	Sanjiv Narayan	September 17, 2021	125,690	5,341.00
		October 30, 2021	12,569,000*	-
4.	Ranjeet Singh Lonial	September 20, 2021	125,690	5,341.00
		October 30, 2021	12,569,000*	-
5.	Krishna Kumar Pant	September 21, 2021	125,690	5,341.00
		October 30, 2021	12,569,000*	-

These Equity Shares were acquired through the bonus issue of Equity Shares undertaken pursuant to a resolution of our shareholders dated October 28, 2021, pursuant to which our Company has issued and allotted 136,255,300 bonus equity shares in the ratio of 100 fully paid-up bonus share of the face value of ₹ 10 each for every existing one fully paid up equity share of the face value of ₹ 10 each held by the members as on October 28, 2021.

<sup>#</sup> As certified by M/s Sundararajan & Co by way of their certificate dated December 13, 2021

### Average cost of acquisition

The average cost of acquisition of Equity Shares by our Promoters (which includes the Selling Shareholder) as at the date of this Draft Red Herring Prospectus is set forth below:

S. No.	Name	Number of Equity Shares	Average cost of acquisition per Equity Share (in ₹) <sup>#</sup>
1.	Sandeep Tandon	Nil	NA
2.	Tancom Electronics Private Limited	63,319,425	102.00
3.	Jasbir Singh Gujral	12,694,690	2,670.50
4.	Veena Kumari Tandon*	4,884,360	3,183.28

<sup>#</sup> As certified by our M/s Sundararajan & Co by way of their certificate dated December 13, 2021.

\* Also the Selling Shareholder.

For further details of the average cost of acquisition of our Promoters, see “Capital Structure – Build-up of the Promoters’ shareholding in our Company” on page 87.

### Details of pre-IPO placement

Our Company, in consultation with the BRLMs, may consider a further issue of Equity Shares through a rights issue to existing Shareholders, private placement, preferential offer or any other method as may be permitted under applicable law to any person(s), aggregating up to ₹ 1,800.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC (“Pre-IPO Placement”). If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR.

### Issue of Equity Shares for consideration other than cash in the last one year

Except as disclosed in “Capital Structure – Equity Share Capital History of our Company” on page 82, our Company has not issued any Equity Shares for consideration other than cash in the one year preceding the date of this Draft Red Herring Prospectus.

### Split or consolidation of Equity Shares in the last one year

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

### SECTION III - RISK FACTORS

*An investment in equity shares involves a high degree of risk. Investors should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations, cash flows and financial condition could suffer, the price of the Equity Shares could decline, and you may lose all or part of your investment. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and risks involved. Investors should consult their tax, financial and legal advisors about particular consequences to them of an investment in the Offer. The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, such financial impact cannot be disclosed in such risk factors. To the extent, the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this section. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section.*

*Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on or derived from our Restated Standalone Financial Information included in this Draft Red Herring Prospectus. For further information, see “Restated Financial Information” beginning on page 244. We acquired SGS Tekniks in September 2021 and Perfect ID in October 2021, and we have included proforma condensed combined financial statements for Fiscals 2019, 2020 and 2021 and the three months ended June 30, 2021 to illustrate the impact of the acquisitions as if the acquisitions had taken place on April 1, 2018 under “Proforma Financial Information” on page 409. In this regard, please also see “Risk Factors – The Proforma Condensed Combined Financial Information included in this Draft Red Herring Prospectus may not accurately reflect our future financial condition, results of operations, cash flows and business.” on page 52.*

*This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. See section “Forward-Looking Statements” on page 19.*

*To obtain a complete understanding, prospective investors should read this section in conjunction with the sections “Our Business”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 180, 137 and 557, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus.*

#### INTERNAL RISKS

- 1. Our customers do not make long-term commitments to us and may cancel or change their production requirements. Such cancellations or changes may adversely affect our financial condition, cash flows and results of operations.***

We generally do not obtain firm, long-term purchase commitments from our customers, and frequently do not have visibility as to their future demand for our services. Customers also cancel, change or delay design, production or aftermarket service quantities and schedules, or fail to meet their forecasts for a number of reasons beyond our control. Customer expectations can change rapidly, requiring us to take on additional commitments or risks. In addition, customers may fail to meet their commitments to us or our expectations. Cancellations, reductions or delays by a significant customer, or by a group of customers, could seriously harm our operating results and negatively affect our working capital levels. Such cancellations, reductions or delays have occurred from time to time and may continue to occur in the future. The volume and timing of sales to our customers vary due to changes in demand for their products their attempts to manage their inventory; design changes; changes in their manufacturing strategies; and acquisitions of, or consolidations among, customers.

In addition, we make significant decisions based on our estimates of customers’ demand, including determining the levels of business that we will seek and accept, manufacturing schedules, component procurement commitments, working capital (including inventory) management, facility and capacity requirements, personnel needs and other resource requirements. The short-term nature of our customers’ commitments and the possibility of rapid changes in demand for their products affect our ability to accurately estimate their future requirements. Because certain of our operating expenses are fixed, a reduction in customer demand can harm our operating

results. The need for us to correctly anticipate component needs is amplified in times of shortages. The current environment of tight component supply, which might be further impacted by global pandemic-related interruptions, can increase the difficulties and cost of anticipating changing demand. Moreover, because our margins vary across customers and specific programs, a reduction in demand with higher margin customers or programs will have a more significant adverse effect on our operating results. Low utilization of our manufacturing facilities could also result in our realizing lower margins as we may not be able to undertake manufacturing in large numbers which is critical to our business.

There are a number of factors, other than our performance that could cause the loss of a customer. Customers may demand, among others, price reductions, set-off any payment obligations, require indemnification for themselves or their affiliates, change their outsourcing strategy by moving more work in-house, or replace their existing products with alternative products, any of which may have an adverse effect on our business, results of operations and financial condition. Cancellations, reductions or instructions to delay manufacturing (thereby delaying delivery of products manufactured by us) by a significant customer could adversely affect our results of operations by reducing our sales volume, as well as by possibly causing delay in our customers' paying us for the order placed for purchasing the inventory with us which we would have manufactured for them. The requirements of our customers are not restricted to one type of product and therefore variations in demand for certain types of products also requires us to make certain changes in our manufacturing processes thereby affecting our manufacturing schedules. We often increase staffing, increase capacity, engage sub-contractors and incur other expenses to meet the anticipated demand of our customers, which could cause reductions in our margins if a customer order gets delayed or cancelled or modified

Rapid increases in customer demand may stress personnel and other capacity resources. We may not have sufficient resources, including personnel and components, at any given time to meet all of our customers' demands or to meet the requirements of a specific program, which could result in a loss of business from such customers.

**2. *The strict quality requirements required to be complied with by us result in us incurring significant expenses to maintain our product quality. Any failure may adversely affect our reputation, financial conditions, cash flows and results of operations.***

Given the nature of our products, our customers have high and exacting standards for product quality as well as delivery schedules. Adherence to quality standards is a critical factor in our manufacturing process as any defects in the products manufactured by our Company or failure to comply with the technical specifications of our customers may lead to cancellation of the orders placed by our customers. Further, any failure to make timely deliveries of products in the desired quantity as per our customers' requirements could also result in the cancellation of orders placed by our customers and may adversely affect our reputation and goodwill. Additionally, prior to placing the orders, there is a detailed review process that is undertaken by certain customers. This may involve inspection of our manufacturing facilities, review of the manufacturing processes, review of the raw materials, review of our financial capabilities, technical review of the designs and specification of the proposed product, review of our logistical capabilities across geographies, review of the target price by the purchase team of the customer and multiple inspection and review of prototypes of the product. Where we manufacture finished products, deliveries are further subject to laboratory validation by certain customers. This is an extensive and stringent process undertaken by our customers. We are therefore subject to a stringent quality control mechanism at each stage of the manufacturing process and are required to maintain the quality and precision level for each product. As a result, we are required to incur expenses to maintain our quality assurance systems such as forming a separate team of engineers responsible for quality and assurance both in the manufacturing facilities and machineries, and in the manufacturing processes. This is undertaken by an independent quality control department in our Company which is responsible for ensuring quality in respect of all aspects of our operations.

Additionally, certain customers have high and stringent standards for product quantity and quality as well as delivery schedules. Any failure to meet our customers' expectations and specifications could result in the cancellation or non-renewal of contracts or purchase orders. We will continue to spend a portion of our future revenues to manage our product quality and to maintain our quality control a failure of which may negatively impact our profitability.

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

Since first being reported in December 2019, the outbreak of COVID-19 has spread globally. The World Health Organization declared the novel coronavirus disease (“**COVID-19**”) outbreak a pandemic on March 11, 2020. The rapid and diffused spread of COVID-19 and global health concerns relating to this pandemic have had a severe negative impact on, among other things, financial markets, liquidity, economic conditions and trade and could continue to do so or could worsen for an unknown period of time, that could in turn have a material adverse impact on our business, cash flows, results of operations and financial condition, including liquidity and growth. The extent to which the COVID-19 outbreak impacts our business, cash flows, results of operations and financial condition will depend on future developments, including on the duration and severity of the pandemic, the nature and scope of government actions to contain it, and the potential impact on global and national economic conditions, including inflation, interest rates, availability of capital markets, consumer spending rates, energy availability and costs (including fuel surcharges), which are highly uncertain and cannot be predicted. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause unprecedented economic disruption in India and in the rest of the world. While the Government of India in coordination with the state governments have started the bulk immunization process or vaccination drive since January 16, 2021, the scope, duration and frequency of such measures and the adverse effects of COVID-19 remain uncertain and are likely to be severe.

On March 14, 2020, India declared COVID-19 as a ‘notified disaster’ and imposed a nationwide lockdown announced on March 24, 2020. Subsequently, progressive relaxations have been granted for movement of goods and people and cautious re-opening of businesses and offices. In view of the lockdown, all of our manufacturing facilities were closed from March 23, 2020 to April 18, 2020, following which we continued to operate at less than our 50% of our capacity till July 2020. Further, our manufacturing facilities are currently operating subject to certain social distancing and additional safety measures, such as, regular temperature checks, regular sanitization, and compulsory use of masks and hand sanitization. The COVID-19 pandemic resulted in some disruptions in the supply of raw materials from our domestic and international suppliers during the months of April 2020 - July 2020. We also experienced some disruptions in supply chain and inventory management, as well as delays in orders. The localised lockdowns across India also resulted in deferment of orders from our customers.

We continue to closely monitor the impact that COVID-19 may have on our business and results of operations. The COVID-19 pandemic and related volatility in financial markets and deterioration of national and global economic conditions could affect our business and operations in a variety of ways. For instance, on account of operating restrictions/lockdown consequent to the outbreak of the COVID-19 pandemic, we may experience operational disruptions as a result of the following:

- a temporary shutdown of our manufacturing facilities due to government restrictions or illness in connection with COVID-19
- a decrease in demand for our products as a result of COVID-19 on account of government restrictions imposed and additionally on account of cost control measures implemented by our customers
- supply chain disruptions for us and our customers
- a significant percentage of our workforce being unable to work, including because of travel or government restrictions in connection with COVID-19, including stay at home orders
- delays in orders or delivery of orders
- our strategic projects getting postponed or our planned deliveries being delayed; and
- inability to collect full or partial payments from some customers due to deterioration in customer liquidity.

Even if a virus or other disease does not spread significantly and such measures are not implemented, the perceived risk of infection or significant health risk may adversely affect our business. Manufacturing facilities may be perceived as unsafe during such public health threats. If any of our workforce or our manufacturing facilities and warehouses are identified as a possible source of spreading COVID-19, or if there is a public perception that such risk exists, our facilities may have to be shut down and our business operations may be adversely affected. Any negative impact on consumers’ willingness or ability to purchase automobiles or automobile components, consumers’ willingness or ability to make purchase orders, could adversely affect our business, financial condition, and results of operations.

The extent to which the COVID-19 impacts our business and results will depend on future developments, which are highly uncertain and cannot be predicted, such as new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. In addition, we cannot predict the impact that the COVID-19 pandemic will have on our customers, suppliers and other business partners, and each of their financial conditions; however, any material effect on these parties could

adversely impact us. As a result of these uncertainties, the impact may vary significantly from that estimated by our management from time to time, and any action to contain or mitigate such impact, whether government-mandated or opted by us, may not have the anticipated effect or may fail to achieve its intended purpose altogether. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. Further, to the extent that the COVID-19 pandemic adversely affects our business and operations, it may also have the effect of heightening many of the other risks described in this section.

**4. *Strong relationships with our customers are very essential to our business. Loss of relationship with any of our customers may have a material adverse effect on our financial conditions, cash flows and results of operations.***

Maintaining strong relationships with our key customers is essential to our business strategy and to the growth of our business. In the three months ended June 30, 2021, we catered to over 200 customers of which 16 customers have been associated for over a period of 10 years. Some of our customers may place demands on our resources or may require us to undertake additional obligations which have the effect of increasing our operating costs, therefore affecting our profitability. Additionally, the loss of any key customer, may significantly affect our revenues, and we may have difficulty securing comparable levels of business from other customers to offset any loss of revenue from the loss of any such key customers, including our largest customer or even our top five customers. Our top 5 customers contributed to ₹ 2,928.78 million representing 33.00% of our total revenue in Fiscal 2021. Further, we may not be able to re-allocate our resources and assets in a timely or efficient manner.

In addition, we generate account receivables in connection with provision of manufacturing services to our key customers. If one or more of our customers were to become insolvent or otherwise unable to pay for the products supplied by us, this could have a have an impact on our business as we may not be able to recoup the unpaid production costs and materials incurred for manufacturing purposes.

Our profitability also depends on the performance and business of our key customers. In respect of the ODM and OEM manufacturers that we cater to, our revenues are directly affected by the resale of our products by our customers under their own brand names. We rely on the success of our customers in marketing and selling these products and therefore any negative impact on their reputation may also have an effect on our business. Accordingly, risks that could significantly harm our key customers could harm us as well, including:

- action undertaken by the government to tax our business, or that of our customers;
- reduced consumer spending on discretionary items in our customers' key markets;
- recession in countries in which our key customers' operate their businesses;
- slowdown in the industries in which our customers operate;
- loss of market share of our key customers' products which are manufactured by us;
- failure of our key customers' products to gain widespread commercial acceptance;
- our key customers' inability to effectively manage their operations
- a change in their management which may results in us not being a preferred supplier to them; and
- changes in laws affecting our customers to operate profitably.

There can be no assurance that the past performance of our business can continue in the future.

**5. *The global nature of our operations exposes us to numerous risks that could materially adversely affect our financial condition and results of operations.***

Our products are sold in over 20 countries where our customers operate. While all of our manufacturing facilities are located in India, a large portion of our sales are generated outside of India, with exports constituting 70.04% of our revenue from operations in Fiscal 2021. In relation to our customers, they are also subject to various risks in relation to their business and any economic uncertainty in some of the geographic regions in which they operate in, could result in the disruption of commerce and negatively impact cash flows from our operations in those areas. These risks include:

- COVID-19-related closures and other pandemic-related uncertainties in the countries in which we operate;
- Import and export regulations that could erode profit margins or restrict exports;
- Foreign exchange controls and tax rates;
- Foreign currency exchange rate fluctuations, including devaluations;
- Changes in regional and local economic conditions, including local inflationary pressures;

- Difficulty of enforcing agreements and collecting receivables through certain foreign systems;
- Variations in protection of intellectual property and other legal rights;
- Changes in labour conditions and difficulties in staffing and managing international operations;
- Inability or regulatory limitations on our ability to move goods across borders;
- Changes in laws and regulations;
- Social plans that prohibit or increase the cost of certain restructuring actions;
- The uncertainty surrounding the implementation and effects of Brexit;
- The potential for nationalization of enterprises or facilities; and
- Unsettled political conditions and possible terrorist attacks against countries where we sell our products or have other interests.

If we are unable to anticipate and effectively manage these and other risks, it could have a material and adverse effect on our business, our results of operations and financial condition.

**6. *We depend on third parties for the supply of raw materials and import majority of our raw materials, and delivery of products and such providers could fail to meet their obligations, which may have a material adverse effect on our business, results of operations and financial condition.***

We are dependent on third party suppliers for our raw materials. The raw materials used by us include electronic components, wound components, wiring harness, plastic parts, sheet metal parts and process consumables. Discontinuation of production by our suppliers or a failure of these suppliers to adhere to the delivery schedule or the required quality could hamper our manufacturing schedule and therefore affect our business and results of operations. This dependence may also adversely affect the availability of key materials at reasonable prices thus affecting our margins and may have an adverse effect on our business, results of operations and financial condition. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of raw materials.

There can be shortages or oversupply (as the case maybe) of key components. A shortage of any of these components generally increases their prices, and may depress our margins to the extent that it is not possible to pass these higher component prices on to our customers. For instance, in the current fiscal, there has been global shortage of semiconductor chips (*Source: F&S Report*) which has resulted in an increase in our cost of raw materials and components. In our experience, such shortages can quickly end and result in oversupply as suppliers ramp up manufacturing following capital expenditures to increase capacity. If we fail to anticipate customer demand properly, a temporary oversupply could result in excess or obsolete components which could affect our gross margin and may also affect our working capital management. Such volatility in supply of raw materials or components may adversely affect our business if we cannot manage our supply of such components and react quickly to market changes. We believe that shortages and oversupply are cyclical in nature and integral to our business cycle, and hence there can be no assurance that shortages or oversupply of key components (among others) will not occur in the future or that any such shortages or oversupply will not be a major contributing factor to our results of operations

If we were to experience a significant or prolonged shortage of raw materials from any of our suppliers, and we are unable procure the raw materials from other sources, we would be unable to meet our manufacturing schedules and to deliver to our customers in timely fashion, which would adversely affect our sales, margins and customer relations. We cannot assure you that a particular supplier will continue to supply the required components or raw materials to us in the future.

In Fiscal 2021, we imported raw materials amounting to ₹ 1,911.54 million, which accounted for 71.06% of our cost of raw materials and components. Any restrictions, either from the Central or state governments of India, or from countries which we import from, on such imports may adversely affect our business, prospects, financial condition and results of operations. There can be no assurance that such restrictions/ regulations would not be made more stringent which would consequently restrict our ability to import raw materials from other jurisdictions. Further, there can be no assurance that, under these circumstances, we will be successful in identifying alternate suppliers for raw materials or we will be able to source the raw materials at favourable terms in a timely manner. Any restriction on import of raw materials could have an adverse effect on our ability to deliver products to our customers, business and results of operations. We currently import raw materials from China where in the past there have been conditions imposed by the government in relation to the commerce and trade. In Fiscal 2021, ₹ 419.91 million representing 7.03% of our cost of raw materials and components were attributable to imports from China.

Further, a significant portion of our expenses arise from freight carriage and transport and freight and forwarding expense and import freight charges. Any increase in import tariff will increase expenses which in turn may impact our business and results of operations.

We typically commit to order raw materials and pre-constructed components from our own suppliers based on customer forecasts and orders. Cancellation by customers or any delay or reduction in their orders can result in a mismatch between the inventory of pre-constructed components and raw materials and the manufactured product that we hold, and could result in excess inventory and reduced working capital, pending sales of such products. This could have an adverse effect on the orderly management of our inventory, and could adversely affect our operating cash flow.

We use third parties for the supply of our raw materials and for delivery of finished and unfinished products to our domestic and overseas customers, as well as between manufacturing facilities. Transportation strikes could in the future have an adverse effect on our supplies and deliveries to and from particular manufacturing facilities on a timely and cost efficient basis. Further, due to COVID-19, there was a shortage of flights and containers which resulted in a significant increase in our freight costs. An increase in freight costs or the unavailability of adequate port and shipping infrastructure for transportation of our products to our markets may have an adverse effect on our business and results of operations. However, our cash flows may still be adversely affected because of any unanticipated delay between the date of procurement of those primary raw materials and date on which we can reset the component prices for our customers, to account for the increase in the prices of such raw materials. Our need to maintain a continued supply of raw materials may make it difficult to resist price increases and surcharges.

**7. *Delay in schedule of our expansion into new territories may subject our Company to risks related to time and cost overrun which may have a material adverse effect on our business, results of operations and financial condition.***

Our Company may face risks relating to the commissioning of any new manufacturing facilities in newer territories or failure to expand our manufacturing capacity to meet future demand for our products on account of reasons including but not limited to changes in the general economic and financial conditions in India. For details of the manufacturing facilities proposed to be commissioned by our Company, see “*Objects of the Offer*” on page 95. Our future contracts which contemplate change of technical requirements of existing contracts for new products may require us to set up new facilities, develop suitable technologies and install and commission new equipment, which will require considerable capital infusion and time.

While commissioning any manufacturing facilities in newer territories, we may also encounter various setbacks such as adverse weather conditions, delay in receiving required government approvals, construction defects and delivery failures by suppliers, unexpected delays in obtaining permits and authorizations, or legal actions brought by third parties. Further as and when we commission our planned manufacturing facilities, our raw material requirements and costs as well as our staffing requirements and employee expenses may increase and we may face other challenges in extending our financial and other controls to our new manufacturing facilities as well as in realigning our management and other resources and managing our consequent growth.

**8. *There may be problems with the products we design, manufacture or service that could result in liability claims against us, reduced demand for our services and damage to our reputation.***

We design, manufacture and sell products based on our customers’ specifications, many of which are highly complex, particularly when catering to end-use industries such as healthcare and industrial appliances, that have higher risk profiles. Despite our quality control and quality assurance efforts, problems may occur, or may be alleged, in the design, manufacturing or servicing of these products, including as a result of business continuity issues. Any failure on our part to render services as per client requirements could result in a claim against us for substantial damages, regardless of our responsibility for such a failure or defect.

Whether or not we are responsible for the problems in the products we manufacture, whether real or alleged, whether caused by faulty customer specifications, the design or manufacturing processes, servicing, or a component defect, may result in delayed shipments to customers or, reduction or cancellation of customer orders. If these problems were to occur in large quantities or too frequently, our business reputation may also be tarnished. In addition, such problems may result in liability claims against us, whether or not we are responsible. These potential claims may include damages for the recall of a product or injury to person or property. Although we attempt to limit our contractual liability for all damages, including consequential damages, in rendering our services, we cannot assure you that in case any claims for damages are made by our customers, the limitations on



liability we provide for in our service contracts will be enforceable, or that they will otherwise be sufficient to protect us from liability for damages. The successful assertion of any claim could have a material adverse effect on our business, financial condition and results of operations and could damage our reputation.

Further, even if customers or third parties, such as component suppliers, are responsible for defects, they may not, or may not be able to, assume responsibility for any such costs or required payments to us. While we seek to secure contractual protection and/or to insure against many of these risks, we may not have practical recourse against certain suppliers, and contractual protections, insurance coverage or supplier warranties, as well as our other risk mitigation efforts, may be inadequate, costly, or unavailable. We occasionally incur costs defending claims, and any such disputes could adversely affect our business relationships.

**9. *Our research and development capabilities are critical to our success. Any failure to derive results from our research and development efforts may hurt our competitiveness and profitability.***

Our success is dependent on our ability to develop new products and continue to work on and improve manufacturing capabilities. We make investments in product research and development, in particular, to improve the quality of our products and expand our new product offerings, which we believe are factors crucial for our future growth and prospects. During the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, we have incurred research and development expenditure aggregating to ₹ 28.68 million, ₹ 32.57 million, ₹ 37.45 million, and ₹ 12.68 million, respectively. We cannot assure you that our future product research and development initiatives will be successful or be completed within the anticipated time frame or budget, or that our newly developed or improvised products will achieve wide market acceptance from our customers. Even if such products are accepted by our customers, there is no guarantee that we will achieve our anticipated sales targets at all or achieve it in a profitable manner. Additionally, there can be no guarantee that the time and effort that we spend on research and development would be beneficial to the Company. There can be no assurance that costs incurred by us towards research and development may be effective in increasing cost efficiencies in respect of our manufacturing of these products. In addition, we cannot assure you that our existing or potential competitors will not develop products which are similar or superior to our products. It is often difficult to project the time frame for developing new products and the duration of market window for these products, and there is a substantial risk that we may have to abandon a potential product that is no longer commercially viable, even after we have invested significant resources in the development of such product. If we continue to fail in our product launch efforts, our business, prospects, financial condition and results of operations may be materially and adversely affected.

**10. *Failure to integrate acquired businesses into our operations successfully, as well as liabilities or claims relating to such acquired businesses, could adversely affect our business.***

Our acquisitions include the acquisition of Tovya Automation in December 2014, the merger of 3G Communication Private Limited effective from April 2016, and most recently, our acquisition of SGS Teknics and Perfect ID in September 2021 and October 2021 respectively. Further, as part of our business strategy, we intend to continue pursuing strategic acquisition opportunities in India and abroad to enhance our capabilities and address gaps in industry expertise, technical expertise and geographic coverage and thereby to expand our business. There can be no assurance that we will be able to identify suitable acquisition, strategic investment or joint venture opportunities at acceptable cost and on commercially reasonable terms, obtain the financing necessary to complete and support such acquisitions or investments, integrate such businesses or investments or that any business acquired or investment made will be profitable.

In respect of our recent acquisitions of Perfect ID and SGS Teknics, or in case of we acquire any other company or business in the future, we could have difficulty in assimilating that company's personnel, operations, and customer base. In addition, the key personnel of the acquired company may decide not to work with us or there may be difference or conflict in understanding of their and our key personnel. In addition, we may not be able to retain the customer base of the acquired company. We could also have difficulty in integrating the acquired services or technologies into our operations. These difficulties could disrupt our ongoing business, divert focus of our management and increase our expenses.

We may not be able to realise the benefits we currently anticipate from these acquisitions. If we attempt to acquire companies incorporated / formed outside India, we may not be able to satisfy certain Indian regulatory requirements for such acquisitions and may also need regulatory approval which we may not obtain. Such acquisitions also involve risks related to integration of operations across different cultures and languages, risks associated with foreign exchange fluctuations, and the risks associated with the economic, political and regulatory setting of such countries. In addition, acquisitions and investments involve a number of risks, including possible

adverse effects on our operating results, diversion of management's attention, failure to retain key personnel, risks associated with unanticipated events or liabilities and difficulties in the assimilation of the operations, technologies, systems, services and products of the acquired businesses or investments.

Any failure to achieve successful integration of such acquisitions or investments could have a material adverse effect on our business, results of operations or financial condition. In addition, the anticipated benefits of our future acquisitions may not materialise. Future acquisitions could also result in potentially dilutive issuances of our equity shares, the incurrence of debt, contingent liabilities or amortisation expenses, or write-offs of goodwill, any of which could harm our financial condition and results of operations, and may have an adverse impact on the price of our Equity Shares.

***11. Unplanned slowdowns or shutdowns in our manufacturing operations could have an adverse effect on our business, results of operations and financial condition.***

Our business is dependent upon our ability to efficiently manage our manufacturing facilities, which are subject to various operating risks, including productivity of our workforce, compliance with regulatory requirements and circumstances beyond our control, such as the breakdown and failure of equipment or industrial accidents, severe weather conditions, natural disasters and infectious disease outbreaks such as the COVID-19 pandemic. Any malfunction or breakdown of our machinery may require significant repair costs and consequently cause delays in our operations. We may also face protests from local citizens at our existing manufacturing facility or while setting up new facilities, which may delay or halt our operations. In addition, due to COVID-19, operations at our manufacturing facilities were temporarily suspended from March 23, 2020 to April 18, 2020, following which we continued to operate at less than our 50% of our capacity till July 2020. Our operations also require a significant amount and continuous supply of electricity and fuel and any shortage or non-availability of such utilities may adversely affect our operations. Any interruption in the continuous supply electricity may negatively impact the quality of the final product manufactured by us, which may result in delays in delivery of our products or non-delivery, resulting in loss of revenue and damage to our reputation or customer relationship. A prolonged interruption of electricity supply can also result in manufacturing slowdown or shutdowns, increased costs associated with restarting manufacturing and the loss of manufacturing in progress. The occurrence of any such event in the future could have an adverse effect on our business, results of operations and financial condition. Our inability to effectively respond to any shutdown or slowdown and rectify any disruption, in a timely manner and at an acceptable cost, could lead to an inability to comply with our customers' requirements and result in us breaching our contractual obligations.

***12. Non-compliance with and changes in, safety, health, environmental and labour laws and other applicable regulations, may adversely affect our business, results of operations and financial condition.***

We are subject to laws and government regulations, including in relation to safety, health, environmental protection and labour. These laws and regulations impose controls on air and water discharge, noise levels, storage handling, employee exposure to hazardous substances and other aspects of our manufacturing operations. Further, our manufacturing processes are also subject to laws and regulations in relation to quality, safety and health.

Further, laws and regulations may limit the amount of hazardous and pollutant discharge that our manufacturing facilities may release into the air and water. The discharge of materials that hazardous into the air, soil or water beyond these limits may cause us to be liable to regulatory bodies or third parties. Any of the foregoing could subject us to litigation, which could lower our profits in the event we were found liable, and could also adversely affect our reputation. Additionally, the government or the relevant regulatory bodies may require us to shut down our manufacturing facilities, which in turn could lead to product shortages that delay or prevent us from fulfilling our obligations to customers.

We are also subject to the laws and regulations governing employees, including in relation to minimum wage and maximum working hours, overtime, working conditions, maternity leave, hiring and termination of employees, contract labour and work permits. We have incurred and expect to continue incurring costs for compliance with such laws and regulations. These laws and regulations have, however, become increasingly stringent and it is possible that they will become significantly more stringent in the future. If we are unable to remain in compliance with all applicable environmental, health and safety and labour laws, our business, results of operations and financial condition may be adversely affected.

**13. *Our inability to accurately forecast demand for our products, and accordingly manage our inventory or plan capacity increases, may have an adverse effect on our business, cash flows, financial condition and results of operations.***

Our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, cash flows, financial condition and results of operations. We do not have firm commitment long-term supply agreements with our customers and instead rely on short term purchase orders to govern the volume and other terms of the sales of products. Accordingly, we plan our manufacturing volumes based on our forecast of the demand for our products. We typically plan capacity increases of our manufacturing facilities on the basis of anticipated demand, which we gauge on the basis of our estimated demand for our products. Any error in forecasting could result in surplus stock which would have an adverse effect on our profitability.

We maintain a high level of inventory of raw materials, work in progress and finished goods. In order to pursue our expansion strategy, we have increased manufacturing levels and our inventory of raw materials and finished goods. As of the three months ended June 30, 2021 and the Fiscals 2021, 2020 and 2019, our inventory of raw materials and finished goods amounted to ₹ 1,935.55 million, ₹ 1,951.91 million, ₹ 1,027.51 million, ₹ 898.31 million, respectively. Further, based on our Proforma Condensed Combined Financial Information, as of the three months ended June 30, 2021 and the Fiscals 2021, 2020 and 2019, our proforma inventory of raw materials and finished goods amounted to ₹ 2,559.04 million, ₹ 1,788.75 million, ₹ 1,419.21 million and ₹ 1,427.38 million, respectively. Our high level of inventory increases the risk of loss and storage costs to us as well as increasing the need for working capital to operate our business. Further, as our customers are not obliged to purchase our products or provide us with a binding long-term commitment, there can be no assurance that customer demand will match our manufacturing levels.

On the other hand, in the event that the demand we have forecasted is lower than the actual demand of our products, and we are unable to ramp up manufacturing to match such demand, we may be unable to supply the requisite quantity of products to our customers in a timely manner. Any increase in our turn-around time could affect our manufacturing schedules and disrupt our supply, which could have an adverse effect on our business, cash flows, financial condition and results of operations.

**14. *Our failure to identify and understand evolving industry trends and preferences and to develop new products to meet our customers' demands may materially adversely affect our business.***

Changes in the preferences of our customers, regulatory or industry trends or requirements, or in competitive technologies may render certain of our products or business strategies obsolete or less attractive. To compete effectively in the EMS sector, we must be able to develop, upgrade and manufacture new products to meet our customers' demand in a timely manner. In order to do so, we need to identify and understand the key market trends and address our customers' evolving needs proactively and on a timely basis. As a result, we may incur, and have in the past incurred, capital expenditures for development of products to meet the demands of our customers. We cannot assure you, however, that we will be able to install and commission the equipment needed to manufacture products for our customers on time. Our failure to successfully and timely develop and manufacture new products in order to cater to the requirements of our customers and industry trends could have a material adverse effect on our business, financial condition, results of operations and future prospects. Currently we are manufacturing PCBA, RFID etc., if there is any shift in technology or usage of these products, we may need some time to adapt to those changes and may need additional capex and may also render our existing plant and machinery defunct.

Further, our ability to anticipate changes in technology and regulatory standards and to successfully develop and introduce new and enhanced products on a timely basis is a significant factor in our ability to remain competitive. However, there can be no assurance that we will be able to secure the necessary technological knowledge, through research and development or through technical assistance agreements or otherwise, that will allow us to develop our product portfolio in this manner and ensure that we remain competitive. If we are unable to obtain such knowledge in a timely manner, or at all, we may be unable to effectively implement our strategies, and our business and results of operations may be adversely affected. Our inability to adopt new technologies may result in a loss of our business, which may have a material adverse impact on our business, financial condition, results of operations and cash flows.

**15. *Cyber risk and the failure to maintain the integrity of our operational or security systems or infrastructure, or those of third parties with which we conduct business, could have a material adverse effect on our business, consolidated financial condition and consolidated results of operations.***

Cyber threats are rapidly evolving and are becoming increasingly sophisticated. Our Company expects to continue to experience cyber threats from time to time, which pose a risk to the security of our systems and networks and the confidentiality, availability and integrity of our data. Disruptions or failures in the physical infrastructure or operating systems that support our businesses and customers, or cyber-attacks or security breaches of our networks or systems, could result in the loss of customers and business opportunities, legal liability, regulatory fines, penalties or intervention, other litigation, regulatory and legal risks and the costs associated therewith, reputational damage, reimbursement or other compensatory costs, remediation costs, increased cybersecurity protection costs, additional compliance costs, increased insurance premiums, and lost revenues, damage to the Company's competitiveness, share price, and long-term shareholder value, any of which could materially adversely affect our business, financial condition and results of operations. While we attempt to mitigate these risks, our systems, networks, products, solutions and services remain potentially vulnerable to advanced and persistent threats. We also maintain and have access to sensitive, confidential or personal data or information in certain of our businesses that is subject to privacy and security laws and regulations. Despite our efforts to protect such sensitive, confidential or personal data or information, our facilities and systems and those of our customers and third-party service providers may be vulnerable to security breaches, theft, fraud, misplaced or lost data, "Acts of God", programming and/or human errors that could lead to the compromising of sensitive, confidential or personal data or information, improper use of our systems, software solutions or networks, unauthorized access, use, disclosure, modification or destruction of information, defective products, manufacturing downtimes and operational disruptions, which in turn could adversely affect our consolidated financial condition and consolidated results of operations.

**16. *We may be subject to third party claims of intellectual property infringement.***

While we take care to ensure that we comply with the intellectual property rights of others and we believe that our products and methodologies do not infringe on the intellectual property rights of any other party, we cannot determine with certainty whether we are infringing upon any existing third-party intellectual property rights which may force us to alter our technologies, obtain licenses or significantly cease some portions of our operations. We may also be susceptible to claims from third parties asserting infringement and other related claims.

There are currently no pending or threatened intellectual property claims against us. However, if we become liable to third parties for infringing their intellectual property rights, we could be required to pay substantial damages including damages based on profits that we have obtained from the allegedly infringing technology as well as exemplary damages that a court may award and we may be forced to develop non-infringing technology, obtain a license for the infringing technology or cease selling the applications and using the products or methodologies that contain the infringing technology. We may be unable to develop non-infringing technology or to obtain a license on commercially reasonable terms. Any third-party claims of intellectual property infringement may have a material adverse effect on our business, financial condition and results of operation.

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

Like many of our competitors, we possess extensive technical knowledge about our products, including in relation to their manufacturing process. Such technical knowledge has been built up through our own experiences and through our agreements to avail technical know-how, which grant us access to new technologies. Our technical knowledge is a significant independent asset, which may not be adequately protected by intellectual property rights such as patent registration. As a result, we cannot be certain that our technical knowledge will remain confidential in the long run.

Certain proprietary knowledge may be leaked, either inadvertently or wilfully, at various stages of the manufacturing process. A significant number of our employees have access to confidential product information and there can be no assurance that this information will remain confidential. Moreover, certain of our employees may leave us and join our various competitors. Although we may seek to enforce non-disclosure agreements in respect of certain key employees, we cannot guarantee that we will be able to successfully enforce such agreements. We also enter into non-disclosure agreements with a number of our customers and suppliers but we cannot assure you that such agreements will be successful in protecting our technical knowledge. The potential damage from such disclosure is increased as our products are not patented, and thus we may have no recourse against copies of our products that enter the market subsequent to such leakages. In the event the confidential technical information in respect of our products or business becomes available to third parties or to the general public, any competitive advantage we may have over other companies in the EMS sector could be harmed. If a competitor is able to reproduce or otherwise capitalise on our technology, it may be difficult, expensive or

impossible for us to obtain necessary legal protection. Consequently, any leakage of confidential technical information could have an adverse effect on our business, results of operations, financial condition and future prospects.

**18. *Any defaults or delays in payment by a significant portion of our customers, may have an adverse effect on cash flows, results of operations and financial condition.***

In the ordinary course of business, we extend credit to our customers. Consequently, we are exposed to the risk of the uncertainty regarding the receipt of the outstanding amounts. As on March 31, 2021, our trade receivables was ₹ 1,278.72 million. Further, based on our Proforma Condensed Combined Financial Information, as on March 31, 2021, our proforma trade receivables was ₹ 2,084.34 million. Our results of operations and profitability depend on the credit worthiness of our customers. Certain of these customers may have weak credit histories and we cannot assure that these counterparties will always be able to pay us in a timely fashion, or at all. Any adverse change in the financial condition of our customers may adversely affect their ability to make payments to us. Default or delays in payments by a significant portion of our customers may have an adverse effect on cash flows, results of operations and financial condition.

**19. *The markets in which our customers compete are characterized by consumers and their rapidly changing preferences, advancement in technology and other related factors including lower manufacturing costs and therefore as a result our Company may be affected by any disruptions in the industry.***

The markets in which we and our customers compete are characterized by rapidly changing technology, evolving industry standards and continuous improvements in products and services. These conditions frequently result in short product life cycles. Some of the customers for whom we manufacture products for may also chose not to continue operations in India for many reasons which can also include customer preferences, among others. In Fiscal 2021, our revenue from operations attributable to industrial appliances industry, automotive industry, healthcare industry, consumer products industry, IT industry and other industries were 44.28%, 14.68%, 14.02%, 23.49%, 2.31%, and 1.22%, respectively of our revenue from operations.

If the end-user demand is low for our customers products, companies for who we manufacture products may see significant changes in orders from customers and may experience greater pricing pressures. Therefore, risks that could harm the customers of our industry could, as a result, adversely affect our Company as well. Our success is therefore dependent on the success achieved by our customers in developing and marketing their products. If technologies or standards supported by our customers become obsolete or fail to gain widespread commercial acceptance, our customers may experience a reduced demand for their products which may affect our sales, a decline in sales and in operating margins depending on the nature of the product and the end user demand and all of these combined may gradually result in a loss of customers including key ones. We endeavour to reduce the risks inherent in relying on a small number of products by developing and producing new products in respect of the end-user industries we cater to and to keep pace with the rapidly emerging technological changes taking place. However, there can be uncertainty regarding the development and manufacturing of these products as planned and failure to anticipate or respond rapidly to advances in technology can have a material adverse effect on our financial condition, results of operations and prospects.

Additionally, industry-wide competition for market share of various products can result in aggressive pricing practices by our customers and therefore our customers may also choose to import some of these products which provide them better cost benefits as compared to us or source the products from our competitors. This price-pressure from our customers may adversely affect the prices of the products which we supply, which may lead to reduced revenues, lower profit margins or loss of market share etc, any of which would have a material adverse effect on our business, financial condition and results of operations.

**20. *Our profitability could suffer if our cost management strategies are unsuccessful or our competitors develop an advantageous cost structure that we cannot match.***

Our ability to improve or maintain our profitability is dependent on our ability to successfully manage our costs. Our cost management strategies include maintaining appropriate alignment between the demand for our offerings and our resource capacity and maintaining or improving our sales and marketing and general and administrative costs as a percentage of revenues. If our cost management efforts are not successful, our efficiency may suffer and we may not achieve desired levels of profitability. In addition, we may not be able to implement our cost management efforts in a manner that permits us to realize the cost savings we anticipate in the time, manner, or

amount we currently expect, or at all due to a variety of risks, including, but not limited to, difficulties in integrating shared services within our business, higher than expected employee severance or retention costs, higher than expected overhead expenses, delays in the anticipated timing of activities related to our cost savings plans, and other unexpected costs associated with operating our business. If we are not effective in managing our operating costs in response to changes in demand or pricing, or if we are unable to absorb or pass on increases in the compensation of our employees or costs of raw materials, we may not be able to invest in our business in an amount necessary to achieve our planned rates of growth, and our business, financial condition, and results of operations could be materially adversely affected.

It may be possible for our current or future competitors to gain an advantage in product technology, manufacturing technology, or process technology, which may allow them to offer products or services that have a significant advantage over our offerings. Advantages could be in price, capacity, performance, reliability, serviceability, industry standards or formats, brand and marketing, or other attributes. If we do not compete successfully by developing and deploying new cost-effective products, processes, and technologies on a timely basis and by adapting to changes in our industry and the global economy, there could be a material adverse effect on our business, financial condition, and results of operations. Similarly, our products are used by manufacturers in a variety of industries. To the extent these industries become more sensitive to input costs, we may face price pressure. Our ability to respond to such pressures depends on the strength and viability of our internal cost management and pricing programs. Any failure of these programs could have a material adverse effect on our business, financial condition, and results of operations.

**21. *We operate in a highly competitive industry; if we are not able to compete effectively in the electronics manufacturing services sector, our business could be adversely affected.***

We compete against many providers of electronics manufacturing services. Some of our competitors have substantially greater financial, manufacturing or marketing resources than we do and have more geographically diversified international operations than we do. In addition, we may in the future encounter competition from other large electronic manufacturers that are selling, or may begin to sell, electronics manufacturing services.

We also face competition from the manufacturing operations of our current and future customers, who are continually evaluating the merits of manufacturing products internally against the advantages of outsourcing to EMS providers. In addition, in recent years, ODMs that provide design and manufacturing services to OEMs, have significantly increased their share of outsourced manufacturing services provided to OEMs in several markets. Competition from other ODMs may increase if our business in these markets grows or if ODMs expand further into or beyond these markets.

During periods of recession in the electronics industry, our competitive advantages in the areas of quick turnaround manufacturing and responsive customer service may be of reduced importance to electronics OEMs, who may become more price sensitive. We may also be at a competitive disadvantage with respect to price when compared to manufacturers with lower cost structures, particularly those with more offshore facilities located where labour and other costs are lower. The availability of excess manufacturing capacity at many of our competitors creates intense pricing and competitive pressure on the EMS industry as a whole. To compete effectively, we must continue to provide technologically advanced manufacturing services, maintain strict quality standards, respond flexibly and rapidly to customers' design and schedule changes, deliver products globally on a reliable basis at competitive prices and seek to create enhanced relationships with our customers with our advanced technology and engineering solutions. There can be no assurance that we will be able to competitively develop the products or solutions necessary to retain business or attract new customers. There can also be no assurance that we will be able to establish a compelling advantage over our competitors.

**22. *There are outstanding legal proceedings against our Company, our Directors, our Promoters and our Subsidiaries and adverse outcomes in such proceedings may negatively affect our business, results of operations and financial condition.***

We may in the future be, implicated in lawsuits including lawsuits and arbitrations involving compensation for loss due to various reasons including tax matters, civil disputes, labour and service matters, statutory notices, regulatory petitions and other matters. Litigation or arbitration could result in substantial costs to, and a diversion of effort by, us and/or subject us to significant liabilities to third parties. There are various outstanding legal proceedings against our Company pending at various levels of adjudication before various courts, tribunals, authorities and appellate bodies in India. In addition, we are subject to risks of litigation including public interest litigation, contract, employment related, personal injury and property damage.

We cannot provide any assurance that these legal proceedings will be decided in our favour. Any adverse decision may have a significant effect on our business including the financial condition of our Company, delay in implementation of our current or future projects and results of operations. There can be no assurance that the results of such legal proceedings will not materially harm our business, reputation or standing in the marketplace or that we will be able to recover any losses incurred from third parties, regardless of whether we are at fault. Even if we are successful in defending such cases, we may be subject to legal and other costs incurred pursuant to defending such litigation, and such costs may be substantial and not recoverable. There can be no assurance that losses relating to litigation or arbitration will be covered by insurance or that any such losses would not have a material adverse effect on the results of our operations or financial condition.

A summary of the nature and number of outstanding material litigation as on the date of this Draft Red Herring Prospectus, as decided by our Board and further detailed in “*Outstanding Litigation and Other Material Developments*” on page 601, involving our Company, our Directors, our Promoters and our Subsidiaries along with the amount involved, to the extent quantifiable, has been set out below:

(₹ in million)

Nature of cases	Number of cases	Total amount involved (to the extent quantifiable)
<b>Litigation involving our Company</b>		
<i>Proceedings against our Company</i>		
Material civil	1	56.17
Criminal	Nil	NA
Tax	2	14.02
Action by statutory or regulatory authorities	Nil	NA
<i>Proceedings by our Company</i>		
Material civil	Nil	NA
Criminal	Nil	NA
<b>Litigation involving our Subsidiaries</b>		
<i>Proceedings against our Subsidiaries</i>		
Material civil	Nil	NA
Criminal	Nil	NA
Tax	5	5.30
Action by statutory or regulatory authorities	Nil	NA
<i>Proceedings by our Subsidiaries</i>		
Material civil	Nil	NA
Criminal	Nil	NA
<b>Litigation involving our Promoters</b>		
<i>Proceedings against our Promoters</i>		
Material civil	Nil	NA
Criminal	Nil	NA
Tax	Nil	NA
Action by statutory or regulatory authorities	Nil	NA
Disciplinary action in the last five Fiscals	Nil	NA
<i>Proceedings by our Promoters</i>		
Material civil	Nil	NA
Criminal	Nil	NA
<b>Litigation involving our Directors</b>		
<i>Proceedings against our Directors</i>		
Material civil	Nil	NA
Criminal	2	NA
Tax	Nil	NA
Action by statutory or regulatory authorities	Nil	NA
<i>Proceedings by our Directors</i>		
Material civil	Nil	NA
Criminal	Nil	NA
<b>Litigation involving our Group Companies</b>		
Pending litigation which has a material impact on our Company	Nil	NA

23. *We require various statutory and regulatory permits and approvals in the ordinary course of our business, and our failure to obtain, renew or maintain them in a timely manner may adversely affect our operations.*

We are required to obtain and maintain a number of statutory and regulatory permits, approvals, licenses, registrations and permissions for carrying out our business and operations. Failure by us to renew, maintain or obtain the required permits or approvals at the requisite time may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations. Further, we cannot assure that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business. We are also required to make payments pursuant to statutory requirements. There can be no assurance that delays will not occur in making such payments in the future and that the relevant authority will not initiate actions against us for such delays.

Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may impede our operations. For details of applicable regulations relating to our business and operations, see “*Key Regulations and Policies*” on page 202. Further, see “*Government and Other Approvals*” on page 605 for details of the material approvals applicable to our business and operations including for details of applications made for certain regulatory approvals that have not been received by us as on the date of this Draft Red Herring Prospectus. Our Company has also not applied for certain approvals, details of which have been provided in “*Government and Other Approvals*” on page 605. We cannot assure you that the relevant regulatory or statutory authorities will not initiate actions against us for carrying out our operations without applying for and holding valid approvals. In the event that we are unable to obtain such approvals in a timely manner or at all, our business operations may be adversely affected.

**24. *Any adverse changes in regulations governing our business, products and the products of our customers, may adversely impact our business, prospects and results of operations.***

Government regulations and policies of India as well as the countries to which we export our products can affect the demand for, expenses related to and availability of our products. We have incurred and expect to continue incurring costs for compliance with such laws and regulations. Any changes in government regulations and policies, such as the withdrawal of or changes in tax benefits, incentives and subsidies or anti-dumping duties levied by India or other countries, could adversely affect our business and results of operations. Further, regulatory requirements with respect to our products and the products of our customers are subject to change. An adverse change in the regulations governing the development of our products and their usage by our customers, including the development of licensing requirements and technical standards and specifications or the imposition of onerous requirements, may have an adverse impact on our operations.

Our Company may be required to alter our manufacturing and/or distribution process and target markets and incur capital expenditure to achieve compliance with such new regulatory requirements applicable to us and our customers. We cannot assure you that we will be able to comply with the regulatory requirements. If we fail to comply with new statutory or regulatory requirements, there could be a delay in the submission or grant of approval for manufacturing and marketing new products or we may be required to withdraw existing products from the market. Moreover, if we fail to comply with the various conditions attached to such approvals, licenses, registrations and permissions once received, the relevant regulatory body may suspend, curtail or revoke our ability to market such products and/or we may be deemed to be in breach of our arrangements with our customers. Consequently, there is an inherent risk that we may inadvertently fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals for our new products, which may adversely impact our business, results of operations and financial condition.

**25. *Our failure in maintaining our quality accreditations and certifications may negatively impact our brand and reputation.***

We have received a number of quality assurance certifications and accreditations which have certified that our research, development, manufacturing and supply of our products are in compliance with globally accepted manufacturing practices and quality standards. For instance, we have received accreditations including the ISO 9001:2015, IATF 16949:2016, ISO 13485: 2016, AS 9100D, ISO 14001:2015, ANSI/ESD S20.20-2014 and ISO 45001:2018 certifications for quality management, environment and health & safety system. If we are unable to renew these accreditations, our brand and reputation could be adversely affected. Any significant damage to our



reputation and/or brand caused by being denied such accreditations and certifications could have a material adverse effect on our ability to attract new and repeat customers and, as a result, adversely affect our business, financial condition, results of operations or prospects.

**26. *The geographical concentration of our manufacturing facilities may restrict our operations and adversely affect our business, results of operations and financial conditions.***

We currently operate through eleven manufacturing facilities spread across Tamil Nadu, Karnataka, Himachal Pradesh, Uttar Pradesh and Haryana. Due to the geographic concentration of our manufacturing operations, our operations are susceptible to local and regional factors, such as accidents, system failures, economic and weather conditions, natural disasters, and demographic and population changes, the outbreak of infectious diseases such as COVID-19 and other unforeseen events and circumstances. Such disruptions could result in the damage or destruction of a significant portion of our manufacturing abilities, significant delays in the transport of our products and raw materials and/or otherwise adversely affect our business, financial condition and results of operations. Further, disruptions, damage or destruction of those facilities may severely affect our ability to meet our customers' demand and the loss of any one of our key customers or a significant reduction in demand from such customers could have an adverse effect on our business, results of operations and financial condition.

**27. *If we are unable to sustain or manage our growth, our business, results of operations and financial condition may be materially adversely affected.***

We have experienced growth in the past three years. For Fiscal 2021, we had a total income of ₹ 4,444.80 million, as compared to ₹ 3,573.95 million for the Fiscal 2019. Further, based on our Proforma Condensed Combined Financial Information, for Fiscal 2021, we had a total proforma income of ₹ 9,042.91 million, as compared to ₹ 8,062.38 million for the Fiscal 2019. Our operations have grown over the last few Fiscals. We may not be able to sustain our rates of growth, due to a variety of reasons including a decline in the demand for our products, increased price competition, non-availability of raw materials, lack of management availability or a general slowdown in the economy. A failure to sustain our growth may have an adverse effect on our business, results of operations and financial condition.

We are embarking on a growth strategy which involves (i) solidifying and strengthening our core competitiveness of technology innovation, (ii) pursuing organic growth, and inorganic growth through strategic acquisitions, (iii) expanding our customer base and geographic reach, (iv) increasing our wallet share from existing customers, and (v) catering to more end-use industries. Such growth strategy will place significant demands on our management as well as our financial, accounting and operating systems and require us to continuously evolve and improve our operational, financial and internal controls across our organization. In particular, continued expansion increases the challenges involved in:

- making accurate assessments of the resources we will require
- preserving a uniform culture, values and work environment across our projects
- developing and improving our internal administrative infrastructure, particularly our financial, operational, communications, internal control and other internal systems
- acquiring new customers and increasing or maintaining contribution from existing customer
- recruiting, training and retaining sufficient skilled management, technical and marketing personnel
- maintaining high levels of customer satisfaction; and
- adhering to expected performance and quality standards.

If we are unable to increase our manufacturing capacity, we may not be able to successfully execute our growth strategy. Further, as we scale-up and diversify our products, we may not be able to execute our operations efficiently, which may result in delays, increased costs and lower quality products. We cannot assure you that our future performance or growth strategy will be in line with our past performance or growth strategy. Our failure to manage our growth effectively may have an adverse effect on our business, results of operations and financial condition.

**28. *Our failure to comply with trade restrictions such as economic sanctions and export controls could negatively impact our reputation and results of operations.***

We may be subject to trade restrictions, including economic sanctions and export controls, imposed by governments around the world with jurisdiction over our operations, which prohibit or restrict transactions involving certain designated persons and certain designated countries or territories. Our failure to successfully

comply with these laws and regulations may expose us to reputational harm as well as significant sanctions, including criminal fines, imprisonment, civil penalties, disgorgement of profits, injunctions, debarment from government contracts, and other remedial measures. Investigations of alleged violations can be expensive and disruptive. As part of our business, we may, from time to time, engage in limited sales and transactions involving certain countries that are targets of economic sanctions, provided that such sales and transactions are authorized pursuant to applicable economic sanctions laws and regulations. However, we cannot predict the nature, scope, or effect of future regulatory requirements, including changes that may affect existing regulatory authorizations, and we cannot predict the manner in which existing laws and regulations might be administered or interpreted.

In addition, any perceived or actual breach of compliance by us with respect to applicable laws, rules, and regulations could have a significant impact on our reputation and could cause us to lose existing customers, prevent us from obtaining new customers, negatively impact investor sentiment about our Company, require us to expend significant funds to remedy problems caused by violations and to avert further violations, and expose us to legal risk and potential liability, all of which may have a material adverse effect on our reputation, business, financial condition, and results of operations.

**29. *We have working capital requirements and may require additional financing to meet those requirements, which could have an adverse effect on our business, results of operations and financial condition.***

Our Company requires working capital to finance the purchase of raw materials and for the manufacture and other related work before payment is received from customers. As on June 30, 2021, our total outstanding indebtedness in respect of our working capital facilities was ₹ 224.84 million. Further, based on our Proforma Condensed Combined Financial Information, as on June 30, 2021, our total proforma outstanding indebtedness in respect of our working capital facilities was ₹ 704.15 million. The actual amount and timing of our future working capital requirements may differ from estimates as a result of, among other factors, unforeseen delays or cost overruns, unanticipated expenses, regulatory changes, economic conditions, engineering design changes, weather related delays, technological changes and additional market developments and new opportunities in the EMS sector. Our sources of additional financing, required to meet our working capital requirements and capital expenditure plans, may include the incurrence of debt or the issue of equity or debt securities or a combination of both. If we decide to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations. Any issuance of equity, on the other hand, could result in a dilution of your shareholding. Accordingly, continued increases in our working capital requirements may have an adverse effect on our financial condition and results of operations.

**30. *Our indebtedness and the conditions and restrictions imposed on us by our financing agreements could adversely affect our ability to conduct our business.***

As on June 30, 2021, we had total outstanding indebtedness of ₹ 515.97 million. Further, based on our Proforma Condensed Combined Financial Information, as on June 30, 2021, we had total proforma outstanding indebtedness of ₹ 1,016.61 million. We may incur additional indebtedness in the future. Our indebtedness could have several important consequences, including but not limited to the following:

- a portion of our cash flow will be used towards repayment of our existing debt, which will reduce the availability of cash to fund working capital needs, capital expenditures, acquisitions and other general corporate requirements;
- our ability to obtain additional financing in the future at reasonable terms may be restricted;
- fluctuations in market interest rates may affect the cost of our borrowings, as some of our loans are at variable interest rates;
- we may not be able to obtain further financing at optimal costs, and
- we may be more vulnerable to economic downturns, may be limited in our ability to withstand competitive pressures and may have reduced flexibility in responding to changing business, regulatory and economic conditions.

Our financing arrangements are secured by our present and future current assets and our movable and immovable fixed assets, and the personal guarantees of our Promoters. Our financing agreements also include various conditions and covenants that require us to obtain lender consents prior to carrying out certain activities and entering into certain transactions. Typically, restrictive covenants under financing documents of our Company relate to obtaining prior consent of the lender for, among others:

- Effectuating any change in our shareholding pattern.
- Effectuating any change in the management or control of our Company.
- Diluting the promoter's stake from present levels.
- Making any changes in the memorandum and articles of our Company.
- Opening bank accounts with banks other than the lender bank.
- Effectuating any change in the constitution of our Company.

For further details of the restrictive covenants under financing documents of our Company, see “*Financial Indebtedness*” on page 599. As on the date of this Draft Red Herring Prospectus, we have made applications for obtaining consents from our lenders to permit the Offer. However, we are yet to receive this consent from one of our lenders. While our Company intends to obtain the necessary consents in relation to the Offer from such lender(s) prior to the filing of the Red Herring Prospectus with the RoC, undertaking the Offer without obtaining such lender consents would be in contravention of the conditions contained in the financing agreement entered into with them and would constitute a default under this agreement. Any failure to comply with the requirement to obtain a consent, or other condition or covenant under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may lead to a termination of our credit facilities, acceleration of all amounts due under such facilities and trigger cross-default provisions under certain of our other financing agreements, and may materially and adversely affect our ability to conduct our business and operations or implement our business plans.

Further, any failure to service our indebtedness, perform any condition or covenant or comply with the restrictive covenants could lead to a termination of our credit facilities, default and acceleration of amounts due under such facilities, any of which may adversely affect our ability to conduct our business and have a material adverse effect on our financial condition and results of operations.

**31. *We may undertake joint ventures in the future, which may be difficult to integrate and manage. Further, our joint venture partners may not perform their obligations satisfactorily and their interests may differ from ours, which could have a material adverse effect on our business and results of operations.***

We believe that our efforts at diversifying into new products and into new domestic or international markets can be facilitated by entering into joint venture agreements or strategic alliances with partners whose operations, resources, capabilities and strategies are complementary to our Company. There can be no assurance that the integration of such joint ventures in the future, whether strategic or financial will be successful or that the expected strategic benefits of any such action will be realised. In order to achieve global growth and recognition, we will have to maintain our joint ventures and take initiatives to enter into similar arrangements. However, there can be no assurance that we will be able to identify suitable joint venture partners on commercially reasonable terms or be able to raise sufficient funds to finance such strategies for growth. If we are unable to successfully manage relationships with our joint venture partners, our growth and profitability may suffer. Our reliance on joint venture partners may increase in sectors where we have limited experience. Any of these factors could adversely affect our business, financial condition, results of operations, cash flows and business prospects. Additionally, there can be no assurance that we will be able to consummate our joint ventures in the future on terms acceptable to us, or at all. Further there is no assurance that our products manufactured through joint ventures and alliances will generate the expected levels of interest amongst our customers or that our new ventures will generate return on investment at expected levels or at all.

**32. *We retain a large number of contract labour. In the event of non-availability of such contract labour or any adverse regulatory orders, it may have a material adverse impact on our operations.***

We operate in a labour-intensive industry and accordingly, are required to employ labour as well as contractual labour. This results in significant labour as well as contractual labour costs for our Company. Set out below are the details of the number of permanent employees, temporary employees and trainee employees of our Company as on March 31, 2021, March 31, 2020 and March 31, 2019:

	No. of permanent employees	No. of temporary and retainerhip employees	No. of trainees
As on March 31, 2021	351	2,602	781
As on March 31, 2020	283	2,069	976

	No. of permanent employees	No. of temporary and retainership employees	No. of trainees
As on March 31, 2019	252	1,968	1133

Our dependence on contract labour may result in significant risks for our operations, relating to the availability and skill of such contract labourers, as well as contingencies affecting availability of such contract labour during peak periods in labour intensive sectors such as ours. There can be no assurance that we will have adequate access to skilled and unskilled workmen at reasonable rates. For instance, our manufacturing process is dependent on a technology driven production system and any inability of our labour to successfully familiarise with such technology will adversely affect our business, financial condition, result of operations and cash flows.

Further, our Company appoints independent contractors who in turn engage a significant number of on-site contract labourers for performance of our business operations. Although our Company does not engage these labourers directly, we may be held responsible for any wage payments to be made to such labourers in the event of default by such independent contractors. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition.

**33. *Employee misconduct could harm us and is difficult to detect and deter.***

Although we closely monitor our employees, misconduct, including acts of theft and fraud by employees or executives, such acts could include binding us to transactions that exceed authorized limits or present unacceptable risks or they may hide unauthorized or unlawful activities from us, which may result in substantial financial losses and damage to our reputation and loss of business from our customers. Employee or executive misconduct could also involve the improper use or disclosure of confidential information, which could result in regulatory sanctions and serious reputational or financial harm, including harm to our brand. It is not always possible to deter employee or executive misconduct and the precautions taken and systems put in place to prevent and detect such activities may not be effective in all cases. Any instances of such misconduct could adversely affect our reputation.

**34. *If we fail to maintain an effective system of internal controls, we may not be able to successfully manage, or accurately report, our financial risks.***

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. There can be no assurance that deficiencies in our internal controls will not arise in the future, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls. For further details, please see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations - Quantitative and qualitative analysis of financial risks*” on page 589. Any inability on our part to adequately detect, rectify or mitigate any such deficiencies in our internal controls may adversely impact our ability to accurately report, or successfully manage, our financial risks, and to avoid fraud.

**35. *We have, in the past, entered into certain transactions with related parties and may continue to do so in the future. Any related party transactions that are not on an arm's length basis may adversely affect our business, results of operation and financial condition.***

We have, in the past, entered into certain transactions with related parties and may continue to do so in the future. For further details, see “*Summary of the Offer Document - Summary of related party transactions*” and “*Restated Financial Information*” on pages 23 and 244 respectively. While we believe that all such transactions have been conducted on an arms-length basis, we cannot assure you that we would not have achieved more favourable commercial terms had such transactions not been entered into with related parties. Further, we may enter into related party transactions in the future, and such transactions may potentially involve conflicts of interest. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our results of operations and financial condition.

**36. *Under-utilization of our manufacturing capacities may have an adverse effect on our business, future prospectus and future financial performance.***

Our capacity utilization is affected by the availability of raw materials, industry and market conditions as well as by the product requirements of, and the procurement practice followed by, our customers. In the event that we are

unable to achieve full capacity utilization of our current manufacturing facilities, this would result in operational inefficiencies which may have an adverse effect on our business, financial condition, cash flows, future prospects and future financial performance. For further details in relation to our capacity utilization, see “*Our Business – Description of our Business and Operations – Our Manufacturing Facilities - Manufacturing capacity*” on page 196.

Under-utilization of our manufacturing capacities over extended periods, or significant under-utilization in the short term, could adversely impact our business, growth prospects and future financial performance. In addition, we have made, and may continue to make significant investments in our manufacturing facilities. Our expected return on capital invested is subject to, among other factors, the ability to ensure satisfactory performance of personnel to further grow our business, our ability to absorb additional infrastructure costs and utilize the expanded capacities as anticipated. In case of oversupply in the industry or lack of demand, we may not be able to utilize our capacity efficiently.

**37. *We may undertake or may be forced to undertake certain onerous contractual obligations with some of our customers.***

We have in the past, provided certain customers with price reductions, indemnities, cooling off periods and non-compete provisions. We cannot assure you that our existing or future customers will not demand for similar provisions in their contracts with us. While to date we believe such obligations have not materially affected us, there can be no assurance that they will not adversely affect us in the future. Furthermore, if we refuse to enter into contracts that contain such obligations, we may lose prospective customers and our business, financial condition and results of operations could be adversely affected.

**38. *Since a significant percentage of our revenues are denominated in U.S. Dollars and other foreign currencies and a significant percentage of our costs are denominated in Indian Rupees, we face currency exchange risks.***

Majority of our revenue is generated from export of our products made to our clients located in more than 20 countries. During the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, ₹ 2,673.35 million, ₹ 3,320.94 million, ₹ 3,069.71 million and ₹ 752.79 million, which accounted for 75.52%, 83.63%, 70.04%, and 56.52%, respectively of our revenue from operations, was attributable to exports. Based on our Proforma Condensed Combined Financial Information, during the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, ₹ 4,440.62 million, ₹ 4,983.50 million, ₹ 4,731.68 million and ₹ 1,202.77 million, which accounted for 55.88%, 57.57%, 53.32%, and 49.04%, respectively of our proforma revenue from operations, was attributable to exports. In the event that there is any fluctuation in the exchange rates, our revenues will be affected. Substantially all of these revenues are denominated in U.S. Dollars and to a lesser extent in the Euro, the Pound Sterling and other foreign currencies. We expect that a majority of our revenues will continue to be generated in foreign currencies and that a significant portion of our expenses will continue to be denominated in Indian Rupees. Accordingly, our operating results have been and will continue to be impacted by fluctuations in the exchange rate between the Indian Rupee and the U.S. Dollar and other foreign currencies. Any strengthening of the Indian Rupee against the U.S. Dollar, the Euro or other foreign currencies could adversely affect our financial condition and results of operations.

**39. *We are highly dependent on our management team and key personnel and the loss of any key team member may adversely affect our business performance.***

Our Promoter and Executive Chairman, Sandeep Tandon, has been instrumental in the growth and development of our Company. In particular, the active involvement of our Promoter in our operations, including through strategy, direction and customer relationships have been integral to our development and business. The loss of this individual would have a material adverse effect on our operations. We cannot assure you that his services will continue to be available to us, or that we will be able to find a suitable replacement if required.

Further, our businesses are dependent upon a core management team which oversees the day-to-day operations, strategy and growth of our business. Many of the key management personnel have been with us for a considerable period of time, and have been, and may continue to be, integral to our further development. Our success is largely dependent on our management team which ensures the implementation of our strategy. If one or more members of our key management team were unable or unwilling to continue in their present positions, such persons would be difficult to replace and our business, prospects, financial condition and results of operations could be adversely affected.

In addition, our success in expanding our business will also depend, in part, on our ability to attract, retain and motivate appropriately qualified personnel. Our failure to successfully manage our personnel needs could materially and adversely affect our business and results of operations. Moreover, if any of our key professional employees were to join an existing competitor or form a competing company or otherwise leave, it could lead to setbacks in the implementation of our plans and strategy. Our failure to successfully manage our personnel needs could materially adversely affect our business, prospects, financial condition and results of operations. These risks could be heightened to the extent we invest in businesses or geographical regions in which we have limited experience. If we are not able to address these risks, our business, prospects, financial condition and results of operations could be adversely affected.

- 40. *We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements for development of a R&D facility and expansion / setting up of manufacturing facilities and if the costs of setting up and the possible time or cost overruns related to these projects are higher than expected, it could have a material adverse effect on our financial condition, results of operations and growth prospects.***

The Offer comprises a Fresh Issue of such number of Equity Shares aggregating up to ₹ 9,260.00 million by our Company and an Offer of Sale of up to 3,369,360 Equity Shares by the Selling Shareholder. However, the entire proceeds from the Offer for Sale will be paid to the Selling Shareholder and our Company will not receive any proceeds from the Offer for Sale. The proceeds from the Fresh Issue less the Offer related expenses applicable to the Fresh Issue constitute the Net Proceeds, which we intend to utilise towards the proposed objects of the Offer. We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements for development of a R&D facility and expansion / setting up of manufacturing facilities, among others. We have estimated the total cost of such capital expenditure to be ₹ 5,712.15 million, which has been certified by Rahul R Pujara & Associates, pursuant to their project reports dated December 12, 2021. However, such total estimated cost and related fund requirements have not been appraised by any bank or financial institution. The completion of the said projects is dependent on the performance of external agencies, which are responsible for *inter alia* construction of buildings, installation and commissioning of plant and machinery and supply and testing of equipment. We cannot assure you that the performance of external agencies will meet the required specifications or performance parameters. We may not be able to identify suitable replacement external agencies in a timely manner. If the performance of these agencies is inadequate in terms of the requirements, this may result in incremental cost and time overruns.

Further, we have not entered into any definitive agreements to utilize the Net Proceeds for this object of the Offer and have relied on the quotations received from third parties for estimation of the cost. While we have obtained the quotations from various vendors in relation to such capital expenditure, most of these quotations are valid for a certain period of time and may be subject to revisions, and other commercial and technical factors. Additionally, we are yet to place orders for any of the plant and machinery (in terms of the aggregate estimated cost of plant and machinery for the proposed capital expenditure). For further details please refer to “*Objects of the Offer*” on page 95. Further, the estimated costs for these projects are based on management estimates and current conditions and are subject to change, owing to prospective changes in external circumstances, costs, and other financial conditions. There could be delays in the said expansion or upgradation as a result of, among other things, requirement of obtaining approvals from statutory or regulatory authorities, contractors’ or external agencies’ failure to perform, exchange rate fluctuations, unforeseen engineering problems, disputes with workers, increase in input costs of construction materials and labour costs, incremental preoperative expenses, taxes and duties, interest and finance charges, EPC and non-EPC costs, cost escalation and/or force majeure events (including the continuing impact of the COVID-19 pandemic), any of which could give rise to cost overruns and delays in our implementation schedules.

If our actual capital expenditures on these significantly exceed our budgets, or even if our budgets were sufficient to cover these projects, we may not be able to achieve the intended economic benefits of these projects, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects. There can be no assurance that we will be able to complete the aforementioned expansion or commissioning of our manufacturing facilities and additions in accordance with the proposed schedule of implementation and any delay could have an adverse impact on our growth, prospects, cash flows and financial condition.

- 41. *Our management has discretion in how it may use the proceeds of the Offer. Any variation in the utilisation of our Net Proceeds would be subject to certain compliance requirements, including prior shareholders’ approval.***

Our use of the proceeds of the Offer is at the discretion of the management of our Company. As described in the section titled “*Objects of the Offer*” on page 95, we intend to use the Net Proceeds for various purposes, including but not limited to, (i) development of a R&D facility and expansion / setting up of manufacturing facilities; (ii) funding our long term working capital requirements; and (iii) general corporate purposes. However, we have not entered into any definitive agreements and do not have any definite and specific commitments towards the aforementioned purposes for which our Company intends to use the Net Proceeds. Further, the Net Proceeds are intended to be utilized by the Company only and none of the members of our Promoter Group or Group Companies will receive any portion of the Net Proceeds. The planned use of the Net Proceeds is based on current conditions and is subject to changes in external circumstances, costs, other financial conditions or business strategies. Any variation in the planned use of the Net Proceeds would require Shareholders’ approval and may involve considerable time or cost overrun and in such an eventuality it may adversely affect our operations or business. In the event that there is such a change in the objects of the Offer, our Promoters shall provide an exit offer to dissenting shareholders as provided for in the Companies Act, 2013 and in terms of the conditions and manner prescribed under Schedule XX of the SEBI ICDR Regulations and applicable law.

**42. *We have not entered into any definitive agreements to use a portion of the proceeds of the Fresh Issue in relation to the acquisition of certain land required for our proposed setting up of manufacturing facilities, and accordingly such land is not registered in the name of our Company. Accordingly, we may invest or spend the proceeds of the Fresh Issue in ways with which you may not agree***

Our use of the proceeds of the Fresh Issue is at the discretion of the management of our Company, although it is subject to monitoring by an independent agency. As described in the “*Objects of the Offer*” beginning on page 95, we intend to use a portion of the proceeds from the Fresh Issue towards certain capital expenditure, which involves among others, the acquisition of land for proposed setting up of manufacturing facilities. However, as on date of this Draft Red Herring Prospectus, we have not entered into any definitive agreements and do not have any definite and specific commitments for such acquisition of land, and accordingly such land is not registered in the name of our Company. We may not be able to conclude such agreements or commitments on terms anticipated by us, or at all. As a result, subject to compliance with requirements under the Companies Act and the SEBI ICDR Regulations, our planned use of the proceeds of the Fresh Issue may change in ways with which you may not agree. These are based on current conditions and are subject to change in light of changes in external circumstances or costs or in other financial conditions, business strategy, etc. Further, while we have currently identified certain parcels of land for the purpose of the proposed capital expenditure, we may not be able to suitable alternate parcels of land in a timely manner to be able to deploy the Net Proceeds as per the timelines stipulated. Furthermore, land acquisition may also be subject to legal uncertainties and title defects, and we may not be able to capitalize on our acquisitions or ascertain clean and marketable title in a timely manner.

**43. *The land and premises for our manufacturing facilities are held by us on lease or leave and license or tenancy agreements which subject us to certain risks.***

Most of our manufacturing facilities are on premises that have been leased by us from third parties through lease or leave and license or tenancy arrangements. For further details, see “*Our Business – Our Manufacturing Facilities*” on page 196. Upon expiration of the relevant agreement for each such premise, we will be required to negotiate the terms and conditions on which the lease agreement may be renewed. We cannot assure you that we will be able to renew these agreements on commercially reasonable terms in a timely manner, or at all.

Termination of our leases may occur for reasons beyond our control, such as breaches of lease agreements by the landlords of our premises which is detrimental to our operations. If we, our current or future landlords breach the lease agreements, we may have to relocate to alternative premises or shut down our operations at that site. Once we obtain a lease, we incur significant expenses to install necessary furniture, fittings, machinery, lighting, security systems and air conditioning, to ensure such unit is designed in line with our requirements. Relocation of any part of our operations may cause disruptions to our business and may require significant expenditure, and we cannot assure you that in such a case, we will be able to find suitable premises on commercially reasonable terms in a timely manner, if at all or we may have to pay significantly higher rent or incur additional expenses towards interiors. Occurrence of any of these factors may materially and adversely affect our business, financial condition and results of operations.

Certain of our lease agreements for our manufacturing facilities contain restrictive covenants, including but not limited to, requirements that we obtain consent from the lessor, which is typically the industrial development authority, prior to undertaking certain matters including changing the name and style under which we are doing

business. For instance, by way of letter in November 2021, we sought consent from Development Commissioner, Madras Export Processing Zone, Special Economic Zone for change in name of the Company pursuant to the conversion of the company to a public limited company, pursuant to the Offer. As on date, no response has been received from the authority within the time frame set out by us in our letter to them. While we believe that we have taken adequate steps to seek their consent, we cannot assure that such authorities will not take any adverse action against us under the terms of their respective lease agreements.

Further, some of our lease deeds for our properties may not be registered and further some of our lease deeds may not be adequately stamped and consequently, may not be accepted as evidence in a court of law and we may be required to pay penalties for inadequate stamp duty. Further, we may not be able to assess or identify all risks and liabilities associated with any properties, such as faulty or disputed title, unregistered encumbrances or adverse possession rights, improperly executed, unregistered or insufficiently stamped instruments, or other defects that we may not be aware of.

In the event that these existing leases are terminated or they are not renewed on commercially acceptable terms or at all, we may suffer a disruption in our operations. If alternative premises are not available at the same or similar costs, size or locations, our business, financial condition and results of operations may be adversely affected.

**44. A downgrade in our credit rating could adversely affect our ability to raise capital in the future.**

Our Company has received the following credit ratings from CARE Ratings vide its press release dated February 24, 2021:

Facilities/Instruments	Amount (Rs. crore)	Ratings
Long-term Bank Facilities	39.90	CARE A- (CWD) (Single A Minus) (Under Credit watch with Developing Implications)
Long-term / Short-term Bank Facilities	65.00	CARE A- / CARE A2 (CWD) (Single A Minus / A Two) (Under Credit watch with Developing Implications)
Short-term Bank Facilities	35.25	CARE A2 (CWD) (A Two) (Under Credit watch with Developing Implications)

Our credit ratings, which are intended to measure our ability to meet our debt obligations, are a significant factor in determining our finance costs. The interest rates of certain of our borrowings may be significantly dependent on our credit ratings. A downgrade of our credit ratings could lead to greater risk with respect to refinancing our debt and would likely increase our cost of borrowing and adversely affect our business, financial condition, results of operations and prospects.

**45. Our insurance coverage could prove inadequate to satisfy potential claims and our insurance policies may not protect us against all potential losses, which could adversely affect our business and results of operations.**

Our business operations are subject to various risks inherent in the manufacturing industry. While we believe that the insurance coverage which we maintain is in keeping with industry standards and would be reasonably adequate to cover the normal risks associated with the operation of our businesses, we cannot assure you that any claim under the insurance policies maintained by us will be covered entirely, in part or on time, or that we have taken out sufficient insurance to cover all our losses. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all.

Our total insurance coverage as of June 30, 2021 was ₹ 24,702.29 million and our insurance coverage as a percentage of our total assets on a consolidated basis was 62.86%.

To the extent that we suffer loss or damage, or successful assertion of one or more large claims against us for events for which we are not insured, or for which we did not obtain or maintain insurance, or which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, financial performance and cash flows could be adversely affected. For further information on our insurance arrangements, see “Our Business – Insurance” on page 201.



**46. *Our Subsidiary has availed an unsecured loan which is repayable on demand.***

Our Subsidiary, Perfect ID has availed an unsecured loan in the ordinary course of business, which is repayable on demand. In the event that the lender seeks a repayment of any such loan, we would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. If we are unable to procure such financing, any such demand may materially and adversely affect our business, cash flows, financial condition and results of operations.

**47. *The Proforma Condensed Combined Financial Information included in this Draft Red Herring Prospectus may not accurately reflect our future financial condition, results of operations, cash flows and business.***

This Draft Red Herring Prospectus contains the Proforma Condensed Combined Financial Information as at and for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 to illustrate a proforma effect to the acquisition of SGS Tekniks and Perfect ID. The Proforma Condensed Combined Financial Information have been prepared to illustrate the impact of acquisition of SGS Tekniks and Perfect ID on our financial position as if the acquisitions had consummated on April 1, 2018. For further details, see “*Proforma Financial Information*” on page 409. The Proforma Condensed Combined Financial Information addresses a hypothetical situation and does not represent our actual consolidated financial results and is not intended to be indicative of our future financial condition, cash flows and results of operations.

The Proforma Condensed Combined Financial Information involves various assumptions as stated therein, after making certain adjustments, and our Statutory Auditors have issued a report in accordance with the “*Standard on Assurance Engagements (SAE) 3420, Assurance Engagements to Report on the Compilation of Proforma Financial Information included in a Prospectus*” issued by The Institute of Chartered Accountants of India. As the Proforma Condensed Combined Financial Information have been prepared for illustrative purposes only, it is, by its nature, subject to change and may not give an accurate picture of the actual picture of the financial condition, results of operations and cash flows that would have occurred had such transactions by us been effected on the dates they are assumed to have been effected. The Proforma Condensed Combined Financial Information have not been prepared in accordance with accounting or other standards and practices generally accepted in jurisdictions other than India, and accordingly should not be relied upon as if they had been prepared in accordance with those standards and practices of any other jurisdiction. If the various assumptions underlying the preparation of the Proforma Condensed Combined Financial Information do not come to pass, our actual results could have been materially different from those indicated in the Proforma Condensed Combined Financial Information nor are they indicative of our future results of operations. Further, in connection with the acquisition of SGS Tekniks and Perfect ID, we may incur certain costs, which could also cause such Proforma Condensed Combined Financial Information to not be reflective of our future performance.

**48. *If we are unable to raise additional capital, our business, results of operations, cash flows and financial condition could be adversely affected.***

We will continue to incur expenditure in maintaining and growing our existing business. We cannot assure you that we will have sufficient capital resources for our current operations or any future expansion plans that we may have. While we expect our cash on hand and cash flow from operations to be adequate to fund our existing commitments, our ability to incur any future borrowings is dependent upon the success of our operations. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions and the effect of events such as the COVID-19 pandemic, credit availability from banks, investor confidence, the continued success of our operations and laws that are conducive to our raising capital in this manner. Any unfavorable change to terms of borrowings may adversely affect our ability to import raw materials and our cash flows, results of operations and financial conditions. If we decide to meet our capital requirements through debt financing, we may be subject to certain restrictive covenants and may have to grant security interests over certain of our assets. If we are unable to raise adequate capital in a timely manner and on acceptable terms, or at all, our business, results of operations, cash flows and financial condition could be adversely affected.

**49. *We have certain contingent liabilities and our cash flows, financial condition and profitability may be adversely affected if any of these contingent liabilities materialise.***

As of June 30, 2021, our contingent liabilities as per the Restated Consolidated Financial Information, that have not been provided for were as follows:

Particulars	Amount (₹ in million)
Claims against the company not acknowledged as debt	56.17
Karnataka VAT related matters	14.02
Company's share of associate contingent liability	1.06
<b>Total</b>	<b>71.25</b>

Further, as of June 30, 2021, our contingent liabilities as per the Proforma Condensed Combined Financial Information, that have not been provided for were as follows:

Particulars	Amount (₹ in million)
Claims against the company not acknowledged as debt	75.48
<b>Total</b>	<b>75.48</b>

If any of these contingent liabilities materialise, our results of operations and financial condition may be adversely affected.

**50. We have issued Equity Shares during the last 12 months at a price that may be lower than the Offer Price.**

We have issued Equity Shares during the last 12 months preceding the date of this Draft Red Herring Prospectus at a price that may be lower than the Offer Price, as detailed in the following table:

Date of Allotment	Reason for/Nature of Allotment	No. of Equity Shares Allotted	Face Value per Equity Share (₹)	Issue price per Equity Share (₹)
September 16, 2021	Private placement	125,690	10	5,341.00
September 17, 2021	Private placement	125,690	10	5,341.00
September 20, 2021	Private placement	125,690	10	5,341.00
September 21, 2021	Private placement	125,690	10	5,341.00
October 19, 2021	Conversion of preference shares	106,132	10	-
October 27, 2021	Private Placement	5,620	10	5,341.00
October 30, 2021	Bonus issue in the ratio of 100 Equity Shares for every one Equity Share held	136,255,300	10	-

For further details, see “*Capital Structure*” on page 82. The Offer Price is not indicative of the price that will prevail in the open market following listing of the Equity Shares.

**51. Certain of our Directors and Key Managerial Personnel (including our Promoters) have interests in our Company other than reimbursement of expenses incurred and normal remuneration or benefits.**

Certain of our Directors and Key Managerial Personnel may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. They may also be deemed to be interested to the extent of Equity Shares held by them, as well as to the extent of any dividends, bonuses or other distributions on such Equity Shares. Additionally, we have, in the course of our business, entered into, and will continue to enter into, transactions with related parties. The Promoters, Directors and Key Managerial Personnel may also be deemed to be interested in the contracts, agreements / arrangements entered into or to be entered into by our Company with any company which is promoted by them or in which they hold directorships or any partnership firm in which they are partners as declared in their respective capacity.

While, in our view, all such transactions that we have entered into are legitimate business transactions conducted on an arms’ length basis, we cannot assure you that we could not have achieved more favourable terms had such arrangements not been entered into with related parties or that we will be able to maintain existing terms, in cases where the terms are more favourable than if the transaction had been conducted on an arms’ length basis. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our business, prospects, result of operations, financial condition and cash flows, including because of potential conflicts of interest or otherwise. For more information on our related party transactions, see “*Other Financial Information – Related Party Transactions*” on page 555.

**52. *Conflicts of interest may arise out of common business objects between our Company, Subsidiaries, and Group Companies.***

Conflicts may arise in the ordinary course of decision making by our Promoters or Board of Directors. Certain of our Group Companies and Subsidiaries are authorized to carry out, or engage in business similar to that of our Company. While we will adopt necessary procedures and practices as permitted by law to address any instances of conflict of interest, if and when they may arise, we cannot assure you that these or other conflicts of interest will be resolved in an impartial manner. Further, due to the conflict of interest between us, or to the extent that competing business operations offered by Group Companies erode our market share, we may not be able to effectively manage any such conflict or competitive pressures and, consequently, our business, results of operation and financial condition may be adversely affected.

**53. *Our Promoters have provided guarantees for loans availed by us, and in the event the same is enforced against our Promoters, it could adversely affect our Promoters' ability to manage the affairs of our Company.***

Our Promoters have given guarantees in relation to certain borrowings availed by our Company. In the event of default on such borrowings, these guarantees may be invoked by our lenders thereby adversely affecting our Promoters' ability to manage the affairs of our Company and this, in turn, could adversely affect our business, prospects, financial condition and results of operations. Further, if any of these guarantees are revoked by our Promoters, our lenders may require alternate securities or guarantees and may seek early repayment or terminate such facilities. Any such event could adversely affect our financial condition and results of operations. For further details in relation to the personal guarantees provided by Tancom Electronics Private Limited Veena Kumari Tandon, see "*History and Certain Corporate Matters – Guarantees given by our Promoter Selling Shareholder*" on page 212.

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

Our ability to pay dividends in the future will depend on future earnings, financial condition, cash flows, working capital requirements, capital expenditure, restrictive covenants in our financing arrangements, applicable restrictions under Indian law and other factors. For further information, please see "*Dividend Policy*" on page [●] and "*Financial Indebtedness*" on page 599. The declaration and payment of dividends, if any, will be recommended by our Board of Directors and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and applicable law, including the Companies Act, 2013. There can be no assurance that our Company will pay dividends in the future. We may decide to retain all of our earnings, if any, for use in the operations and expansion of our business. Accordingly, realization of a gain on Shareholders' investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

**55. *After the completion of the Offer, our Promoters will continue to collectively hold substantial shareholding in over our Company.***

The aggregate pre-Offer shareholding of our Promoters as on the date of this Draft Red Herring Prospectus is 58.78% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company. For further details, see "*Capital Structure*" on page 82. After the completion of the Offer, our Promoters will continue to collectively hold substantial shareholding in our Company. Our Promoters will continue to exercise significant influence over our business policies and affairs and all matters requiring Shareholders' approval, including the composition of our Board of Directors, the adoption of amendments to our certificate of incorporation, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. This concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of these shareholders. The interests of the Promoters as our controlling shareholder could conflict with our interests or the interests of its other shareholders. We cannot assure you that our Promoters will act to resolve any conflicts of interest in our favour and any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

**56. *The proceeds from the Offer for Sale will be paid to the Promoter Selling Shareholder.***

This Offer is being undertaken as a Fresh Issue of Equity Shares as well as an Offer for Sale of Equity Shares by the Promoter Selling Shareholder. The Promoter Selling Shareholder shall be entitled to the net proceeds from the Offer for Sale, which comprise the proceeds from the Offer for Sale net of Offer expenses shared by the Promoter Selling Shareholder, and our Company will not receive any proceeds from the Offer for Sale. For further details, see “*The Offer*”, “*Capital Structure*” and “*Objects of the Offer*” on pages 64, 82 and 95, respectively.

**57. *The average cost of acquisition of Equity Shares by our Promoter Selling Shareholder may be lower than the Floor Price.***

The average cost of acquisition of Equity Shares by our Promoter Selling Shareholder may be lower than the Floor Price. For further details regarding the average cost of acquisition of Equity Shares by our Promoter Selling Shareholder in our Company, please see “*Summary of the Offer Document – Average cost of acquisition*” on page 29.

**58. *Any reduction in or termination of tax incentives we enjoy may affect our business, results of operations, cash flows and financial condition.***

We were entitled to certain benefits under the Income Tax Act, 1961. For disclosure of special tax benefits available to our Company, its shareholders and material subsidiaries, see “*Statement of Special Tax Benefits*” on page 125. Any newly introduced or revised policies in relation to the tax, duties or other such levies issued by relevant tax authorities, may deprive us of our existing benefits which may adversely affect our results of operations and cash flows. We cannot predict the current or future initiatives of the governments and relevant authorities and there can be no assurance that we will continue to enjoy tax incentives. We may not be able to comply with the obligations and stipulations that would allow us to avail ourselves of such benefits or concessions, and consequently, we may lose such benefits and concessions. We are also eligible for incentives under the ‘*Production Linked Incentive Scheme (PLI) for Telecom and Networking Products*’ notified by the Ministry of Communications, Department of Telecommunications on June 3, 2021. In addition, we have provisionally selected as beneficiaries for grant of incentives under the ‘*PLI for White Goods (Air Conditioners & LED Lights)*’ notified by the Ministry of Commerce & Industry on June 4, 2021 notified by the Ministry of Electronics and Information Technology on April 1, 2020. We cannot assure you that we will be granted these incentives within reasonable time or at all. The reduction or termination of our tax incentives, or non-compliance with the conditions under which such tax incentives are made available, will increase our tax liability and adversely affect our business results of operations, cash flows and financial condition.

**59. *This Draft Red Herring Prospectus contains information from an industry report which we have paid for and commissioned from F&S. There can be no assurance that such third-party statistical, financial and other industry information is either complete or accurate.***

This Draft Red Herring Prospectus includes industry-related information that is derived from the industry report titled “*Assessment of Electronics Manufacturing Services (EMS) Industry in India*” dated December 13, 2021 (“**Report**”), prepared by F&S, pursuant to an engagement with the Company. Frost & Sullivan was appointed by our Company by way of a letter of agreement dated July 30, 2021. We commissioned and paid for this report for the purpose of confirming our understanding of the EMS sector in India. Our Company, our Promoters, and our Directors are not related to Frost & Sullivan. Frost & Sullivan has advised that while it has taken reasonable care to ensure the accuracy and completeness of the commissioned report, it believes that the Report presents a true and fair view of the industry within the limitations of, among others, secondary statistics and primary research, and does not purport to be exhaustive, and that the results that can be or are derived from these findings are based on certain assumptions and parameters/conditions. As such, a blanket, generic use of the derived results or the methodology is not encouraged.

The commissioned report also highlights certain industry and market data, which may be subject to assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that Frost & Sullivan’s assumptions are correct or will not change and, accordingly, our position in the market may differ, favourably or unfavourably, from that presented in this Draft Red Herring Prospectus. Further, the commissioned report is not a recommendation to invest or disinvest in our Company. Prospective Investors are advised not to unduly rely on the commissioned report or extracts thereof as included in this Draft Red Herring Prospectus, when making their investment decisions.

## **EXTERNAL RISK FACTORS**

**60. *Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located elsewhere, including India. Adverse economic developments, such as rising fiscal or trade deficit, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. Any of these factors could depress economic activity and restrict our access to capital, which could have an adverse effect on our business, financial condition and results of operations and reduce the price of our Equity Shares. Any financial disruption could have an adverse effect on our business, future financial performance, shareholders' equity and the price of our Equity Shares.

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports, global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations and financial condition. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

**61. *Our operations may be adversely affected by the effects of health pandemics, civil disturbances, social unrest, hostilities or acts of terrorism, natural disasters such as extreme weather events and other criminal activities.***

The occurrence of natural disasters, including cyclones, storms, floods, earthquakes, tsunamis, tornadoes, fires, explosions, infectious disease outbreaks such as the COVID-19 pandemic and man-made disasters, including acts of terrorism and military actions, could adversely affect our results of operations, cash flows or financial condition. Terrorist attacks and other acts of violence or war in India or globally may adversely affect the Indian securities markets. In addition, any deterioration in international relations, especially between India and its neighbouring countries, may result in investor concern regarding regional stability which could adversely affect the price of the Equity Shares. In addition, India has witnessed local civil disturbances in recent years, in particular communal violence across ethnic or communal lines involving conflicts, riots and other forms of violence between communities of different religious faith or ethnic origins, and it is possible that future civil unrest as well as other adverse social, economic or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the market price of the Equity Shares. A worsening of the current outbreak of COVID-19 virus or future outbreaks of COVID-19 virus, avian or swine influenza or a similar contagious disease could adversely affect the Indian economy and economic activity in the region and in turn have a material adverse effect on our business and the trading price of the Equity Shares.

**62. *A slowdown in economic growth in India could cause our business to suffer***

Our performance and the growth of our business are necessarily dependent on the health of the overall Indian economy. Any slowdown in the Indian economy or future volatility in global commodity prices could adversely affect our business. Additionally, an increase in trade deficit or a decline in India's foreign exchange reserves could negatively affect interest rates and liquidity, which could adversely affect the Indian economy and our business. Any downturn in the macroeconomic environment in India could also adversely affect our business, results of operations, financial condition and the trading price of the Equity Shares.

India's economy could be adversely affected by a general rise in interest rates, adverse weather conditions affecting agriculture, commodity and energy prices as well as various other factors. A slowdown in the Indian economy could adversely affect the policy of the GoI towards our industry, which may in turn adversely affect our financial performance and our ability to implement our business strategy. The Indian economy is also

influenced by economic and market conditions in other countries, particularly emerging market conditions in Asia. A decline in India's foreign exchange reserves may also affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business and results of operations and the market price of the Equity Shares.

India has from time to time experienced instances of social, religious and civil unrest and hostilities between neighbouring countries. Military activity or terrorist attacks in the future could influence the Indian economy by disrupting communications and making travel more difficult and such political tensions could create a greater perception that investments in Indian companies involve higher degrees of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy. A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and, for example, have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1 and H1N1 strains of influenza in birds and swine and more recently, the COVID-19 virus.

Other factors which may adversely affect the Indian economy are scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing of our developments and expansions; volatility in, and actual or perceived trends in trading activity on India's principal stock exchanges; changes in India's tax, trade, fiscal or monetary policies, like political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries; occurrence of natural or man-made disasters; infectious disease outbreaks or other serious public health concerns; prevailing regional or global economic conditions, including in India's principal export markets; and other significant regulatory or economic developments in or affecting India.

**63. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

**64. *Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.***

Inflation rates could be volatile, and we may face high inflation in the future as India had witnessed in the past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, salaries, and other expenses relevant to our business. Further, high inflation leading to higher interest rates may also lead to a slowdown in the economy and adversely impact credit growth. Consequently, we may also be affected and fall short of business growth and profitability. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our operating expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or pass the increase in costs on to our customers in India or abroad. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

While the Government of India through the RBI has previously initiated economic measures to combat high inflation rates, it is unclear whether these measures will remain in effect, and there can be no assurance that Indian inflation levels will not rise in the future.

**65. *Financial instability in other countries may cause increased volatility in Indian financial markets.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. A loss of investor confidence in other emerging market economies or any worldwide financial instability may adversely affect the Indian economy, which could materially and adversely affect our business and results of operations and the market price of the Equity Shares. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact

on the Indian economy. Financial disruptions may occur again and could harm our business, our future financial performance and the prices of the Equity Shares. Any economic downturn or other factors adversely affecting investments in this sector may result in a decrease in the demand for our services and adversely affect our business, results of operations and financial condition.

**66. *Changing laws, rules and regulations and legal uncertainties including adverse application of tax laws and regulations, may adversely affect our business results of operations, cash flows and financial performance.***

Our business and financial performance could be adversely affected by changes in law or interpretations of existing, or the promulgation of new, laws, rules and regulations in India applicable to us and our business. For instance, the Taxation Laws (Amendment) Act, 2019, prescribes certain changes to the income tax rate applicable to companies in India. According to this Act, companies can henceforth voluntarily opt in favour of a concessional tax regime (subject to no other special benefits/exemptions being claimed), which would ultimately reduce the tax rate (on a gross basis) for Indian companies from 30% to 22% (exclusive of applicable health and education cess and surcharge). There can be no assurance that the central or the state governments may not implement new regulations and policies which will require us to obtain approvals and licenses from the governments and other regulatory bodies or impose onerous requirements and conditions on our operations.

The GAAR took effect on April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in the denial of tax benefit, amongst other consequences. Given the recent implementation of GAAR, there can be no assurance as to the manner in which this tax regime will be implemented, which could create uncertainty.

The Government of India has implemented a comprehensive national GST regime that combines taxes and levies by the Central and State Governments into a unified rate structure. In this regard, the Constitution (One hundred and first Amendment) Act, 2016 enables the Government of India and state governments to introduce GST. Any future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. If, as a result of a particular tax risk materializing, the tax costs associated with certain transactions turn out to be greater than anticipated, it could affect the profitability of such transactions. The MoEF has issued a draft of the Environment Impact Assessment Notification, 2020, which is yet to be brought into effect.

Additionally, the Government of India has announced the union budget for Fiscal 2021, pursuant to which the Finance Act, 2021, has introduced various amendments to taxation laws in India. As such, there is no certainty on the impact that the Finance Bill, 2021 may have on our business and operations or on the industry in which we operate.

In addition, tax laws and regulations are subject to differing interpretations by tax authorities. Differing interpretations of tax and other fiscal laws and regulations may exist within governmental ministries, including tax administrations and appellate authorities, thus creating uncertainty and potential unexpected results. The degree of uncertainty in tax laws and regulations, combined with significant penalties for default and a risk of aggressive action, including by retrospective legislation, by the governmental or tax authorities, may result in tax risks in the states in which we operate being significantly higher than expected.

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. In addition, we may have to incur capital expenditure to comply with the requirements of any new regulations.

**67. *Our business and activities may be regulated by the Competition Act and proceedings may be enforced against us.***

The Competition Act, 2002 (the “**Competition Act**”) seeks to prevent business practices that have an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and attracts substantial monetary penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of

services, shares the market or source of production or provision of services in any manner by way of allocation of geographical area, type of goods or services or number of customers in the relevant market or in any other similar way or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition.

The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished. On March 4, 2011, the Government of India notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the Competition Commission of India (“CCI”).

Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India. The Competition Act aims to, among other things, prohibit all agreements and transactions, including agreements between vertical trading partners i.e. entities at different stages or levels of the production chain in different markets, which may have an appreciable adverse effect on competition in India. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. However, the effect of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We may also be subject to queries from the CCI pursuant to complaints by customers or any third persons, which could be made without any or adequate basis given our market presence.

Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination thereof occurring outside of India if such agreement, conduct or combination thereof has an appreciable adverse effect on competition in India. However, the effect of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage.

**68. *Significant differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors’ assessment of our financial condition.***

As required under the SEBI ICDR Regulations, we have prepared the Restated Financial Information which are included in this Draft Red Herring Prospectus in accordance with Ind AS. Ind AS differs from other accounting principles that prospective investors may be familiar with, such as IFRS and U.S. GAAP.

We have not attempted to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of U.S. GAAP or IFRS. U.S. GAAP and IFRS differ in significant respects from Ind AS. Accordingly, the degree to which our financial statements, which are included in this Draft Red Herring 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 this Draft Red Herring Prospectus should accordingly be limited. In addition, some of our competitors may not present their financial statements in accordance with Ind AS and their financial statements may thus not be directly comparable to ours. Reliance should accordingly be limited.

**69. *Any downgrading of India's sovereign debt rating by rating agencies could have a negative impact on our business.***

Any adverse revisions to India's sovereign credit ratings for domestic and international debt by international rating agencies may adversely affect our ability to raise additional financing and the interest rates and other commercial terms at which such additional financing is available. India's sovereign rating is Baa3 with a “negative” outlook (Moody's), BBB-with a “stable” outlook (S&P) and BBB- with a “negative” outlook (Fitch). India's sovereign rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Any adverse change in India's credit ratings by international rating agencies, may adversely impact the Indian economy and consequently our ability to raise additional financing in a timely manner or at all, as well as the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business and financial



performance, ability to obtain financing for capital expenditures and the price of the Equity Shares.

## **RISKS RELATING TO THE OFFER AND THE EQUITY SHARES**

### **70. *The trading volume and market price of the Equity Shares may be volatile following the Issue.***

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control:

- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- a change in research analysts' recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements by third parties or governmental entities of significant claims or proceedings against us;
- new laws and governmental regulations applicable to our industry;
- additions or departures of Key Managerial Personnel;
- changes in exchange rates;
- fluctuations in stock market prices and volume; and

### **71. *The Equity Shares have never been publicly traded, and, after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all.***

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the industry we operate in, developments relating to India, announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments, announcements by third parties or governmental entities of significant claims or proceedings against us, volatility in the securities markets in India and other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

### **72. *You will not be able to sell immediately on an Indian stock exchange any of the Equity Shares you purchase in the Offer.***

The Equity Shares will be listed on the Stock Exchanges. Pursuant to applicable Indian laws, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. The Allotment of Equity Shares in the Offer and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately five Working Days from the Bid/ Offer Closing Date and trading in the Equity Shares upon receipt of final listing and trading approvals from the Stock Exchanges is expected to commence within six Working Days of the Bid/ Offer Closing Date. There could also be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. There can be no assurance that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

### **73. *You may be restricted in your ability to exercise pre-emptive rights under Indian law and may be adversely affected by future dilution of your ownership position.***

Under the Companies Act, 2013, a company having a share capital and incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by adoption of a special resolution. However, if the law of the jurisdiction you are in does not permit you to exercise your pre-emptive rights without us filing an offering document or a registration statement with the applicable authority in the jurisdiction you are in, you will be unable to exercise your pre-emptive rights unless we make such a filing. To the extent that you are unable to exercise pre-emptive rights granted in respect of the Equity Shares, your proportional interest in us would be reduced.

**74. *The Offer Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.***

The Offer Price will be determined by us, in consultation with the Book Running Lead Managers, through the Book Building Process, in accordance with applicable prevailing regulations. This price will be determined on the basis of applicable law and various other factors, as described in the section “*Basis for Offer Price*” on page 120, and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that you will be able to resell your Equity Shares at or above the Offer Price. There can be no assurance that an active trading market for the Equity Shares will be sustained after this Offer.

**75. *The trading price of our Equity Shares may be subject to volatility and you may not be able to sell the Equity Shares at or above the Offer Price.***

The trading price of our Equity Shares may fluctuate after the Offer due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India’s fiscal regime, economic liberalization, deregulation policies and procedures or programs applicable to our business, adverse media reports on us, volatility in the Indian and global securities market, performance of our competitors, the Indian real estate industry and the perception in the market about investments in the real estate industry, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding new projects, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets in general experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could adversely affect the price of our Equity Shares.

**76. *Any future issuance of Equity Shares, convertible securities or other equity linked instruments, by us, may dilute your shareholding or sales of our Equity Shares by any of our significant shareholders may adversely affect the trading price of our Equity Shares.***

We may be required to finance our future growth and business requirements through additional securities offerings. Any future issuance of Equity Shares, convertible securities or securities linked to Equity Shares, including through exercise of employee stock options, by us, could dilute your shareholding. Any such future issuance of our Equity Shares, including sales of our Equity Shares by any of our significant shareholders, may also adversely affect the trading price of our Equity Shares, and may lead to other adverse consequences including difficulty in raising capital through offering of the Equity Shares or incurring additional debt. There can be no assurance that we will not issue further Equity Shares or that the shareholders will not dispose of, pledge, or otherwise encumber their Equity Shares. In addition, any perception by investor that such issuances or sales might occur could also affect the trading price of our Equity Shares.

**77. *Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares. The Income Tax Act levies taxes on long-term capital gains exceeding ₹100,000 arising from sale of equity shares on or after April 1, 2018, while there is no tax charged on unrealized capital gains earned up to January 31, 2018 on equity shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. The Income Tax Act levies taxes on such long-term capital gains exceeding ₹100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such equity shares subject to specific conditions.

A securities transaction tax (“STT”) is levied both at the time of transfer and acquisition of the equity shares (unless exempted under a prescribed notification), and collected by an Indian stock exchange on which equity shares are sold. Any gain realised on the sale of equity shares held for more than 12 months is also subject to long term capital gains tax in India. Such long term capital gains exceeding ₹ 100,000 arising from the sale of listed equity shares on the stock exchange, on which STT has been paid, are subject to tax at the rate of 10% (plus applicable surcharge and cess). Unrealized capital gains earned on listed equity shares up to January 31, 2018 continue to be tax exempt in such cases. Further, STT will be levied on and collected by an Indian stock exchange if the equity shares are sold on a stock exchange. With respect to capital gains arising in an off market sale, long term capital gains are subject to tax at the rate of 10% (plus applicable surcharge and cess) without the exemption of ₹ 100,000. Short-term capital gains, arising from the sale of such equity shares on a stock exchange would be subject to tax at the rate of 15% (plus applicable surcharge and cess), while short term capital gains arising in an off-market sale would be subject to tax in accordance with the tax slab applicable to the relevant person or entity.

The Finance Act 2019 has also clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures, on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount.

Our Company cannot predict whether any tax laws or other regulations impacting it will be enacted, or predict the nature and impact of any such laws or regulations or whether, if at all, any laws or regulations would have a material adverse effect on our Company’s business, financial condition, results of operations and cash flows.

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

Under the foreign exchange regulations currently in force in India, transfers of our Equity Shares between non-residents and residents and issuances of shares to non-residents by us are freely permitted (subject to certain exceptions), subject to compliance with FEMA and FEMA Rules including pricing guidelines and reporting requirements specified by the RBI. If such issuances or transfers of shares are not in compliance with such requirements or fall under any of the specified exceptions, then prior approval of the RBI will be required.

In addition, shareholders who seek to convert the Indian Rupee proceeds from a sale of Equity Shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or tax clearance certificate from the income tax authority. Additionally, the Government of India may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Government of India experiences extreme difficulty in stabilizing the balance of payments, or where there are substantial disturbances in the financial and capital markets in India. These restrictions may require foreign investors to obtain the Government of India’s approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. 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.

**79. *There may not be an active or liquid market for our Equity Shares, which may cause the price of the Equity Shares to fall and may limit your ability to sell the Equity Shares.***

The price at which the Equity Shares will trade after this Offer will be determined by the marketplace and may be influenced by many factors, including, our financial results and the financial results of the companies in the businesses we operate in, the history of, and the prospects for, our business and the sectors in which we compete, the valuation of publicly traded companies that are engaged in business activities similar to us, and significant developments in India’s economic liberalisation and deregulation policies.

The Indian securities markets are smaller and more volatile than securities markets in more developed economies. In addition, the Indian equity share markets have from time to time experienced significant price and volume fluctuations that have affected the market prices for the securities of Indian companies. The Indian stock exchanges have from time to time-imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could adversely affect the price of our Equity Shares. As a result, investors in the Equity

Shares may experience a decrease in the value of the Equity Shares regardless of our operating performance or prospects and may limit your ability to sell the Equity Shares.

- 80. *There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, the Equity Shares at a particular point in time.***

The price of the Equity Shares will be subject to a daily circuit breaker imposed on listed companies by all stock exchanges in India, which does not allow transactions beyond a certain level of volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by the SEBI on Indian stock exchanges. The percentage limit on the Company's circuit breaker is set by the stock exchanges based, amongst others, on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges are not required to, and do not, inform us of the percentage limit of the circuit breaker from time to time, and may change it without the Company's knowledge. This circuit breaker effectively limits upward and downward movements in the price of the Equity Shares. As a result, shareholders' ability to sell the Equity Shares, or the price at which they can sell the Equity Shares, may be adversely affected at a particular point in time.

- 81. *QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While Non-Institutional Investors invest monies belonging to others on their behalf, Retail Individual Investors invest for themselves, usually in brokerage or retirement accounts. While we are required to complete Allotment pursuant to the Offer within six Working Days from the Bid/Offer Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. We may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

- 82. *A third party could be prevented from acquiring control of our Company because of anti-takeover provisions under Indian law.***

There are provisions in Indian law that may delay, deter or prevent a future takeover or change in control of our Company, even if a change in control would result in the purchase of your Equity Shares at a premium to the market price or would otherwise be beneficial to you. Such provisions may discourage or prevent certain types of transactions involving actual or threatened change in control of our Company. Under the SEBI Takeover Regulations, an acquirer has been defined as any person who, directly or indirectly, acquires or agrees to acquire shares or voting rights or control over a company, whether individually or acting in concert with others. Although these provisions have been formulated to ensure that interests of investors/shareholders are protected, these provisions may also discourage a third party from attempting to take control of our Company. Consequently, even if a potential takeover of our Company would result in the purchase of the Equity Shares at a premium to their market price or would otherwise be beneficial to its stakeholders, it is possible that such a takeover would not be attempted or consummated because of the SEBI Takeover Regulations.

## SECTION IV – INTRODUCTION

### THE OFFER

The following table summarizes details of the Offer:

<b>Offer of Equity Shares<sup>(1)</sup></b>	Up to [●] Equity Shares, aggregating up to ₹ [●] million
<i>of which:</i>	
(i) Fresh Issue <sup>(1)^</sup>	Up to [●] Equity Shares, aggregating up to ₹ 9,260.00 million
(ii) Offer for Sale <sup>(2)</sup>	Up to 3,369,360 Equity Shares, aggregating up to ₹ [●] million
<b>The Offer comprises of:</b>	
A) QIB Portion <sup>(3)(4)</sup>	Not more than [●] Equity Shares
<i>of which:</i>	
(i) Anchor Investor Portion	Up to [●] Equity Shares
(ii) Net QIB Portion (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
<i>of which:</i>	
(a) Available for allocation to Mutual Funds only (5% of the Net QIB Portion)	[●] Equity Shares
(b) Balance for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Portion	Not less than [●] Equity Shares
C) Retail Portion <sup>(5)</sup>	Not less than [●] Equity Shares
<b>Pre and post Offer Equity Shares</b>	
Equity Shares outstanding prior to the Offer (as at the date of this Draft Red Herring Prospectus)	137,617,853 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
<b>Use of Net Proceeds</b>	See “Objects of the Offer” on page 95 for information on the use of proceeds arising from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale.

**Notes:**

<sup>^</sup> Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement aggregating up to ₹ 1,800.00 million. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR.

- (1) The Offer has been authorized by a resolution of our Board dated November 13, 2021 and the Fresh Issue has been authorized by a special resolution of our Shareholders dated November 20, 2021. The Offer shall be made in accordance with Rule 19(2)(b) of the SCRR.
- (2) The Selling Shareholder confirms that the Offered Shares that have been held by them are eligible for being offered for sale in terms of Regulation 8 of the SEBI ICDR Regulations. For details on the authorisation of the Selling Shareholder in relation to the Offered Shares, see “Other Regulatory and Statutory Disclosures – Authority for the Offer” on page 607.
- (3) Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. The QIB Portion will accordingly be reduced for the Equity Shares allocated to Anchor Investors. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see “Offer Procedure” on page 629.
- (4) Under-subscription, if any, in the QIB Portion would not be allowed to be met with spill-over from other categories or a combination of categories. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category except the QIB Portion, would be allowed to be met with spill over from any other category or combination of categories, as applicable, at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange subject to applicable law. In the event of under-subscription in the Offer, the Allotment for the valid Bids will be made, in the first instance, towards subscription for 90% of the Fresh Issue. If there remain any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made towards the balance Fresh Issue, and thereafter towards Equity Shares offered by the Selling Shareholder.
- (5) Allocation to all categories, except Anchor Investors, if any and Retail Individual Bidders, shall be made on a proportionate basis, subject to valid Bids received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares, if any, shall be allocated on a proportionate basis. Allocation to Anchor Investors shall be on a discretionary basis. For details, see “Offer Procedure” on page 629.

For details, including in relation to grounds for rejection of Bids, refer to “Offer Structure” and “Offer Procedure” on pages 624 and 629, respectively. For details of the terms of the Offer, see “Terms of the Offer” on page 620.

## SUMMARY FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from our Restated Financial Information. The summary financial information presented below may differ in certain significant respects from generally accepted accounting principles in other countries, including IFRS. The summary financial information presented below should be read in conjunction with our Restated Financial Information, the notes and annexures thereto and the section "Management's Discussion and Analysis of Financial Position and Results of Operations" on page 557.

### Restated standalone statement of assets and liabilities

(in ₹ million)

Particulars	As at			
	March 31, 2019	March 31, 2020	March 31, 2021	June 30, 2021
<b>Assets</b>				
<b>Non-Current Assets</b>				
(a) Property, plant and equipment	752.39	779.15	750.89	736.48
(b) Right-of-use assets	70.42	62.12	49.58	46.45
(c) Capital work-in-progress	4.56	4.26	-	-
(d) Other Intangible assets	32.54	23.52	13.22	9.08
(e) Financial assets	-	-	-	-
(i) Investments	-	-	887.41	887.41
(ii) Other financial assets	26.26	28.90	129.51	132.46
(f) Income tax Asset (Net)	9.02	-	9.78	12.15
(g) Deferred tax asset (net)	-	7.46	-	-
(h) Other non-current assets	3.12	122.10	111.52	111.52
<b>Total non-current assets</b>	<b>898.31</b>	<b>1,027.51</b>	<b>1,951.91</b>	<b>1,935.55</b>
<b>Current Assets</b>				
(a) Inventories	636.78	682.25	770.75	1115.84
(b) Financial assets	-	-	-	-
(i) Trade receivables	992.34	1,163.59	1,278.72	1351.15
(ii) Cash and cash equivalents	61.49	307.68	279.63	240.48
(iii) Other Bank Balances	80.78	43.98	22.43	37.23
(iv) Other financial assets	68.09	36.52	54.65	53.55
(c) Other current assets	126.37	205.42	241.99	211.51
<b>Total current assets</b>	<b>1,965.85</b>	<b>2,439.44</b>	<b>2,648.17</b>	<b>3,009.76</b>
<b>Total assets</b>	<b>2,864.16</b>	<b>3,466.95</b>	<b>4,600.08</b>	<b>4,945.31</b>
<b>Equity and Liabilities</b>				
<b>Equity</b>				
(a) Equity Share Capital	7.02	7.02	7.48	7.48
(b) Other equity	564.91	1,010.03	2,374.23	2432.63
<b>Total equity</b>	<b>571.93</b>	<b>1,017.05</b>	<b>2,381.71</b>	<b>2,440.11</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	385.92	242.14	244.98	216.29
(ii) Lease liabilities	61.54	52.38	41.62	38.69
(iii) Other financial liabilities	-	-	6.80	7.77
(b) Provisions	25.80	24.90	31.89	36.14
(c) Deferred tax liabilities (net)	4.55	-	2.42	19.45
<b>Total non-current liabilities</b>	<b>477.81</b>	<b>319.42</b>	<b>327.71</b>	<b>318.34</b>
<b>Current liabilities</b>				
<b>(a) Financial liabilities</b>				
(i) Borrowings	557.54	595.89	316.23	299.68
(ii) Lease liabilities	7.67	9.15	10.78	11.13
(iii) Trade payables	-	-	-	-
- Total outstanding dues of micro enterprises and small enterprises	5.71	3.87	11.12	10.5
- Total outstanding dues of creditors other than micro enterprises and small enterprises	905.79	1,064.25	1,137.30	1463.58
(iv) Other financial liabilities	102.68	19.78	9.15	10.71
(b) Provisions	13.30	26.12	28.47	20.48
(c) Current tax liabilities (net)	-	23.27	-	-

Particulars	As at			
	March 31, 2019	March 31, 2020	March 31, 2021	June 30, 2021
(d) Other Current liabilities	221.73	388.15	377.61	370.78
<b>Total current liabilities</b>	<b>1,814.42</b>	<b>2,130.48</b>	<b>1,890.66</b>	<b>2,186.86</b>
<b>Total liabilities</b>	<b>2,292.23</b>	<b>2,449.90</b>	<b>2,218.37</b>	<b>2,505.20</b>
<b>Total equity and liabilities</b>	<b>2,864.16</b>	<b>3,466.95</b>	<b>4,600.08</b>	<b>4,945.31</b>

#### Restated standalone statement of profit and loss

(in ₹ million, except earnings per Equity Share)

Particulars	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2021	Three months period ended June 30, 2021
Revenue from operations	3,539.97	3,970.76	4,383.03	1331.90
Other income	33.98	78.06	61.77	20.82
<b>Total income</b>	<b>3,573.95</b>	<b>4,048.82</b>	<b>4,444.80</b>	<b>1,352.72</b>
<b>Expenses</b>				
(a) Cost of materials consumed	1,985.30	2,218.46	2,763.93	1042.54
(b) Purchases of stock-in-trade	348.85	26.92	38.09	2.14
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(144.82)	27.63	18.86	(111.25)
(d) Employee benefits expense	244.50	263.52	286.35	83.06
(e) Finance costs	60.32	79.70	45.24	7.67
(f) Depreciation and amortisation expense	97.47	96.99	120.74	28.00
(g) Other Expenses	709.36	757.30	808.23	214.42
<b>Total expenses</b>	<b>3,300.98</b>	<b>3,470.52</b>	<b>4,081.44</b>	<b>1266.58</b>
<b>Restated profit before exceptional items and tax</b>	<b>272.97</b>	<b>578.30</b>	<b>363.36</b>	<b>86.14</b>
Exceptional items	-	55.99	-	-
<b>Restated profit before tax</b>	<b>272.97</b>	<b>522.31</b>	<b>363.36</b>	<b>86.14</b>
<b>Tax expense:</b>				
- Current tax	60.84	96.53	96.33	28.47
- Tax pertaining to previous years	1.56	1.55	3.78	-
- Deferred tax (net)	0.90	(14.57)	(22.90)	2.10
<b>Total tax expense</b>	<b>63.30</b>	<b>83.51</b>	<b>77.21</b>	<b>30.57</b>
<b>Restated profit for the period / year</b>	<b>209.67</b>	<b>438.80</b>	<b>286.15</b>	<b>55.57</b>
<b>Other comprehensive income</b>				
<b>(A) Items that will not be reclassified to profit or loss</b>				
(i) Remeasurement of the defined benefit plans	(6.79)	4.64	(0.25)	4.35
(ii) Income tax expenses relating to the above	1.98	(1.35)	0.07	(1.52)
<b>Restated total other comprehensive income for the period / year</b>	<b>(4.81)</b>	<b>3.29</b>	<b>(0.18)</b>	<b>2.83</b>
<b>Restated total comprehensive income for the period / year</b>	<b>204.86</b>	<b>442.09</b>	<b>285.97</b>	<b>58.4</b>
<b>Restated Earnings per equity share</b>				
- Basic (Face Value of Rs. 10 each)	2.96	6.19	3.32	0.64
- Diluted (Face Value of Rs. 10 each)	2.96	6.19	3.32	0.64

#### Restated standalone statement of cash flows

(in ₹ million)

Particulars	For the year/period ended			
	March 31, 2019	March 31, 2020	March 31, 2021	June 30, 2021
<b>Cash Flow From Operating Activities</b>				
Restated Profit before tax	272.97	522.31	363.36	86.14
<b>Adjustments for</b>				
Depreciation and Amortisation Expense	97.47	96.99	120.74	28.00
Finance Costs	60.32	79.70	45.24	7.67
Allowance for Expected Credit Losses (Net)	11.23	5.62	(0.22)	-
Exceptional item - Bad receivables written off	-	55.99	-	-

Particulars	For the year/period ended			
	March 31, 2019	March 31, 2020	March 31, 2021	June 30, 2021
Mark-to-Market Loss / (Gain) on Financial Instrument	-	-	8.74	1.42
(Profit) / Loss on Sale / Discard of Property, Plant and Equipment (Net)	0.83	(1.27)	-	-
Liabilities No Longer Required Written Back	-	(7.57)	(1.94)	-
Interest Income	(7.72)	(3.98)	(9.20)	(3.78)
Unrealised Exchange Loss/ (Gain) (net)	33.92	(21.42)	(23.45)	(18.34)
<b>Operating Profit Before Working Capital/Other Changes</b>	<b>469.02</b>	<b>726.37</b>	<b>503.27</b>	<b>101.11</b>
<b>Adjustments for (increase)/decrease in operating assets:</b>				
Inventories	(181.74)	(45.47)	(88.50)	(345.09)
Trade Receivables	(274.09)	(179.95)	(108.48)	(55.90)
Other Current Financial Assets	(60.32)	27.09	(15.26)	1.60
Other Non Current Financial Assets	(2.84)	(3.94)	(3.01)	(1.43)
Other Current Assets	(33.93)	(79.05)	(36.57)	41.86
<b>Adjustments for increase/(decrease) in operating liabilities:</b>				
Trade Payables	292.70	146.05	88.85	318.18
Other Current Liabilities	(47.93)	166.42	(10.54)	(9.35)
Provisions (Current and Non-Current)	18.64	16.56	9.09	0.61
<b>Cash Generated from Operations</b>	<b>179.51</b>	<b>774.08</b>	<b>338.85</b>	<b>51.59</b>
Direct Taxes Paid (net)	(79.12)	(65.79)	(100.31)	(17.42)
<b>Net Cash Flow from Operating Activities</b>	<b>100.39</b>	<b>708.29</b>	<b>238.54</b>	<b>34.17</b>
<b>Cash Flow From Investing Activities</b>				
Capital expenditure (including capital advances, net of payables on purchase of Property, plant and equipment and Intangible assets)	(222.64)	(295.64)	(56.77)	(5.04)
Proceeds from sale of Property, Plant and Equipment	1.18	5.13	-	-
Investments in Associate	-	-	(887.41)	-
<b>Net Cash (Used in) Investing Activities</b>	<b>(221.46)</b>	<b>(290.51)</b>	<b>(944.18)</b>	<b>(5.04)</b>
<b>Cash Flow From Financing Activities</b>				
Proceeds from issue of Equity Share Capital (including Securities Premium)	-	-	331.25	-
Proceeds from issue of Compulsorily Convertible Preference shares (including Securities Premium)	-	-	749.28	-
Proceeds from issue of Redeemable Preference shares	30.00	45.00	-	-
Utilisation of Securities premium	-	-	(1.85)	-
Redemption of preference shares	(30.00)	(90.00)	(45.00)	-
Long Term Borrowings Taken	77.37	31.75	219.84	-
Long Term Borrowings Repaid	(41.68)	(51.63)	(37.77)	(29.41)
(Repayment)/Proceeds from Short Term Borrowings (net)	123.98	11.65	(273.82)	(18.31)
Payment of Lease Liabilities	(13.60)	(14.59)	(15.17)	(3.93)
Long Term Borrowings taken from Related Party	142.31	67.25	-	-
Long Term Borrowings repaid to Related Party	(96.95)	(172.21)	(125.39)	-
Finance Costs Paid including preference shares	(36.48)	(80.18)	(51.53)	(6.23)
(Increase)/Decrease in Deposits in Lien Marked/Margin Money deposits	(23.92)	38.92	(75.14)	(16.08)
Interest Received on Lien Marked/Margin Money deposits	2.34	7.64	5.42	3.04
<b>Net Cash (Used in) / from Financing Activities</b>	<b>133.37</b>	<b>(206.40)</b>	<b>680.12</b>	<b>(70.92)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	<b>12.30</b>	<b>211.38</b>	<b>(25.52)</b>	<b>(41.79)</b>
<b>Cash and Cash Equivalents at the Beginning of the Period / Year</b>	<b>43.73</b>	<b>61.49</b>	<b>307.68</b>	<b>279.63</b>
Add: Effect of exchange differences on restatement of foreign currency cash and cash equivalents	5.46	34.81	(2.53)	2.64
<b>Cash and Cash Equivalents at the End of the Period / Year</b>	<b>61.49</b>	<b>307.68</b>	<b>279.63</b>	<b>240.48</b>

#### Restated consolidated statement of assets and liabilities

(in ₹ million)

Particulars	As at	
	March 31, 2021	June 30, 2021
<b>Assets</b>		
<b>Non-Current Assets</b>		
(a) Property, plant and equipment	750.89	736.48
(b) Right-of-use assets	49.58	46.45
(c) Other Intangible assets	13.22	9.08
(d) Financial assets	-	-
(i) Investments	921.45	932.29
(ii) Other financial assets	129.51	132.46



Particulars	As at	
	March 31, 2021	June 30, 2021
(e) Income tax asset (net)	9.78	12.15
(f) Other non-current assets	111.52	111.52
<b>Total non-current assets</b>	<b>1,985.95</b>	<b>1,980.43</b>
<b>Current Assets</b>		
(a) Inventories	770.75	1,115.84
(b) Financial assets		
(i) Trade receivables	1,278.72	1,351.15
(ii) Cash and cash equivalents	279.63	240.48
(iii) Other Bank Balances	22.43	37.23
(iv) Other financial assets	54.65	53.55
(c) Other current assets	241.99	211.51
<b>Total current assets</b>	<b>2,648.17</b>	<b>3,009.76</b>
<b>Total assets</b>	<b>4,634.12</b>	<b>4,990.19</b>
<b>Equity and Liabilities</b>		
<b>Equity</b>		
(a) Equity Share Capital	7.48	7.48
(b) Other equity	2,408.27	2,477.51
<b>Total equity</b>	<b>2,415.75</b>	<b>2,484.99</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
(i) Borrowings	244.98	216.29
(ii) Lease liabilities	41.62	38.69
(iii) Other financial liabilities	6.80	7.77
(b) Provisions	31.89	36.14
(c) Deferred tax liabilities (net)	2.42	19.45
<b>Total non-current liabilities</b>	<b>327.71</b>	<b>318.34</b>
<b>Current liabilities</b>		
<b>(a) Financial liabilities</b>		
(i) Borrowings	316.23	299.68
(ii) Lease liabilities	10.78	11.13
(iii) Trade payables	-	-
- Total outstanding dues of micro enterprises and small enterprises	11.12	10.50
- Total outstanding dues of creditors other than micro enterprises and small enterprises	1,137.30	1,463.58
(iv) Other financial liabilities	9.15	10.71
(b) Provisions	28.47	20.48
(c) Other Current liabilities	377.61	370.78
<b>Total current liabilities</b>	<b>1,890.66</b>	<b>2,186.86</b>
<b>Total liabilities</b>	<b>2,218.37</b>	<b>2,505.20</b>
<b>Total equity and liabilities</b>	<b>4,634.12</b>	<b>4,990.19</b>

#### Restated consolidated statement of profit and loss

(in ₹ million, except earnings per Equity Share)

Particulars	Year ended March 31, 2021	Three months period ended June 30, 2021
Revenue from operations	4,383.03	1,331.90
Other income	61.77	20.82
<b>Total income</b>	<b>4,444.80</b>	<b>1,352.72</b>
<b>Expenses</b>		
(a) Cost of materials consumed	2,763.93	1,042.54
(b) Purchases of stock-in-trade	38.09	2.14
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	18.86	(111.25)
(d) Employee benefits expense	286.35	83.06
(e) Finance costs	45.24	7.67
(f) Depreciation and amortisation expense	120.74	28.00
(g) Other Expenses	808.23	214.42
<b>Total expenses</b>	<b>4,081.44</b>	<b>1,266.58</b>
Restated profit before exceptional items and tax	363.36	86.14
Restated profit before tax	363.36	86.14

Particulars	Year ended March 31, 2021	Three months period ended June 30, 2021
<b>Tax expense:</b>		
- Current tax	96.33	28.47
- Tax pertaining to previous period / years	3.78	-
- Deferred tax (Net)	(22.90)	2.10
<b>Total tax expense</b>	<b>77.21</b>	<b>30.57</b>
Share of Post-acquisition Profit of Associate	34.02	10.75
<b>Restated profit for the period / year</b>	<b>320.17</b>	<b>66.32</b>
Other comprehensive income		
(A) Items that will not be reclassified to profit or loss		
(i) Remeasurement of the defined benefit plans	(0.25)	4.35
(ii) Income tax expenses relating to the above	0.07	(1.52)
(iii) Share of Equity accounted investee	0.03	0.02
(B) Items that will be reclassified to profit or loss	-	-
(i) Share of Equity accounted investee	(0.01)	0.07
<b>Restated total other comprehensive income / (loss) for the period / year</b>	<b>(0.16)</b>	<b>2.92</b>
<b>Restated total comprehensive income for the period / year</b>	<b>320.01</b>	<b>69.24</b>
<b>Restated Earnings per equity share</b>		
- Basic (Face Value of Rs. 10 each)	3.72	0.77
- Diluted (Face Value of Rs. 10 each)	3.72	0.77

#### Restated consolidated statement of cash flows

(in ₹ million)

Particulars	As at	
	March 31, 2021	June 30, 2021
<b>Cash Flow From Operating Activities</b>		
Restated Profit before tax	363.36	86.14
<b>Adjustments for</b>		
Depreciation and Amortisation Expense	120.74	28.00
Finance Costs	45.24	7.67
Allowance for Expected Credit Losses (Net)	(0.22)	-
Mark-to-Market Loss / (Gain) on Financial Instrument	8.74	1.42
Liabilities No Longer Required Written Back	(1.94)	-
Interest Income	(9.20)	(3.78)
Unrealised Exchange Loss/ (Gain) (net)	(23.45)	(18.34)
<b>Operating Profit Before Working Capital/Other Changes</b>	<b>503.27</b>	<b>101.11</b>
<b>Adjustments for (increase)/decrease in operating assets:</b>		
Inventories	(88.50)	(345.09)
Trade Receivables	(108.47)	(55.90)
Other Current Financial Assets	(15.26)	1.60
Other Non Current Financial Assets	(3.01)	(1.43)
Other Current Assets	(36.58)	41.86
<b>Adjustments for increase/(decrease) in operating liabilities:</b>		
Trade Payables	88.85	318.18
Other Current Liabilities	(10.54)	(9.35)
Provisions (Current and Non-Current)	9.09	0.61
Cash Generated from Operations	<b>338.85</b>	<b>51.59</b>
Direct Taxes Paid (net)	(100.31)	(17.42)
<b>Net Cash Flow from Operating Activities</b>	<b>238.54</b>	<b>34.17</b>
<b>Cash Flow From Investing Activities</b>		
Capital expenditure (including capital advances, net of payables on purchase of Property, plant and equipment and Intangible assets)	(56.77)	(5.04)
Investments in Associate	(887.41)	-
<b>Net Cash (Used in) Investing Activities</b>	<b>(944.18)</b>	<b>(5.04)</b>
<b>Cash Flow From Financing Activities</b>		
Proceeds from issue of Equity Share Capital (including Securities Premium)	331.25	-
Proceeds from issue of Compulsorily Convertible Preference shares (including Securities Premium)	749.28	-
Utilisation of Securities premium	(1.85)	-
Redemption of preference shares	(45.00)	-
Long Term Borrowings Taken	219.84	-

Particulars	As at	
	March 31, 2021	June 30, 2021
Long Term Borrowings Repaid	(37.77)	(29.41)
(Repayment)/Proceeds from Short Term Borrowings (net)	(273.82)	(18.31)
Payment of Lease Liabilities	(15.17)	(3.93)
Long Term Borrowings repaid to Related Party	(125.39)	-
Finance Costs Paid	(51.53)	(6.23)
(Increase)/Decrease in Deposits in Lien Marked/Margin Money deposits	(75.14)	(16.08)
Interest Received on Lien Marked/Margin Money deposits	5.42	3.04
<b>Net Cash (Used in) / from Financing Activities</b>	<b>680.12</b>	<b>(70.92)</b>
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>(25.52)</b>	<b>(41.79)</b>
<b>Cash and Cash Equivalents at the Beginning of the Period / Year</b>	<b>307.68</b>	<b>279.63</b>
<b>Add: Effect of exchange differences on restatement of foreign currency cash and cash equivalents</b>	<b>(2.53)</b>	<b>2.64</b>
<b>Cash and Cash Equivalents at the End of the Period / Year</b>	<b>279.63</b>	<b>240.48</b>

### Proforma Condensed Combined Statement of Assets and Liabilities

(in ₹ million)

Particulars	Proforma combined amount after adjustments as at			
	March 31, 2019	March 31, 2020	March 31, 2021	June 30, 2021
<b>Assets</b>				
<b>Non-Current Assets</b>				
(a) Property, plant and equipment	1,619.39	1,749.37	1,738.01	1,715.97
(b) Right-of-use assets	95.18	114.55	95.40	90.63
(c) Capital work-in-progress	4.56	12.02	0.17	-
(d) Goodwill	1,059.29	1,059.29	1,059.29	1,059.29
(e) Other Intangible assets	40.08	31.41	22.63	17.59
(f) Investment Property	2.30	2.30	2.30	2.30
(g) Financial assets				
(i) Investments	7.62	25.72	31.05	32.42
(ii) Other Non-Current Financial Assets	90.62	39.47	141.14	144.17
(h) Income tax asset (net)	49.55	41.21	36.00	31.62
(i) Deferred tax asset (net)	0.32	7.83	0.42	0.27
(j) Other non-current assets	10.00	130.47	119.22	119.61
<b>Total non-current assets</b>	<b>2,978.91</b>	<b>3,213.64</b>	<b>3,245.63</b>	<b>3,213.87</b>
<b>Current Assets</b>				
(a) Inventories	1,427.38	1,419.21	1,788.75	2,559.04
<b>(b) Financial assets</b>				
(i) Investment	265.87	275.11	363.34	372.52
(ii) Trade receivables	1,829.69	1,804.34	2,084.34	2,044.49
(iii) Cash and cash equivalents	165.54	673.14	633.04	479.24
(iv) Other Bank balances	84.14	106.81	95.52	111.91
(v) Other financial assets	69.99	46.72	58.19	56.81
(c) Other current assets	263.90	329.84	408.52	427.20
<b>Asset held for Sale</b>	<b>0.16</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total current assets</b>	<b>4,106.67</b>	<b>4,655.17</b>	<b>5,431.70</b>	<b>6,051.21</b>
<b>Total assets</b>	<b>7,085.58</b>	<b>7,868.81</b>	<b>8,677.33</b>	<b>9,265.08</b>
<b>Equity and Liabilities</b>				
<b>Equity</b>				
(a) Equity Share Capital	7.02	7.02	7.48	7.48
(b) Other equity	3,314.05	4,181.83	5,002.06	5,139.49
<b>Equity attributable to shareholders of the Company</b>	<b>3,321.07</b>	<b>4,188.85</b>	<b>5,009.54</b>	<b>5,146.97</b>
Non-controlling interests	9.80	41.05	66.39	77.11
<b>Total equity</b>	<b>3,330.87</b>	<b>4,229.90</b>	<b>5,075.93</b>	<b>5,224.08</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	482.31	319.26	255.85	224.57
(ii) Lease liabilities	86.15	104.05	89.06	84.83
(iii) Other financial liabilities	-	-	6.80	7.77
(b) Provisions	42.23	47.94	59.52	63.92
(c) Deferred tax liabilities (net)	70.28	49.83	62.69	79.00
(d) Non-current Liabilities	-	-	29.91	32.06

Particulars	Proforma combined amount after adjustments as at			
	March 31, 2019	March 31, 2020	March 31, 2021	June 30, 2021
<b>Total non-current liabilities</b>	<b>680.97</b>	<b>521.08</b>	<b>503.83</b>	<b>492.15</b>
<b>Current liabilities</b>				
<b>(a) Financial liabilities</b>				
(i) Borrowings	1,058.05	814.81	669.10	792.04
(ii) Lease liabilities	10.18	12.98	15.38	15.94
<b>(iii) Trade payables</b>				
- Total outstanding dues of micro and small enterprises	43.93	34.16	64.67	51.29
- Total outstanding dues of Creditors other than micro and small enterprises	1,560.49	1,697.09	1,837.79	2,198.71
(iv) Other financial liabilities	125.79	47.10	16.58	12.87
(b) Provisions	16.94	31.39	34.30	26.51
(c) Current tax liabilities (net)	9.15	45.47	14.25	19.01
(d) Other Current liabilities	248.79	434.83	445.50	432.48
(e) Liabilities directly associated with assets held for sale	0.42	-	-	-
<b>Total current liabilities</b>	<b>3,073.74</b>	<b>3,117.83</b>	<b>3,097.57</b>	<b>3,548.85</b>
<b>Total liabilities</b>	<b>3,754.71</b>	<b>3,638.91</b>	<b>3,601.40</b>	<b>4,041.00</b>
<b>Total equity and liabilities</b>	<b>7,085.58</b>	<b>7,868.81</b>	<b>8,677.33</b>	<b>9,265.08</b>

### Proforma Condensed Combined Statement of Profit and Loss

(in ₹ million, except earnings per Equity Share)

Particulars	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2021	Three months period ended June 30, 2021
Revenue from operations	7,947.40	8,656.50	8,873.99	2,452.77
Other income	114.98	143.04	168.92	44.25
<b>Total income</b>	<b>8,062.38</b>	<b>8,799.54</b>	<b>9,042.91</b>	<b>2,497.02</b>
<b>Expenses</b>				
(a) Cost of materials consumed	5,172.58	5,595.05	5,895.14	1,954.57
(b) Purchases of stock-in-trade	348.85	26.92	38.09	2.14
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(86.32)	(80.61)	47.02	(230.52)
(d) Employee benefits expense	673.17	750.22	789.84	218.07
(e) Finance costs	118.58	128.28	71.47	13.02
(f) Depreciation and amortisation expense	177.39	190.80	227.52	55.18
(g) Other Expenses	935.46	999.29	1,104.76	280.42
<b>Total expenses</b>	<b>7,339.71</b>	<b>7,609.95</b>	<b>8,173.84</b>	<b>2,292.88</b>
<b>Profit before exceptional items and tax</b>	<b>722.67</b>	<b>1,189.59</b>	<b>869.07</b>	<b>204.14</b>
Exceptional items	-	55.99	-	-
<b>Profit before tax</b>	<b>722.67</b>	<b>1,133.60</b>	<b>869.07</b>	<b>204.14</b>
<b>Tax expense:</b>				
- Current tax	177.80	247.79	221.53	58.25
- Tax pertaining to previous years	1.56	1.55	3.78	-
- Deferred tax (net)	14.48	(30.75)	(12.35)	1.50
<b>Total tax expense</b>	<b>193.84</b>	<b>218.59</b>	<b>212.96</b>	<b>59.75</b>
<b>Share of Post Acquisition profit of associate</b>	<b>(0.58)</b>	<b>0.02</b>	<b>(0.67)</b>	<b>0.51</b>
<b>Profit for the period / year</b>	<b>528.25</b>	<b>915.03</b>	<b>655.44</b>	<b>144.90</b>
<b>Other comprehensive income</b>				
<b>(A) Items that will not be reclassified to profit or loss</b>				
(i) Remeasurement of the defined benefit plans	(10.28)	2.38	(0.86)	4.46
(ii) Income tax expenses relating to the above	3.20	(0.79)	0.22	(1.54)
(iii) Share of equity accounted investee	-	-	-	-
<b>(B) Items that will be reclassified to profit or loss</b>				
(i) Exchange differences in translating financial statements of foreign operations	0.12	(0.10)	(0.05)	0.34
(ii) Share of equity accounted investee	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>521.29</b>	<b>916.52</b>	<b>654.75</b>	<b>148.16</b>

Particulars	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2021	Three months period ended June 30, 2021
<b>Profit for the period/year attributable to</b>				
Owners of the Company	524.71	883.78	630.10	134.17
Non-controlling interests	3.54	31.25	25.34	10.73
<b>Total other comprehensive income for the period/year attributable to</b>				
Owners of the Company	6.96	1.49	(0.69)	3.26
Non-controlling interests	-	-	-	-
	6.96	1.49	(0.69)	3.26
<b>Total comprehensive income for the period/year attributable to</b>				
Owners of the Company	517.75	885.27	629.41	313.10
Non-controlling interests	3.54	31.25	25.34	4.90
	521.29	916.52	654.75	318.00
<b>Proforma Earnings per equity share*</b>	<b>3.81</b>	<b>6.42</b>	<b>4.58</b>	<b>0.97</b>

\* For the purpose of computation of proforma earnings per share, the Company has considered its total number of shares outstanding as on date of approval of proforma consolidated financial information.

#### Proforma Condensed Combined Statement of Cash Flows

Particulars	Year ended March 31, 2019	Year ended March 31, 2020	Year ended March 31, 2021	Three months period ended June 30, 2021
Net Cash Flow from / (Used in) Operating Activities (A)	230.61	1,765.06	371.14	(206.15)
Net Cash Flow from / (Used in) Investing Activities (B)	(363.36)	(493.88)	(1,129.48)	(21.87)
Net Cash Flow from / (Used in) Financing Activities (C)	147.75	(590.06)	721.88	70.48
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	<b>15.00</b>	<b>474.01</b>	<b>(36.46)</b>	<b>(157.54)</b>
Cash and Cash Equivalents at the Beginning of the Period	144.96	165.54	673.14	633.04
Add: Effect of exchange differences on restatement of foreign currency cash and cash equivalents	5.58	33.59	(3.64)	3.74
Cash and Cash Equivalents at the end of the period	<b>165.54</b>	<b>673.14</b>	<b>633.04</b>	<b>479.24</b>

## GENERAL INFORMATION

Our Company was incorporated as ‘Syrma Technology Private Limited’ pursuant to a certificate of incorporation dated August 23, 2004, issued by the RoC. Thereafter, pursuant to a resolution passed by our Shareholders in the extraordinary general meeting held on August 28, 2021, the name of our Company was changed from ‘Syrma Technology Private Limited’ to ‘Syrma SGS Technology Private Limited’, and consequently, a fresh certificate of incorporation dated September 14, 2021, was issued by the RoC to our Company. Thereafter, our Company was converted from a private limited company to a public limited company, pursuant to a resolution passed in the extraordinary general meeting of our Shareholders held on October 6, 2021, and the name of our Company was changed to Syrma SGS Technology Limited, and a fresh certificate of incorporation dated October 20, 2021, was issued to our Company by the RoC. For details on the change in the name and the Registered Office of our Company, see “*History and Certain Corporate Matters*” on page 207.

### Registered Office and Corporate Office of our Company

The address and certain other details of our Registered Office is as follows:

#### **Syrma SGS Technology Limited**

Unit No. 601, 6<sup>th</sup> Floor, Floral Deck Plaza, MIDC,  
Andheri (East), Mumbai, Maharashtra 400 093, India

**Telephone:** +91 22 40363000

**Website:** www.syrmasgs.com

The address of our Corporate Office is as follows:

#### **Syrma SGS Technology Limited**

Plot B27, Phase II, Zone B, MEPZ-SEZ, Sanatorium,  
Tambaram, Chennai, Tamil Nadu 600045

**Telephone:** +91 44 7172 8600

### Company Registration Number and Corporate Identity Number

The registration number and corporate identity number of our Company are set forth below:

Particulars	Number
Company Registration Number	148165
Corporate Identity Number	U30007MH2004PLC148165

### The Registrar of Companies

Our Company is registered with the RoC, which is situated at the following address:

#### **Registrar of Companies**

100, Everest, Marine Drive,  
Mumbai- 400 002, Maharashtra

### Board of Directors

The following table sets out the brief details of our Board as on the date of this Draft Red Herring Prospectus:

Name and Designation	DIN	Address
<b>Sandeep Tandon</b> <i>Executive Chairman</i>	00054553	Tandon Beach House, Plot No 35-c/2 Cts No. 1069, Tps-2, Azad Road, Juhu Koliwada Santacruz- West, Mumbai, Juhu, Mumbai, Maharashtra 400049
<b>Jasbir Singh Gujral</b> <i>Managing Director</i>	00198825	House N K-165, South City 1, Gurgaon, Haryana 122001
<b>Jaideep Tandon</b> <i>Non-Executive Director</i>	01693731	15317 Sobey Road, Saratoga, CA 95070
<b>Jayesh Doshi</b> <i>Non-Executive Director</i>	00017963	1/6, Shankar Bhavan, French Bridge, Grant Road, Mumbai, Maharashtra 400007
<b>Sridhar Narayan</b>	00137243	Flat 202 Tower D Raheja Vivarea, Sane Guruji Marg

<b>Name and Designation</b>	<b>DIN</b>	<b>Address</b>
<i>Non-Executive Director</i>		Jacob Circle, Mahalaxmi, Mumbai, Mumbai City, Maharashtra – 400011
<b>Kunal Shah</b> <i>Independent Director</i>	01653176	404, Uphar 2 CHS Ltd, Plot No. 5, 7 Bungalows, Andheri West, Next to Sanjeev Enclave, Mumbai, Azad Nagar, Mumbai Suburban Maharashtra – 400053
<b>Anil Nair</b> <i>Independent Director</i>	02655564	A-201, Lodha Bellissimo, N.M. Joshi Marg, Mahalaxmi, Jacob Circle, Mumbai, Maharashtra – 400011
<b>Hetal Gandhi</b> <i>Independent Director</i>	00106895	B 2/1203 Vivarea, Sane Guruji Marg, Near Jacob Circle, Mahalaxmi, Mumbai, Jacob Circle, Maharashtra, 400011
<b>Smita Jatia</b> <i>Independent Director</i>	03165703	Avanti, 67-A, Bhulabhai Desai Road, Breach Candy, Cumballa Hill, Mumbai, Maharashtra – 400026
<b>Bharat Anand</b> <i>Independent Director</i>	02806475	2nd Floor, Jaipur Estate, Hazrat Nizamuddin, South Delhi, Delhi – 110013

For further details of our Board of Directors, see “*Our Management – Board of Directors*” on page 217.

#### **Company Secretary and Compliance Officer**

Rahul N Sinnarkar is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

##### **Rahul N Sinnarkar**

Plot No. B27, Phase II, Zone B, MEPZ-SEZ, Sanatorium

Tambaram, Chennai – 600045

**Telephone:** +91 44 7172 8600

**Email:** compliance@syrmasgs.com

#### **Registrar to the Offer**

##### **Link Intime India Private Limited**

C 101, 247 Park

L.B.S. Marg

Vikhroli (West), Mumbai 400 083

Maharashtra, India

**Telephone:** +91 22 4918 6200

**E-mail:** syrma.ipo@linkintime.co.in

**Website:** www.linkintime.co.in

**Investor grievance e-mail:** syrma.ipo@linkintime.co.in

**Contact person:** Shanti Gopalkrishnan

**SEBI registration number:** INR000004058

#### **Book Running Lead Managers**

##### **DAM Capital Advisors Limited**

(Formerly IDFC Securities Limited)

One BKC, Tower C, 15<sup>th</sup> Floor, Unit No. 1511

Bandra Kurla Complex, Bandra (East)

Mumbai 400051, Maharashtra, India

**Telephone:** +91 22 4202 2500

**Email:** syrma.ipo@damcapital.in

**Investor grievance email:**

complaint@damcapital.in

**Website:** www.damcapital.in

**Contact Person:** Gunjan Jain/Chandresh Sharma

**SEBI Registration No:** MB/INM000011336

##### **ICICI Securities Limited**

ICICI Venture House

Appasaheb Marathe Marg, Prabhadevi

Mumbai – 400025

**Telephone:** +91 22 6807 7100

**Email:** syrma.ipo@icicisecurities.com

**Investor grievance email:**

customercare@icicisecurities.com

**Website:** www.icicisecurities.com

**Contact Person:** Monank Mehta

**SEBI Registration No:** INM000011179

**IIFL Securities Limited**10<sup>th</sup> Floor, IIFL Centre

Kamala City, Senapati Bapat Marg

Lower Parel (West)

Mumbai 400013, Maharashtra, India

**Telephone:** +91 22 4646 4600**Email:** symasgs.ipo@iiflcap.com**Investor grievance email:**

ig.ib@iiflcap.com

**Website:** www.iiflcap.com**Contact Person:** Pinak Rudra Bhattacharyya**SEBI Registration No:** INM000010940**Syndicate Members**

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**Inter-se allocation of responsibilities of the Book Running Lead Managers**

The following table sets forth the inter-se allocation of responsibilities for various activities among the Book Running Lead Managers:

Sr. No.	Activity	Responsibility	Co-ordination
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments, and positioning strategy	BRLMs	DAM Capital
2.	Due diligence of Company including its operations / management / business plans / legal etc., Drafting and design of Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus. Ensure compliance and completion of prescribed formalities with the Stock Exchanges, SEBI including finalisation of RHP, Prospectus, Offer Agreement, and Underwriting Agreements and RoC filing	BRLMs	DAM Capital
3.	Drafting and approval of all statutory advertisements	BRLMs	DAM Capital
4.	Drafting and approval of all publicity material other than statutory advertisements as mentioned in point 3 above, including corporate advertising and brochures and filing of media compliance report with SEBI	BRLMs	ICICI Securities
5.	Appointment of Registrar and Ad agency (including coordination of all agreements)	BRLMs	ICICI Securities
6.	Appointment of all other intermediaries including printer, Banker (s) to the Issue, sponsor bank, syndicate members, share escrow agent, monitoring agency, etc. (including coordination of all agreements)	BRLMs	ICICI Securities
7.	Preparation of road show presentation and FAQs for the road show team	BRLMs	IIFL
8.	International institutional marketing of the Offer, which will cover, inter alia: <ul style="list-style-type: none"> <li>• Institutional marketing strategy</li> <li>• Finalising the list and division of international investors for one-to-one meetings</li> <li>• Finalising international road show and investor meeting schedules</li> </ul>	BRLMs	IIFL
9.	Domestic institutional marketing of the Offer, which will cover, inter alia: <ul style="list-style-type: none"> <li>• Finalising the list and division of domestic investors for one-to-one meetings</li> <li>• Finalising domestic road show and investor meeting schedules</li> </ul>	BRLMs	DAM Capital
10.	Conduct non-institutional marketing of the Offer	BRLMs	ICICI Securities



Sr. No.	Activity	Responsibility	Co-ordination
11.	Conduct retail marketing of the Offer, which will cover, inter-alia: <ul style="list-style-type: none"> <li>Finalising media, marketing, public relations strategy and publicity budget including list of frequently asked questions at retail road shows;</li> <li>Finalising collection centres</li> <li>Finalising centres for holding conferences for brokers etc.</li> <li>Finalising commission structure; and</li> <li>Follow-up on distribution of publicity and Offer material including form, RHP/Prospectus and deciding on the quantum of the Offer material</li> </ul>	BRLMs	ICICI Securities
12.	Coordination with Stock Exchanges for book building software, bidding terminals and mock trading, 1% security deposit including anchor coordination, anchor CAN and initiation of anchor allocation	BRLMs	ICICI Securities
13.	Managing the book and finalization of pricing in consultation with Company and Selling Shareholder	BRLMs	IIFL
14.	Post-Offer activities – finalisation of the basis of allotment, coordination with various agencies connected with the post-offer activity such as registrar to the offer, bankers to the offer, Self-Certified Syndicate Banks etc., including responsibility for underwriting arrangements, as applicable, listing of instruments, demat credit and refunds/ unblocking of funds, payment of the applicable STT on behalf of the Selling Shareholder, coordination for investor complaints related to the Offer, submission of final post issue report and coordination with SEBI and Stock Exchanges for refund of 1% security deposit.	BRLMs	DAM Capital

#### **Legal Counsel to our Company as to Indian law**

##### **Khaitan & Co**

Max Towers  
7<sup>th</sup> & 8<sup>th</sup> Floors  
Sector 16B Noida  
Gautam Budh Nagar 201 301  
Uttar Pradesh, India  
**Telephone:** +91 120 479 1000

#### **Legal Counsel to the BRLMs as to Indian law**

##### **Trilegal**

Peninsula Business Park  
17th Floor, Tower B  
Ganpat Rao Kadam Marg  
Lower Parel (West)  
**Telephone:** +91 22 4079 1000

#### **Statutory Auditors to our Company**

##### **Deloitte Haskins & Sells LLP**

ASV N Ramana Tower,  
52, Venkatnarayana Road,  
T. Nagar, Chennai - 600 017,  
Tamil Nadu, India  
**Email:** anamarnath@deloitte.com  
**Telephone:** +91 44 6688 5205  
**Firm registration number:** 117366W/W-100018  
**Peer review number:** 013179

There has been no change in our statutory auditors in the three years preceding the date of this Draft Red Herring Prospectus.

#### **Bankers to our Company**

##### **Citibank NA**

163, Anna Salai, Chennai – 600002

**Telephone:** 044-4227 4467

**Email:** dilip.mishra@citi.com

**Website:** www.citibank.co.in

**Contact Person:** Dilip Mishra

##### **DBS Bank India Limited**

806, Anna Salai, Chennai – 600002

**Telephone:** 9962080035

**Email:** sathyanarayanan@dbs.com

**Website:** https://www.dbs.com/

**Contact Person:** Sathanarayanan Davey

##### **HDFC Bank Limited**

FIG – OPS Department Lodha-I

Think Techno Campus, O3 Level

Next to Kanjurmarg Railway Station

Kanjurmarg (East), Mumbai – 400 042

Maharashtra, India

**Telephone:** +91 022 3075 2914/28/29

**Email:** siddharth.jadav@hdfcbank.com;

neerav.desai@hdfcbank.com;

sachin.gawade@hdfcbank.com;

kamala.prasad@hdfcbank.com

**Website:** www.hdfcbank.com

**Contact Person:** Siddharth Jadav, Neerav Desai,

Sachin Gawade, Kamala Prasad

##### **The Hongkong and Shanghai Banking Corporation Limited**

52/60 MG Road, Fort, Mumbai 400001

**Telephone:** 95355 07678

**Email:** aditya.mohata@hsbc.co.in

**Website:** http://www.hsbc.co.in/1/2/homepage

**Contact Person:** Mr. Aditya Mohata

#### **Banker(s) to the Offer**

##### ***Escrow Collection Bank(s)***

[•]

##### ***Public Offer Account Bank(s)***

[•]

##### ***Refund Bank(s)***

[•]

##### ***Sponsor Bank***

[•]

#### **Designated Intermediaries**

##### ***Self-Certified Syndicate Banks***

The list of SCSBs notified by SEBI for the ASBA process is available on the SEBI website at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, or at such other website as may be prescribed by SEBI from time to time.

A list of the Designated SCSB Branches with which an ASBA Bidder (other than an RIB using the UPI Mechanism), not Bidding through Syndicate/Sub Syndicate or through a Registered Broker, RTA or CDP may submit the ASBA Forms, is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>, and at such other websites as may be prescribed by SEBI from time to time.

### ***Self-Certified Syndicate Banks eligible as Issuer Banks and mobile applications enabled for UPI Mechanism***

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 using the UPI Mechanism may only apply through the SCSBs and mobile applications using the UPI handles specified on the website of the SEBI. The list of SCSBs through which Bids can be submitted by RIBs using the UPI Mechanism, including details such as the eligible mobile applications and UPI handle which can be used for such Bids, is available on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=43> which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

### ***Syndicate SCSB Branches***

In relation to Bids (other than Bids by Anchor Investors and RIBs) submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35>, which may be updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35> or any such other website as may be prescribed by SEBI from time to time.

### ***Registered Brokers***

The list of the Registered Brokers eligible to accept ASBA Forms from Bidders (other than RIBs), including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE and the NSE at [http://www.bseindia.com/Markets/PublicIssues/brokercentres\\_new.aspx?](http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?) and [https://www.nseindia.com/products/content/equities/ipos/ipo\\_mem\\_terminal.htm](https://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm), respectively, as updated from time to time.

### ***Registrar and Share Transfer Agents***

The list of the RTAs eligible to accept ASBA Forms from Bidders (other than RIBs) at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of Stock Exchanges at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?> and [http://www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), respectively, as updated from time to time.

### ***Collecting Depository Participants***

The list of the CDPs eligible to accept ASBA Forms from Bidders (other than RIBs) at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?> and on the website of NSE at [http://www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), or such other websites, as updated from time to time.

### ***Credit Rating***

As this is an Offer consisting only of Equity Shares, there is no requirement to obtain credit rating for the Offer.

### ***Debenture Trustee***

As this is an Offer consisting only of Equity Shares, the appointment of a debenture trustee is not required.

### ***Appraising Entity***

None of the objects of the Offer for which the Net Proceeds will be utilised have been appraised by any agency.

## **Monitoring Agency**

Our Company shall, in compliance with Regulation 41 of the SEBI ICDR Regulations, appoint a monitoring agency for monitoring the utilisation of the Net Proceeds from the Fresh Issue, prior to filing of RHP with the RoC. For details in relation to the proposed utilisation of the Net Proceeds from the Fresh Issue, please see “*Objects of the Offer*” on page 95.

## **Grading of the Offer**

No credit agency registered with SEBI has been appointed for obtaining grading for the Offer.

## **Green Shoe Option**

No green shoe option is contemplated under the Offer.

## **Experts**

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

Our Company has received written consent dated December 13, 2021 from our Statutory Auditors, Deloitte Haskins & Sells LLP, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as independent statutory auditors and in respect of their (i) examination report dated December 9, 2021 on our Restated Standalone Financial Information; (ii) examination report dated December 9, 2021 on our Restated Consolidated Financial Information, (iii) report dated December 9, 2021 on Proforma Condensed Combined Financial Information, and (iv) report dated December 12, 2021 on the ‘Statement of possible special tax benefits’ in this Draft Red Herring Prospectus, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Additionally, our Company has also received written consent dated October 20, 2021, from K. Vinod, Chartered Engineer, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act, 2013.

Further, our Company has received written consent dated October 7, 2021, from M/s Sundararajan & Co, Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act, 2013. Our Company has also received written consent dated December 13, 2021 from N B T and Co., Chartered Accountants to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act, 2013.

Our Company has received written consent dated December 13, 2021 from M/s. Rahul R Pujara & Associates to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act, 2013, in respect of the B&M Project Report, Chennai Project Report, Hosur Project Report and the Hyderabad Project Report.

The term “experts” and consent thereof does not represent an expert or consent within the meaning under the U.S. Securities Act.

## **Underwriting Agreement**

After the determination of the Offer Price but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholder will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The extent of underwriting obligations and the Bids to be underwritten in the Offer shall be as per the Underwriting Agreement. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions to closing, as specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

*(The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC. This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC.)*

Name, address, telephone and email of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount underwritten (in ₹ million)
[●]	[●]	[●]
[●]	[●]	[●]

The abovementioned underwriting commitment is indicative and will be finalised after determination of the Offer Price and the finalisation of the Basis of Allotment and will be subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board of Directors (based on representations made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments. Notwithstanding the above table, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them.

Subject to the applicable laws and pursuant to the terms of the Underwriting Agreement, the BRLMs will be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfil their underwriting obligations.

## Filing

A copy of this Draft Red Herring Prospectus has been filed through the SEBI Intermediary Portal at <https://sipotal.sebi.gov.in>, in accordance with SEBI circular bearing reference SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018 and at [cfddil@sebi.gov.in](mailto:cfddil@sebi.gov.in), in accordance with the instructions issued by the SEBI on March 27, 2020, in relation to “Easing of Operational Procedure – Division of Issues and Listing – CFD”.

A copy of the Red Herring Prospectus, along with the material contracts and documents required to be filed, will be filed with the RoC in accordance with Section 32 of the Companies Act, 2013, and a copy of the Prospectus required to be filed under Section 26 of the Companies Act, 2013, will be filed with the RoC at its office at Mumbai, and through the electronic portal at <http://www.mca.gov.in>.

## Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms within the Price Band. The Price Band will be decided by our Company in consultation with the Book Running Lead Managers, and if not disclosed in the Red Herring Prospectus, will be advertised in [●] editions of [●], a widely circulated English national daily newspaper, [●] editions of [●], a widely circulated Hindi national daily newspaper, and [●] edition of [●], a widely circulated Marathi daily newspaper, Marathi being the regional language of Maharashtra, where our Registered Office is located, at least two Working Days prior to the Bid / Offer Opening Date, and shall be made available to the Stock Exchanges for the purposes of uploading on their respective websites. The Offer Price shall be determined by our Company in consultation with the Book Running Lead Managers, after the Bid / Offer Closing Date. For details, see “Offer Procedure” on page 629.

All investors, other than Anchor Investors, shall only participate through the ASBA process by providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs. Retail Individual Bidders shall participate through the ASBA process, either by (i) providing the details of their respective ASBA Account in which the corresponding Bid Amount will be blocked by the SCSBs; or (ii) using

the UPI Mechanism. Anchor Investors are not permitted to participate in the Offer through the ASBA process.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid / Offer Period and withdraw their Bids until the Bid / Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Date. Allocation to QIBs (other than Anchor Investors) and Non-Institutional Buyers will be on a proportionate basis while allocation to Anchor Investors will be on a discretionary basis. For an illustration of the Book Building Process and further details, see “*Terms of the Offer*” and “*Offer Procedure*” beginning on pages 624 and 629, respectively.

**The Book Building Process under the SEBI ICDR Regulations and the Bidding Process are subject to change from time to time and the investors are advised to make their own judgement about investment through this process prior to submitting a Bid in the Offer.**

Bidders should note that the Offer is also subject to obtaining (i) final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals from the Stock Exchanges, which our Company shall apply for after Allotment.

For further details on the method and procedure for Bidding, see “*Offer Procedure*” beginning on page 629.

## CAPITAL STRUCTURE

The share capital of our Company as on the date of this Draft Red Herring Prospectus is set forth below:

(In ₹ except share data)			
		Aggregate value at face value	Aggregate value at Offer Price*
<b>A</b>	<b>AUTHORIZED SHARE CAPITAL</b>		
	200,000,000 equity shares of face value of ₹ 10 each	2,000,000,000	-
	1,200,000 preference shares of face value of ₹ 100 each	120,000,000	-
<b>B</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER</b>		
	137,617,853 Equity Shares of face value ₹ 10 each	1,376,178,530	-
<b>C</b>	<b>PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>		
	Offer of up to [●] Equity Shares <sup>(1)(2)</sup>	[●]	[●]
	which includes:		
	Fresh Issue of up to [●] Equity Shares <sup>(1)</sup>	[●]	[●]
	Offer for Sale of up to 3,369,360 Equity Shares <sup>(2)</sup>	Up to 33,693,600	[●]
<b>D</b>	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER</b>		
	[●] Equity Shares of face value of ₹ 10 each*	[●]	[●]
<b>E</b>	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Offer		Nil
	After the Offer		[●]

\* To be updated upon finalization of the Offer Price.

^ Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement aggregating up to ₹ 1,800.00 million. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR.

<sup>(1)</sup> The Offer has been authorized by a resolution of our Board dated November 13, 2021 and the Fresh Issue has been authorized by a special resolution of our Shareholders dated November 20, 2021.

<sup>(2)</sup> The Selling Shareholder has authorized the sale of the Offered Shares in the Offer for Sale. For details on the authorization of the Selling Shareholder in relation to the Offered Shares, see "Other Regulatory and Statutory Disclosures– Authority for the Offer" on page 607.

### Notes to the Capital Structure

#### 1. Equity Share Capital History of our Company

(a) The following table sets forth the history of the Equity Share capital of our Company:

Date of Allotment	Reason for/Nature of Allotment	No. of Equity Shares Allotted	Face Value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Cumulative No. of Equity Shares	Cumulative paid-up equity share capital (₹)
August 23, 2004	Subscription to the MoA <sup>(1)</sup>	10,000	10	10.00	Cash	10,000	100,000
February 22, 2005	Further issuance <sup>(2)</sup>	240,000	10	10.00	Cash	250,000	2,500,000
March 31, 2008	Rights issue in the ratio of 11 Equity Shares for every 10 Equity Shares held <sup>(3)</sup>	275,000	10	100.00	Cash	525,000	5,250,000
January 12, 2017	Conversion of 7% optionally convertible preference shares <sup>(4)</sup>	175,000	10	400.00	-	700,000	7,000,000
September 6, 2017	Allotment pursuant to scheme of	2,063	10	-	Other than cash	702,063	7,020,630

Date of Allotment	Reason for/Nature of Allotment	No. of Equity Shares Allotted	Face Value per Equity Share (₹)	Issue price per Equity Share (₹)	Form of consideration	Cumulative No. of Equity Shares	Cumulative paid-up equity share capital (₹)
	amalgamation <sup>(5)</sup>						
October 1, 2020	Private placement <sup>(6)</sup>	11,104	10	7,204.50	Cash	713,167	7,131,670
October 5, 2020	Private placement <sup>(7)</sup>	11,178	10	7,204.50	Cash	724,345	7,243,450
November 3, 2020	Private placement <sup>(8)</sup>	13,980	10	7,204.50	Cash	738,325	7,383,250
November 7, 2020	Private placement <sup>(9)</sup>	7,634	10	7,204.50	Cash	745,959	7,459,590
November 12, 2020	Private placement <sup>(10)</sup>	2,033	10	7,204.50	Cash	747,992	7,479,920
November 16, 2020	Private placement <sup>(11)</sup>	49	10	7,204.50	Cash	748,041	7,480,410
September 16, 2021	Private placement <sup>(12)</sup>	125,690	10	5,341.00	Cash	873,731	8,737,310
September 17, 2021	Private placement <sup>(13)</sup>	125,690	10	5,341.00	Cash	999,421	9,994,210
September 20, 2021	Private placement <sup>(14)</sup>	125,690	10	5,341.00	Cash	1,125,111	11,251,110
September 21, 2021	Private placement <sup>(15)</sup>	125,690	10	5,341.00	Cash	1,250,801	12,508,010
October 19, 2021	Conversion of 0.01% compulsory convertible preference shares <sup>(16)</sup>	106,132	10	-	-	1,356,933	13,569,330
October 27, 2021	Private Placement <sup>(17)</sup>	5,620	10	5,341.00	Cash	1,362,553	13,625,530
October 30, 2021	Bonus issue in the ratio of 100 Equity Shares for every one Equity Share held <sup>(18)</sup>	136,255,300	10	-	-	137,617,853	1,376,178,530

(1) Subscription to 1,000 Equity Shares by Vivek Mangaonkar, 5,000 Equity Shares by Pawan Kumar Chopra and 4,000 Equity Shares by Geeta Chopra.

(2) Allotment of 240,000 Equity Shares to J T Holdings Private Limited

(3) Allotment of 273,900 Equity Shares to Tancom Electronics Private Limited and 1,100 Equity Shares to Veena Kumari Tandon, Jaideep Tandon, Sudeep Tandon, M.L. Tandon & Sons (HUF) and Eastern Peripherals Private Limited, in their capacity as partners of Tancom Electronics.

(4) Conversion of 700,000 7% optionally convertible preference shares held by Tancom Electronics Private Limited to 175,000 Equity Shares. The consideration was paid at the time of allotment of such 7% optionally convertible preference shares.

(5) Allotment of 2,063 Equity Shares made pursuant to the scheme of amalgamation of Syrma Services and Solutions Private Limited and 3G Wireless Communications Private Limited with our Company, pursuant to which 25 Equity Shares were allotted to Tancom Electronics Private Limited, 949 Equity Shares were allotted to Memory Electronics Private Limited, 975 Equity Shares were allotted to Eastern Peripherals Private Limited and 114 Equity Shares were allotted to Veena Kumari Tandon.

(6) Allotment of 11,104 Equity Shares to Veena Kumari Tandon.

(7) Allotment of 11,178 Equity Shares to Veena Kumari Tandon.

(8) Allotment of 6,940 Equity Shares to Veena Kumari Tandon, 6,940 Equity Shares to Jindal Combines Pvt. Ltd., 99 Equity Shares to South Asia Growth Fund II Holdings LLC and one Equity Share to South Asia EBT Trust.

(9) Allotment of 694 Equity Shares to QED Innovation Labs LLP and 6,940 Equity Shares to Ayush Jatia.

(10) Allotment of 2,033 Equity Shares to B. Amrisha Rau

(11) Allotment of 49 Equity Shares to Sangeeta Singh.

(12) Allotment of 125,690 Equity Shares to Jasbir Singh Gujral

(13) Allotment of 125,690 Equity Shares to Sanjiv Narayan

(14) Allotment of 125,690 Equity Shares to Ranjeet Singh Lonial

(15) Allotment of 125,690 Equity Shares to Krishna Kumar Pant

(16) Conversion of 104,002 0.01% compulsory convertible preference shares held by South Asia EBT Trust and South Asia Growth Fund II, Holdings LLC to 805 Equity Shares and 105,327 Equity Shares respectively. The consideration was paid at the time of allotment of such 0.01% compulsory convertible preference shares.

(17) Allotment to 2,800 Equity Shares to Sreeram Srinivasan, and 940 Equity Shares each to Raghavendran Nagaraj, Sreedharan Narayanan Gopalan, and Nelson Samuel Jayakumar

(18) Allotment of Equity Shares by way of the bonus issue of Equity Shares undertaken pursuant to a resolution of our shareholders dated October 28, 2021, pursuant to which our Company has issued and allotted 136,255,300 bonus equity shares in the ratio of



100 fully paid-up bonus share of the face value of ₹ 10 each for every existing one fully paid up equity share of the face value of ₹ 10 each held by the members as on October 28, 2021.

(b) **Equity Shares issued for consideration other than cash or out of revaluation reserves or by way of a bonus issue**

Our Company has not issued any Equity Shares out of its revaluation reserves.

Further, except as set forth below, our Company has not issued any Equity Shares for consideration other than cash or as a bonus issue:

Date of Allotment	Reason/Nature of Allotment	Issue price per Equity Share (₹)	No. of Equity Shares Allotted	Face Value (₹)	Benefits accrued to our Company
September 6, 2017	Allotment pursuant to scheme of amalgamation <sup>(1)</sup>	-	2,063	10	Consolidation of operations of Syrma Services and Solutions Private Limited and 3G Wireless Communications Private Limited with our Company.
October 30, 2021	Bonus issue in the ratio of 100 Equity Shares for every one Equity Share held <sup>(2)</sup>	-	136,255,300	10	-

(1) Allotment made pursuant to the scheme of amalgamation of Syrma Services and Solutions Private Limited and 3G Wireless Communications Private Limited with our Company, pursuant to which 25 Equity Shares were allotted to Tancom Electronics Private Limited, 949 Equity Shares were allotted to Memory Electronics Private Limited, 975 Equity Shares were allotted to Eastern Peripherals Private Limited and 114 Equity Shares were allotted to Veena Kumari Tandon.

(2) Allotment of Equity Shares by way of the bonus issue of Equity Shares undertaken pursuant to a resolution of our shareholders dated October 28, 2021, pursuant to which our Company has issued and allotted 136,255,300 bonus equity shares in the ratio of 100 fully paid-up bonus share of the face value of ₹ 10 each for every existing one fully paid up equity share of the face value of ₹ 10 each held by the members as on October 28, 2021.

(c) **Equity Shares allotted in terms of any schemes of arrangement**

Except as disclosed above, our Company has not allotted any Equity Shares in terms of any scheme approved under Section 391-394 of the Companies Act, 1956 or Section 230-232 of the Companies Act, 2013.

(d) **Equity Shares allotted at a price lower than the Offer Price in the last year**

The Offer Price shall be determined by our Company in consultation with the BRLMs after the Bid / Offer Closing Date. Except as disclosed in “– Equity Share Capital History of our Company”, our Company has not issued any Equity Shares at a price which may be lower than the Offer Price, during a period of one year preceding the date of this Draft Red Herring Prospectus.

- As on the date of this Draft Red Herring Prospectus, our Company does not have outstanding preference shares.

### 3. Shareholding Pattern of our Company

The table below presents the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of Shareholder (II)	Number of Shareholders (III)	Number of fully paid up Equity Shares held (IV)	Numb er of Partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total number of Equity Shares held (VII) =(IV)+(V)+ (VI)	Shareholdin g as a % of total number 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)				Number of Equity Shares Underlying Outstanding convertible securities (including Warrants) (X)	Shareholding as a % assuming full conversion of convertible securities (as a percentage of diluted Equity Share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of Locked in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialize d form (XIV)
								Number of voting rights			Total as a % of (A+B+C)			Numbe r (a)	As a % of total Equity Shares held (b)	Number (a)	As a % of total Equity Shares held (b)	
								Class eg: Equity Shares	Class eg: Others	Total								
(A)	Promoter and Promoter Group	4	8,65,54,475	-	-	-	62.89	8,65,54,475	-	8,65,54,475	62.89	-	-	-	-	-	-	8,65,54,475
(B)	Public	14	5,10,63,378	-	-	-	37.11	5,10,63,378	-	5,10,63,378	37.11	-	-	-	-	-	-	5,10,63,378
(C)	Non Promoter- Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)(1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C)(2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total (A)+(B)+(C)</b>	<b>18</b>	<b>13,76,17,853</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>13,76,17,853</b>	<b>-</b>	<b>13,76,17,853</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,76,17,853</b>

#### 4. Major shareholders

The list of our major Shareholders and the number of Equity Shares held by them is provided below:

- a) The details of our Shareholders holding 1% or more of the paid-up Equity Share capital of our Company as on the date of this Draft Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre- Offer share capital
1.	Tancom Electronics Private Limited	63,319,425	46.01%
2.	Jasbir Singh Gujral	12,694,690	9.22%
3.	Sanjiv Narayan	12,694,690	9.22%
4.	Ranjit Lonial	12,694,690	9.22%
5.	Krishna Kumar Pant	12,694,690	9.22%
6.	South Asia Growth Fund II, Holdings LLC	10,648,026	7.74%
7.	Modern Die Casting LLP	5,656,000	4.11%
8.	Veena Kumari Tandon	4,884,360	3.55%
<b>Total</b>		<b>135,286,571</b>	<b>98.31%</b>

- b) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company ten days prior to the date of this Draft Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre- Offer share capital
1.	Tancom Electronics Private Limited	63,319,425	46.01%
2.	Jasbir Singh Gujral	12,694,690	9.22%
3.	Sanjiv Narayan	12,694,690	9.22%
4.	Ranjit Lonial	12,694,690	9.22%
5.	Krishna Kumar Pant	12,694,690	9.22%
6.	South Asia Growth Fund II, Holdings LLC	10,648,026	7.74%
7.	Modern Die Casting LLP	5,656,000	4.11%
8.	Veena Kumari Tandon	4,884,360	3.55%
<b>Total</b>		<b>135,286,571</b>	<b>98.31%</b>

*Note: Details as on December 3, 2021, being the date ten days prior to the date of this Draft Red Herring Prospectus.*

- c) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company at the last Working Day one year prior to the date of this Draft Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre- Offer share capital
1.	Tancom Electronics Private Limited	697,925	93.30%
2.	Veena Kumari Tandon	33,360	4.46%
	<b>Total</b>	<b>731,285</b>	<b>97.76%</b>

*Note: Details as on December 13, 2020, being the date one year prior to the date of this Draft Red Herring Prospectus.*

- d) The details of our Shareholders who held 1% or more of the paid-up Equity Share capital of our Company two years prior to the date of this Draft Red Herring Prospectus are set forth below:

S. No.	Name of the Shareholder	Number of Equity Shares Held	% of the pre- Offer share capital
1.	Tancom Electronics Private Limited	697,925	99.41%
	<b>Total</b>	<b>697,925</b>	<b>99.41%</b>

*Note: Details as on December 13, 2019, being the date two years prior to the date of this Draft Red Herring Prospectus.*

5. Except for (i) the allotment of Equity Shares pursuant to the Fresh Issue and the Pre-IPO Placement, and (ii) any Equity Shares which may be issued and allotted pursuant to the conversion of employee stock options granted under ESOP Scheme I and ESOP Scheme II, there will be no further issue of Equity Shares whether by way of a split or consolidation of the denomination of Equity Shares, or by way of further issue of Equity

Shares (including issue of securities convertible into or exchangeable, directly or indirectly, for Equity Shares), whether on a preferential basis, or by way of issue of bonus Equity Shares, or through a rights issue or further public issue of Equity Shares, or otherwise, until the Equity Shares have been listed on the Stock Exchanges or all application moneys have been refunded to the Anchor Investors, or the application moneys are unblocked in the ASBA Accounts on account of non-listing, under-subscription etc., as the case may be. Further, our Company presently does not intend or propose to alter its capital structure in such manner until a period of six months from the Bid/Offer Opening Date.

6. As on the date of this Draft Red Herring Prospectus, our Company had a total of 18 Shareholders.

7. **Details of Shareholding of our Promoters and members of the Promoter Group in the Company**

(i) **Equity Shareholding of the Promoters**

As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 80,898,475 Equity Shares, equivalent to 58.78% of the issued, subscribed and paid-up Equity Share capital of our Company, as set forth in the table below.

S. No.	Name of the Shareholder	Pre-Offer Equity Share Capital		Post-Offer Equity Share Capital	
		No. of Equity Shares	% of total Share-holding	No. of Equity Shares	% of total Share-holding
1.	Tancom Electronics Private Limited	63,319,425	46.01	[●]	[●]
2.	Jasbir Singh Gujral	12,694,690	9.22	[●]	[●]
3.	Veena Kumari Tandon	4,884,360	3.55	[●]	[●]
	<b>Total</b>	<b>80,898,475</b>	<b>58.78</b>	<b>[●]</b>	<b>[●]</b>

(ii) All Equity Shares held by our Promoters are in dematerialized form as on the date of this Draft Red Herring Prospectus.

(iii) **Build-up of the Promoters' shareholding in our Company**

The build-up of the Equity Shareholding of our Promoters since the incorporation of our Company is set forth in the table below:

Date of Allotment/ Transfer / Transmission	Nature of transaction	No. of Equity Shares	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of pre-Offer equity share capital	Percentage of post-Offer equity share capital
<b>(A) Tancom Electronics Private Limited</b>						
August 30, 2006	Transfer from J T Holdings Private Limited	249,000	10	10.00	0.18	[●]
March 31, 2008	Rights issue	273,900	10	100.00	0.20	[●]
January 12, 2017	Conversion of 700,000 7% optionally convertible preference shares	175,000	10	400.00	0.13	[●]
September 6, 2017	Allotment pursuant to scheme of amalgamation	25	10	-	0.00	[●]
October 21, 2021	Transfer to Modern Die Casting LLP	(32,000)	10	5,341.00	(0.02)	[●]
October 22, 2021		(24,000)	10	5,341.00	(0.02)	
October 26, 2021	Transfer to Veena Kumari Tandon	(15,000)	10	5,341.00	(0.01)	[●]
October 30, 2021	Bonus issue	62,692,500	10	-	45.56	[●]
<b>Sub-total (A)</b>		<b>63,319,425</b>			<b>46.01</b>	<b>[●]</b>
<b>(B) Jasbir Singh Gujral</b>						
September 16, 2021	Private placement	125,690	10	5,341.00	0.09	[●]
October 30, 2021	Bonus issue	12,569,000	10	-	9.13	[●]
<b>Sub-total (B)</b>		<b>12,694,690</b>			<b>9.22</b>	
<b>(C) Veena Kumari Tandon</b>						
September 6, 2017	Allotment pursuant to scheme of amalgamation	114	10	-	0.00	[●]

Date of Allotment/ Transfer / Transmission	Nature of transaction	No. of Equity Shares	Face value per Equity Share (₹)	Issue Price/ Transfer Price per Equity Share (₹)	Percentage of pre-Offer equity share capital	Percentage of post-Offer equity share capital
March 23, 2019	Transfer from Memory Electronics Private Limited	949	10	565.00	0.00	[●]
	Transfer from Eastern Peripherals Private Limited	975	10	565.00	0.00	[●]
	Transfer from Tancom Electronics	2,100	10	565.00	0.00	[●]
October 1, 2020	Private placement	11,104	10	7,204.50	0.01	[●]
October 5, 2020	Private placement	11,178	10	7,204.50	0.01	[●]
November 3, 2020	Private placement	6,940	10	7,204.50	0.01	[●]
October 26, 2021	Transfer from Tancom Electronics Private Limited	15,000	10	5,341.00	0.01	
October 30, 2021	Bonus issue	4,836,000	10	-	3.51	[●]
<b>Sub-total (C)</b>		<b>4,884,360</b>			<b>3.55</b>	<b>[●]</b>
<b>Grand Total (A)+(B)+(C)</b>		<b>80,898,475</b>			<b>58.78</b>	<b>[●]</b>

- (iv) All the Equity Shares held by our Promoters were fully paid-up on the respective dates of allotment or acquisition, as applicable, of such Equity Shares.
- (v) As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged.
- (vi) ***Equity Shareholding of the Promoter Group and the directors of our Corporate Promoters***
- As on the date of this Draft Red Herring Prospectus, except for Modern Die Casting LLP which holds 5,656,000 Equity Shares and our Promoters, none of the members of our Promoter Group and the directors of our Corporate Promoter hold any Equity Shares.
- (vii) Except as disclosed in “– Build-up of the Promoters’ shareholding in our Company” on page 87, none of the members of the Promoter Group, the Promoters, the Directors of our Company, the directors of our Corporate Promoter nor any of their respective relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.
- (viii) There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our Directors, the directors of our Corporate Promoter or their relatives have financed the purchase by any other person of securities of our Company during a period of six months immediately preceding the date of this Draft Red Herring Prospectus.

## 8. Details of lock-in of Equity Shares

### (i) ***Details of Promoter’s contribution locked in for three years***

Pursuant to Regulations 14 and 16 of the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Offer Equity Share capital of our Company held by the Promoters shall be locked in for a period of three years as minimum promoters’ contribution from the date of Allotment (“**Promoters’ Contribution**”), and the Promoters’ shareholding in excess of 20% of the fully diluted post-Offer Equity Share capital shall be locked in for a period of one year from the date of Allotment.

Details of the Equity Shares to be locked-in for three years from the date of Allotment as Promoters’ Contribution are set forth in the table below:

Name of the Promoter	Date of allotment of the Equity Shares*	Nature of transaction	No. of Equity Shares	Face Value (₹)	Issue/ acquisition price per Equity Share (₹)	No. of Equity Shares locked-in	Percentage of the post- Offer paid-up capital (%)**	Date up to which the Equity Shares are subject to lock-in
[•]	[•]	[•]	[•]	10	[•]	[•]	[•]	[•]
<b>Total</b>						[•]	[•]	[•]

\* All the Equity Shares were fully paid-up on the respective dates of allotment or acquisition, as the case may be, of such Equity Shares.

\*\* Subject to finalisation of Basis of Allotment.

Note: The above details shall be filled up in the Prospectus to be filed with RoC.

Our Promoters have given consent, pursuant to their letters dated December 13, 2021, to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Offer Equity Share capital of our Company as Promoters' Contribution. Our Promoters have agreed not to dispose, sell, transfer, charge, pledge or otherwise encumber, in any manner, the Promoters' Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI ICDR Regulations, except as may be permitted in accordance with the SEBI ICDR Regulations.

Our Company undertakes that the Equity Shares that are being locked-in are not and will not be ineligible for computation of Promoters' Contribution in terms of Regulation 15 of the SEBI ICDR Regulations. In this connection, we confirm the following:

- (i) The Equity Shares offered for Promoters' Contribution do not include Equity Shares acquired in the three immediately preceding years (a) for consideration other than cash involving revaluation of assets or capitalisation of intangible assets; or (b) resulting from a bonus issue of Equity Shares out of revaluation reserves or unrealised profits of our Company or from a bonus issuance of equity shares against Equity Shares, which are otherwise ineligible for computation of Promoters' Contribution
- (ii) The Promoters' Contribution does not include any Equity Shares acquired during the immediately preceding one year at a price lower than the price at which the Equity Shares are being offered to the public in the Offer
- (iii) Our Company has not been formed by the conversion of a partnership firm or a limited liability partnership firm into a company in the preceding one year and hence, no Equity Shares have been issued in the one year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion from a partnership firm or a limited liability partnership firm; and
- (iv) The Equity Shares forming part of the Promoter's Contribution are not subject to any pledge.
- (v) All the Equity Shares held by our Promoter are in dematerialised form

(ii) **Details of Equity Shares locked-in for six months**

In addition to the shareholding of our Company held by the Promoters and locked in for the period specified above and Equity Shares offered by the Selling Shareholder as part of the Offer for Sale, the entire pre-Offer Equity Share capital of our Company will be locked-in for a period of six months from the date of Allotment, including any unsubscribed portion of the Offer for Sale, in accordance with Regulations 16(b) and 17 of the SEBI ICDR Regulations.

(iii) **Lock-in of Equity Shares Allotted to Anchor Investors**

Any Equity Shares Allotted to Anchor Investors in the Anchor Investor Portion shall be locked in for a period of 30 days from the date of Allotment.

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

- (i) As required under Regulation 20 of the SEBI ICDR Regulations, our Company shall ensure that the details of the Equity Shares locked-in are recorded by the relevant Depository.

(ii) Pursuant to Regulation 21 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, as mentioned above, may be pledged as collateral security for a loan with a scheduled commercial bank, a public financial institution, Systemically Important Non-Banking Financial Company or a deposit accepting housing finance company, subject to the following:

- (a) With respect to the Equity Shares locked-in for one year from the date of Allotment, such pledge of the Equity Shares must be one of the terms of the sanction of the loan.
- (b) With respect to the Equity Shares locked-in as Minimum Promoter's Contribution for three years from the date of Allotment, the loan must have been granted to our Company for the purpose of financing one or more of the objects of the Offer, which is not applicable in the context of this Offer.

However, the relevant lock-in period shall continue post the invocation of the pledge referenced above, and the relevant transferee shall not be eligible to transfer to the Equity Shares till the relevant lock-in period has expired in terms of the SEBI ICDR Regulations.

(iii) In terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by our Promoters and locked-in, may be transferred to any member of our Promoter Group or a new promoter, subject to continuation of lock-in applicable with the transferee for the remaining period and compliance with provisions of the Takeover Regulations.

(iv) Further, in terms of Regulation 22 of the SEBI ICDR Regulations, Equity Shares held by persons other than our Promoters prior to the Offer and locked-in for a period of six months, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in with the transferee and compliance with the provisions of the Takeover Regulations.

- 9. Our Company, the Selling Shareholder, the Promoters, the Directors and the BRLMs have not entered into buyback arrangements and / or any other similar arrangements for the purchase of Equity Shares being offered through the Offer.
- 10. All Equity Shares issued or transferred pursuant to the Offer shall be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.
- 11. As on the date of this Draft Red Herring Prospectus, the BRLMs and their associates (determined as per the definition of 'associate company' under the Companies Act, 2013 and as per definition of the term 'associate' under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992) do not hold any Equity Shares of our Company. The BRLMs and their affiliates may engage in the transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company for which they may in the future receive customary compensation.

## 12. ESOP Schemes

As on the date of this Draft Red Herring Prospectus, except as mentioned below, our Company does not have any active employee stock option plan.

### *Syrma SGS Employee Stock Option Scheme 2020 – Scheme 1 (“ESOP Scheme I”)*

Our Company adopted the ESOP Scheme I pursuant to resolutions passed by our Board and Shareholders on October 19, 2021. The purpose of the ESOP Scheme I is offering employees whose present and potential contributions are important to the success of the Company, an opportunity to participate in the Company's future and also acquire a proprietary interest in the Company by award of options. As per the terms of the Shareholders' resolution dated October 19, 2021, read with the Board resolutions dated October 19, 2021, our Board is authorised to issue an aggregate of such number of employee stock options to employees, which together ESOP Scheme II, shall be exercisable into aggregate number of shares not exceeding 3% of the equity share capital of our Company, with each option conferring a right upon employees to apply for 101 Equity Shares, in accordance with the provisions of the ESOP Scheme I and the terms and conditions as may be fixed or determined by the Board.

**Syrma SGS Employee Stock Option Scheme 2020 – Scheme 2 (“ESOP Scheme II”)**

Our Company adopted the ESOP Scheme II pursuant to resolutions passed by our Board and Shareholders on October 19, 2021. The purpose of the ESOP Scheme II is offering employees whose present and potential contributions are important to the success of the Company, an opportunity to participate in the Company’s future and also acquire a proprietary interest in the Company by award of options. As per the terms of the Shareholders’ resolution dated October 19, 2021, read with the Board resolutions dated October 19, 2021, our Board is authorised to issue an aggregate of such number of employee stock options to employees, which together ESOP Scheme I, shall be exercisable into aggregate number of shares not exceeding 3% of the equity share capital of our Company as on October 19, 2021, with each option conferring a right upon employees to apply for 101 Equity Shares, in accordance with the provisions of the ESOP Scheme II and the terms and conditions as may be fixed or determined by the Board.

The following table sets forth the particulars of ESOP Scheme I and ESCOP Scheme II, including options granted as on the date of this Draft Red Herring Prospectus:

Particulars	Details of ESOP Scheme I		Details of ESOP Scheme II	
Options granted	7,726		16,133	
Exercise price of the options in (₹)	10			
Options exercised	Nil			
Options vested (including options that have been exercised)	Nil			
Options forfeited/lapsed/cancelled	Nil			
Total number of Equity Shares that would arise as a result of full exercise of options granted (net of forfeited/ lapsed/ cancelled options)	780,326		1,629,433	
Total number of options outstanding in force	7,726		16,133	
Variation in terms of options	Nil			
Money realized by exercise of options	Nil			
Employee wise details of options granted to:				
(i) Key Managerial Personnel	<b>Name of Key Managerial Personnel</b>	<b>Number of options granted in Fiscal 2022</b>	<b>Name of Key Managerial Personnel</b>	<b>Number of options granted in Fiscal 2022</b>
	Sreeram Srinivasan	3,500	Sreeram Srinivasan	1,800
			Bijay Kumar Agrawal	984
			Rahul Sinnarkar	27
(ii) Any other employee who receives a grant in any one year of options amounting to	Nil		<b>Name</b>	<b>Number of options granted in Fiscal 2022</b>
			Jayesh Doshi	7,030



Particulars	Details of ESOP Scheme I	Details of ESOP Scheme II
5% or more of the options granted during the year		
(iii) Identified Employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil	
Diluted earnings per share on a pre-Offer basis pursuant to the issue of Equity Shares on exercise of options calculated in accordance with IND AS 33 ‘Earnings Per Share’	Not applicable	
Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognised if the Company had used fair value of options and impact of this difference on profits and EPS of the Company	Nil	Nil
Description of the pricing formula and the method and significant assumptions used to estimate the fair value of options granted during the year including, weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends,	The fair value of the employee stock options have been derived using the Black-Scholes Option Pricing model	
	Significant assumptions are listed below:	
	<b>Method of option valuation</b>	<b>Black-Scholes Model</b>
	Fair value of the underlying Equity Share at the time of grant of option (₹)	64.28
	Exercise Price per Equity Share (₹)	0.10
Life of the options granted (vesting and exercise	3.25	
	The fair value of the employee stock options have been derived using the Black-Scholes Option Pricing model	
Description of the pricing formula and the method and significant assumptions used to estimate the fair value of options granted during the year including, weighted average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends,	Significant assumptions are listed below:	
	<b>Method of option valuation</b>	<b>Black-Scholes Model</b>
	Fair value of the underlying Equity Share at the time of grant of option (₹)	62.81
	Exercise Price per Equity Share (₹)	0.10
	Life of the options granted (vesting and exercise	4.00

Particulars	Details of ESOP Scheme I		Details of ESOP Scheme II	
and the price of the underlying share in the market at the time of grant of option	period) (in years).		period) (in years).	
	Expected Volatility (%)	47.30%	Expected Volatility (%)	45.30%
	Dividend yield (%)	2.47%	Dividend yield (%)	2.38%
	Risk free rate (%)	5.08%	Risk free rate (%)	5.39%
Impact on the profits and on the Earnings Per Share of the last three years if the accounting policies specified in the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 or Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 had been followed, in respect of options granted in the last three years	Not applicable			
Intention of key managerial personnel and whole-time directors who are holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Offer	No options exercised, hence not applicable			
Intention to sell Equity Shares arising out of the ESOP Scheme I or allotted under the ESOP Scheme I within three months after the listing of Equity Shares by directors, senior managerial personnel and employees having Equity Shares arising out of the ESOP Scheme I, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)	No options exercised, hence not applicable			

13. Except for Jasbir Singh Gujral and Sreeram Srinivasan, who holds 12,694,690 and 282,800 Equity Shares respectively, none of the Directors or Key Managerial Personnel of our Company hold any Equity Shares in our Company. For details, see “*Our Management – Shareholding of Directors in our Company*” and “*Our Management - Shareholding of the Key Managerial Personnel*” on pages 223 and 232 respectively.
14. No person connected with the Offer, including, but not limited to, our Company, the Selling Shareholder, the members of the Syndicate, our Promoters, the members of our Promoter Group or our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid, except for fees or commission for services rendered in relation to the Offer.
15. Except for Veena Kumari Tandon who is offering Equity Shares in the Offer for Sale, none of our other Promoters or members of our Promoter Group will participate in the Offer.
16. The BRLMs and persons related to the BRLMs or Syndicate Members cannot apply in the Offer under the Anchor Investor Portion, except for Mutual Funds sponsored by entities which are associates of the BRLMs, or insurance companies promoted by entities which are associates of the BRLMs or an FPI (other than individuals, corporate bodies and family offices) sponsored by entities which are associates of the BRLMs.
17. Except for the options granted under the ESOP Scheme I, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into Equity Shares as on the date of this Draft Red Herring Prospectus.
18. All transactions in Equity Shares by our Promoters and members of our Promoter Group between the date of filing of this Draft Red Herring Prospectus and the date of closing of the Offer shall be reported to the Stock Exchanges within 24 hours of such transactions.
19. The Promoters and members of our Promoter Group will not receive any proceeds from the Offer, except to the extent of their participation as the Selling Shareholder in the Offer for Sale.
20. At any given time, there shall be only one denomination of the Equity Shares of our Company, unless otherwise permitted by law.
21. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

## SECTION V – PARTICULARS OF THE OFFER

### OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholder.

#### Offer for Sale

The respective portion of the proceeds from the Offer for Sale shall be received by the Selling Shareholder, after deducting their portion of the Offer related expenses. Our Company will not receive any proceeds from the Offer for Sale. For further details, please see “- Offer expenses” on page 117.

#### Fresh Issue

Our Company proposes to utilise the Net Proceeds from the Fresh Issue towards funding the following objects:

1. Funding capital expenditure requirements for development of a R&D facility and expansion / setting up of manufacturing facilities
2. Funding our long term working capital requirements
3. General corporate purposes.

(Collectively, referred to herein as the “Objects”)

The main objects and objects incidental and ancillary to the main objects, as set out in our Memorandum of Association, enable our Company to undertake our existing business activities and the activities for which funds are being raised by us through the Fresh Issue. We confirm that the activities which we have been carrying out till date are in accordance with the objects clause of our Memorandum of Association. In addition, our Company expects to receive the benefits of listing of Equity Shares on the Stock Exchanges including enhancing our visibility and our brand image among our existing and potential customers and creating a public market for our Equity Shares in India.

#### Net Proceeds

The details of the proceeds of the Fresh Issue are summarised in the table below:

Particulars		(₹ in million)
Gross Proceeds from the Fresh Issue		Up to ₹ 9,260.00 million
Less: Estimated Offer related expenses in relation to the Fresh Issue		[•]
<b>Net Proceeds</b>		[•]

\* To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC.

#### Utilization of Net Proceeds and Proposed Schedule of Implementation and Deployment

The Net Proceeds are currently expected to be deployed in accordance with the estimated schedule set forth below:

Particulars	Total estimated cost	Amount already deployed as on October 30, 2021	Amount which will be financed from Net Proceeds	Estimated Utilization of Net Proceeds		
				Fiscal 2022	Fiscal 2023	Fiscal 2024
Funding capital expenditure requirements for development of a R&D facility and expansion / setting up of manufacturing facilities	5,712.15	-	5,712.15	126.00	3,395.88	2,190.27
Funding our long term working capital requirements	1,315.80	-	1,315.80	149.55	419.36	777.37
General corporate purposes <sup>(1)</sup>	[•]	-	[•]	[•]	[•]	
<b>Total</b>			[•]	[•]	[•]	

(1) To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds. Our Company, in consultation with the BRLMs, may consider

*a Pre-IPO Placement. If the Pre-IPO Placement is completed, the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR. Upon allotment of Equity Shares issued pursuant to the Pre-IPO Placement and after compliance with requirements prescribed under the Companies Act, our Company shall utilise the proceeds from such Pre-IPO Placement towards one or more of the Objects.*

The deployment of funds indicated above is based on management estimates, current circumstances of our business and the prevailing market condition. The deployment of funds described herein has not been appraised by any bank or financial institution or any other independent agency. See “*Risk Factors – We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements for development of a R&D facility and expansion / setting up of manufacturing facilities and if the costs of setting up and the possible time or cost overruns related to these projects are higher than expected, it could have a material adverse effect on our financial condition, results of operations and growth prospects.*” on page 49. Given the nature of our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business strategy and external factors such as market conditions, the COVID – 19 pandemic, competitive environment and interest or exchange rate fluctuations and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure, implementation schedule and funding requirements, including the expenditure for a particular purpose, at the discretion of our management. Subject to applicable law, if the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used for general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds from the Fresh Issue in accordance with Regulation 7(2) of the SEBI ICDR Regulations. In case of a shortfall in raising requisite capital from the Net Proceeds, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. Further, in case of variations in the actual utilization of funds earmarked 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 the Offer. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned Objects, per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent Fiscals towards the aforementioned Objects.

## **DETAILS OF THE OBJECTS OF THE FRESH ISSUE**

The details in relation to Objects of the Fresh Issue are set forth herein below:

### **I. FUNDING CAPITAL EXPENDITURE REQUIREMENTS FOR DEVELOPMENT OF A R&D FACILITY AND EXPANSION / SETTING UP OF MANUFACTURING FACILITIES**

The proposed capital expenditure may be categorised as the following projects:

#### **1. *Funding capital expenditure requirements for development of a R&D facility and setting up of and expansion of manufacturing and other facilities in Chennai***

The proposed capital expenditure in Chennai may be categorised as the following projects:

1. Setting up of a research and development laboratory
2. Setting up of an EMS manufacturing facility and expansion of our existing manufacturing facilities in Chennai through the setting up surface-mount technology (“SMT”) lines and related equipment
3. Setting up a port base station antenna manufacturing unit

The relevant details of each of the above projects have been set out below.

#### **1. Setting up of a research and development laboratory**

##### ***Land and utilities***

The land located at Plot no. B-15, Phase-I, MEPZ SEZ, Tambaram, Chennai – 600 045 and Plot C-4, Phase-I, MEPZ SEZ, Tambaram, Chennai – 600 045, on which the research and development laboratory is proposed to be set up has been leased from the Madras Export Processing Zone (“MEPZ”) to our Company pursuant to our Company winning the bid for the same at the auction conducted on November 9, 2021, pursuant to which the Company is required to pay the deposit and other related charges. In light of the Company winning the bid for the land in the auction, the Company has been approved to buy the building

on the said land from MEPZ. The plot is spread across an area of 78,843 square feet, of which, 78,293 square feet is proposed to be built-up area of the building. We will be availing the pre-existing arrangements available at the site for our power requirements.

### **Estimated cost**

The total estimated cost for the proposed project, which is to be funded from the Net Proceeds, is approximately ₹ 375.96 million, as certified by Rahul R Pujara & Associates, pursuant to the Chennai Project Report. The fund requirements, the deployment of funds and the intended use of the Net Proceeds, for the proposed upgradation, as described herein are based on our current business plan, management estimates, current and valid quotations from suppliers or purchase orders issued to suppliers / vendors, and other commercial and technical factors. However, such total estimated cost and related fund requirements have not been appraised by any bank or financial institution or any other independent agency.

The total estimated cost comprises the following:

(₹ in million)			
S. No.	Particulars	Total estimated cost <sup>(1)</sup>	Amount proposed to be funded from the Net Proceeds
1.	Building	73.69	73.69
2.	Improvements and interior development	211.15	211.15
3.	Research and development equipment and software	91.12	91.12
<b>Total</b>		<b>375.96</b>	<b>375.96</b>

(1) Total estimated cost as per the Chennai Project Report.

### **Break-up of the estimated cost**

The total estimated cost for the proposed project includes the following:

**Building:** The total estimated cost for acquisition of the building for the proposed project is ₹ 73.69 million, which has been based on valuation report obtained from MEPZ.

**Improvements and interior development:** This will comprise of site development, development of infrastructural facilities, including the repair of structure, roof, doors and windows, making safety equipment fully functional, ensuring efficient drainage and sewerage systems, construction of laboratories, and fully air-conditioned infrastructure with clean rooms, among others. The total estimated cost for improvements and interior development for this project is ₹ 211.15 million.

**Research and development equipment and software:** This would include costs towards purchase of research and development equipment and the latest software and licenses. The total estimated cost for the purchase of research and development equipment and software for the proposed project is ₹ 91.12 million.

**A detailed break-up of such estimated costs towards the proposed project is set forth below:**

S. No.	Particulars	Estimated cost (in ₹ million) <sup>(1)</sup>	Name of supplier / vendor	Date of quotation / purchase order
<b>A.</b>	<b>Building</b>	73.69	-	
<b>B.</b>	<b>Improvements and interior development</b>			
1.	Building renovation expenditure	38.00	TSO Design Commune Private Limited	October 25, 2021
2.	Interior and facility development	143.59		
3.	Furniture and fixtures	6.30		
4.	IT (computers and other IT hardware)	11.02		
5.	Stores, racks etc.	6.53		
6.	Internal quality control and testing	3.52		
7.	Tools and toolroom	2.19		
	<b>Sub total (B)</b>	<b>211.15</b>		

S. No.	Particulars	Quantity	Estimated cost (in ₹ million) <sup>(1)</sup>	Name of supplier / vendor	Date of quotation / purchase order
<b>C.</b>	<b>Research and development equipment and software</b>				
1.	HF RFID Long Range Reader	2	0.70	Chengyongsheng Precise Electronics (Hongkong) Co., Limited	September 21, 2021
2.	HF RFID Mid-Range Reader	2	0.10		
3.	HF RFID Reader for ILT	1	0.04		
4.	UHF RFID Long Range Reader	2	0.60		
5.	UHF RFID Hand-Held Reader	4	0.32		
6.	LF RFID Small Reader	3	0.30		
7.	Tag Tester	3	0.90		
8.	Tag Performance Analyzer	1	3.49		
9.	1 x ASR550 Reader board ISO11784/85, 12-24 Volt with Auto-tuning	1	0.07		
10.	LF RFID reader / writer for Hitag	1	0.04		
11.	AutoCad 2021 with 1 yr support for 3 years	2	0.60		
12.	Creo Engineer 1 (ProE) for 3 years	1	0.40		
13.	Solidworks standard with 1 yr support for 3 years	1	0.50		
14.	Finite Element Analysis - Mechanical, CFD-Flo	1	3.75		
15.	Gerber Editor - GCPreveu Plus 3 years	2	0.30		
16.	CAM350	2	0.40		
17.	Viewmate PRO	2	0.10		
18.	Mentor Graphics – PADS Schematics and Layout 3 years	2	0.90		
19.	Cadence – Orcad PCB designer Standard 3 years	2	0.48		
20.	Cadence – Allegro PCB designer 3 years	1	0.60		
21.	Mentor Graphics – Hyper Lynx SI (for signal Integrity) for 3 years	1	0.24		
22.	Altium PCB Pro 3 years	1	0.72		
23.	Visual Studio Professional with MSDN for 3 years	5	1.13		
24.	KEIL MDK ARM standard Edition, Single User, Node Locked	2	0.80		
25.	KEIL MCB4357 - NXP LPC4300 Eval Board	1	0.04		
26.	Eval platform DM6446 for Davinci (TMDS EVM 6446)	1	0.20		
27.	TI Emulator - TMDSEMU560V2STM	1	0.10		
28.	Atollic TS-ARM-PRO-WIN-STD	1	0.20		
29.	Segger 1.23.01.20 / 1.08.01.20	1	0.25		
30.	TMDSSK3358 starter Kit	1	0.03		
31.	XEVMK2EX - K2E Development Board	1	0.15		
32.	Eval Module for OMAP35X (TMDS EVM 3530)	1	0.15		
33.	IAR Embedded Workbench for ARM	3	1.50		
34.	ST Micro Development Platform	3	0.90		
35.	Wire Tensioner	1	0.06		
36.	Tension Measurement System	1	0.09		
37.	Coil winding machine	1	0.50		
38.	Pull Strength Tester	1	0.02		
39.	Precision Coil winding machine	1	0.75		
40.	15 MHz LCR Meter	1	1.40		
41.	200KHz LCR meter with DC bias	1	0.55		

S. No.	Particulars	Quantity	Estimated cost (in ₹ million) <sup>(1)</sup>	Name of supplier / vendor	Date of quotation / purchase order
42.	HiPot Tester AC	1	0.01		
43.	HiPot Tester DC	1	0.01		
44.	Surge Tester	1	0.38		
45.	Micro ohm Meter	1	0.20		
46.	Insulation Resistance Tester	1	0.13		
47.	RLC Meter, 100KHz	3	0.33		
48.	High Voltage Probe	2	0.02		
49.	Digital Multimeter - Fluke 115 TrueRMS or equivalentvalent	4	0.06		
50.	Milliohm Meter	1	0.04		
51.	Digital Multimeter - with Capacitance and Temperature Fluke 117	1	0.02		
52.	Regulated Multi-output Desktop power supply	5	0.15		
53.	Wave Form Generator 80 MHz BW, 2CH	1	0.45		
54.	Mixed Signal Oscilloscope 100 MHz 4 CH	3	0.90		
55.	Current Probe	1	0.22		
56.	Vibration Analyzer 0.1m/sec mini	1	0.15		
57.	3 Phase Power Analyzer	1	0.30		
58.	High Voltage DC load 400V 20A	1	0.30		
59.	Digital Storage Oscilloscope, Isolated, 4ch	3	0.45		
60.	RF Spectrum Analyser 9KHz-7.5GHz	1	2.50		
61.	Network Analyser 3KHz-3GHz	1	1.70		
62.	Vector Voltmeter	1	0.40		
63.	RF Signal Generator 6 GHz	1	1.90		
64.	Communication Protocol Analyzer	1	1.50		
65.	Anechoic Chamber	1	0.54		
66.	Programmable AC Source	1	0.45		
67.	Programmable DC Source	1	0.40		
68.	Pressure Test Chamber	1	0.70		
69.	Thermal and Humidity Chamber	1	0.70		
70.	Vaccum Impregnating machine	1	0.30		
71.	Smart Tweezer	1	0.03		
72.	Barcode scanners	3	0.06		
73.	Profile Projector	1	0.85		
74.	Digital Video Microscope	1	0.40		
75.	Digital Magnifier with USB	1	0.03		
76.	Camera with Optical and Digital Zoom	1	0.03		
77.	Stereo microscope with 40x magnification	1	0.05		
78.	Illuminated Magnifier	2	0.01		
79.	Digital Vernier Calipers upto 200 mm	3	0.04		
80.	Digital Vernier Calipers upto 300 mm	1	0.03		
81.	Digital Micrometer	1	0.01		
82.	Digital Precision Micrometer	1	0.03		
83.	Desktop PC	10	0.50		
84.	Laptop PC	100	5.00		
85.	PC Server Stations	5	0.75		



S. No.	Particulars	Quantity	Estimated cost (in ₹ million) <sup>(1)</sup>	Name of supplier / vendor	Date of quotation / purchase order
86.	High-end configuration PCs/Laptops for CAD and software	10	0.75		
87.	M2M Excellence & Innovation Lab	1	10.00		
88.	Precision 3D printer Industrial Grade	1	15.00		
89.	Automotive Fault Insertion Rack with LABCAR for HIL, Aspice	1	10.00		
90.	NI Multiplexer Rack 16 CH Digital I/O, 16VH Analog I/O, LIN, CAN, Camera	1	5.00		
91.	Automotive Electronic Load Unit for HIL, Aspice	1	3.00		
<b>Sub total (C)</b>			<b>91.12</b>		
<b>Total (A+B+C)</b>			<b>375.96</b>		

(1) Estimated cost as per the Chennai Project Report.

## 2. Setting up of an EMS manufacturing facility and expansion of our existing manufacturing facilities in Chennai through the setting up surface-mount technology (“SMT”) lines and related equipment

Pursuant to this project, our Company intends to set up eight surface mount technology (SMT) lines, of which three SMT lines are proposed to be set up at our existing manufacturing facility in Chennai, and five SMT lines are proposed to be set up at a new manufacturing facility in Chennai at the location set out below.

### *Land and utilities*

The land located at Plot no. B-15 and Plot C-4, Phase-I, MEPZ SEZ, Tambaram, Chennai – 600 045, on which the five SMT lines is proposed to be set up has been leased from the Madras Export Processing Zone (“MEPZ”) to our Company pursuant to our Company winning the bid for the same at the auction conducted on November 9, 2021, as set out above. We will be availing the pre-existing arrangements available at the site for our power requirements.

### *Estimated cost*

The total estimated cost for this proposed project, which is to be funded from the Net Proceeds, is approximately ₹ 892.26 million, as certified by Rahul R Pujara & Associates, pursuant to the Chennai Project Report. The fund requirements, the deployment of funds and the intended use of the Net Proceeds, for the proposed project, as described herein are based on our current business plan, management estimates, current and valid quotations from suppliers or purchase orders issued to suppliers / vendors, and other commercial and technical factors. However, such total estimated cost and related fund requirements have not been appraised by any bank or financial institution. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition and interest or exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management.

### *Break-up of the estimated cost*

A detailed break-up of the estimated costs towards the proposed project is set forth below:

S. No.	Particulars	Estimated cost (in ₹ million) <sup>(1)</sup>	Name of supplier / vendor	Date of quotation
<b>Primary equipment required for one SMT line</b>				
1.	Reflow Oven with Standard Accessories	4.41	NM Tronics (India) Private Limited	September 14, 2021
2.	Automatic Solder Paste Printer with Standard Accessories	4.63		September 14, 2021

S. No.	Particulars	Estimated cost (in ₹ million) <sup>(1)</sup>	Name of supplier / vendor	Date of quotation
3.	Automatic Test and Inspection Equipment SPI	5.1		September 14, 2021
4.	Automatic Test and Inspection Equipment AOI	17.67		September 14, 2021
5.	Electrical and Air supply Accessories & Cleaning Machine	1.88		September 15, 2021
6.	Pick and Place Machine (Chip Shooter)	63.39		September 15, 2021
7.	Magazine, Loader, Unloader, Conveyors	3.04		September 15, 2021
8.	JT Wave Soldering Machine WS 350	5.22		September 15, 2021
9.	N2 Generator	6.00		September 15, 2021
10.	Feeders for Pick and Place Machine	12.66		September 15, 2021
11.	Camera Barcode Reader	0.22		August 9, 2021
	<b>Total</b>	<b>118.22</b>		
	<b>Total cost for eight SMT lines</b>	<b>827.54</b>		
	<b>Additional expenditure proposed to be incurred for this project</b>			
1.	FLEXA Programming Software – Pick and Place machinery software (Intangible asset)	1.95	NM Tronics (India) Private Limited	August 9, 2021
2.	FLEXA Programming Software and Machine Interface - 32mm	3.42		September 15, 2021
3.	FLEXA Programming Software and Machine Interface - 44mm			
4.	System pc fujitrax and fujiflexa			
5.	Aoi review system			
6.	Offline Router (4 Axes machine)	10.81		September 15, 2021
7.	Asyntek selectcoat			
	<b>Total</b>	<b>16.18</b>		
	<b>Total cost for four sets of the above equipment</b>	<b>64.72</b>		

(1) Total estimated cost as per the Chennai Project Report.

### 3. Setting up port base station antenna manufacturing unit

Pursuant to this project, the Company intends to set up eight port base station antennae at a new manufacturing facility in Chennai at the location set out below.

#### *Land and utilities*

The land located at Plot no. B-15 and Plot C-4, Phase-I, MEPZ SEZ, Tambaram, Chennai – 600 045, on which the port base station antennae is proposed to be set up has been leased from the Madras Export Processing Zone (“MEPZ”) to our Company pursuant to our Company winning the bid for the same at the auction conducted on November 9, 2021, as set out above. We will be availing the pre-existing arrangements available at the site for our power requirements.

#### *Estimated cost*

The total estimated cost for this proposed project, which is to be funded from the Net Proceeds, is approximately ₹ 192.60 million, as certified by Rahul R Pujara & Associates, pursuant to the Chennai Project Report. The fund requirements, the deployment of funds and the intended use of the Net Proceeds, for the proposed project, as described herein are based on our current business plan, management estimates, current and valid quotations from suppliers or purchase orders issued to suppliers / vendors, and other commercial and technical factors. However, such total estimated cost and related fund requirements have not been appraised by any bank or financial institution. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition and interest or exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management.

***Break-up of the estimated cost***

A detailed break-up of the estimated costs towards the proposed project is set forth below:

S. No.	Particulars	Estimated cost (in ₹ million) <sup>(1)</sup>	Name of supplier / vendor	Date of quotation / purchase order
1.	Cable Cutting Machine	1.50	iNETest Technologies India Pvt. Ltd	September 15, 2021
2.	Cable Striping Machine	4.00		
3.	Resistance soldering machine for Inner CC	1.50		
4.	Induction soldering machine for outer CC	3.00		
5.	Soldering station	0.68		
6.	Screw Driver 1 to 25NM	0.23		
7.	Soldering station	1.13		
8.	Screw Driver 1 to 25NM	1.20		
9.	Soldering station	0.68		
10.	Chute conveyor For movement 10ft	0.48		
11.	Glue Gun	0.09		
12.	4.5mtr PIM chamber with 24inch observer	16.00	Leader Range Technology Sdn. Bhd	October 12, 2021
13.	AC Chamber	1.20		
14.	Phase chamber with observer	4.00		
15.	Worktable 3*3 ft	2.13	Toiltech Service	August 18, 2021
16.	Chare	0.20		
17.	Worktable 3*8 ft	0.83		
18.	Worktable 6*10 ft	2.00		
19.	Compressor	40.00		
20.	Exhaust			
21.	Power supply			
22.	Wiring			
23.	Light fitting			
24.	Floor Readiness			
25.	AC			
26.	PIM Test Equipment Rack	0.60	NetRack Enclosures Pvt Ltd	September 10, 2021
27.	Phase Test Equipment Rack	0.20		
28.	Equipment Rack for production	0.36		
29.	Cable storage rack	0.10		
30.	Input Material Storage rack	2.55		
31.	7/16 connector Cable storage rack	0.10		
32.	Dipole assy storage rack	0.08		
33.	RET test Equipment Rack	0.15		
34.	RET assy storage rack	0.07		
35.	RET antenna Storage Rack	1.76		
36.	PS assy storage rack	0.15		
37.	Material Storage Bin	0.02		
38.	Radom Storage rack	0.20		
39.	Storage Bin	0.10		
40.	Small Bin	0.03		

S. No.	Particulars	Estimated cost (in ₹ million) <sup>(1)</sup>	Name of supplier / vendor	Date of quotation / purchase order
41.	Material Movement Trolley	0.40		
42.	Multi Storage Rack	4.00		
43.	Base Bank Unit 600 to 2200MHz	51.40	Elmack Engg Services Pvt. Ltd	October 20, 2021
44.	Filter 600MHz			
45.	Filter 850MHz			
46.	Filter 2100MHz			
47.	DAQ card For PIM test	0.80		
48.	Test Software	1.20		
49.	PIM Benches	1.20		
50.	PIM Load	0.80		
51.	PIM test Cable, Connector and Accessories	1.60		
52.	Tool Kit	0.40		
53.	Network Analyser 3 to 4.5GHz	14.00		
54.	7/16 Cal Kit	0.75		
55.	N Type Cal Kit	0.60		
56.	Test Software	0.60		
57.	Test Bed	2.00		
58.	PLC & encoder system for phase measurement	0.40		
59.	Phase probe	0.30		
60.	DAQ card	0.24		
61.	Phase test Cable, Connector and Accessories	0.20		
62.	Cable, Connector and Accessories Printing stage	0.09		
63.	High power test equipment - Connector assembly	0.60		
64.	DAQ card	0.06		
65.	Production Cable, Connector and Accessories	0.05		
66.	RET test equipment	1.20		
67.	DC Power supply	0.60		
68.	RET test Cable, Connector and Accessories	0.45		
69.	Test Bed 1*3.5 mtr	0.30		
70.	antenna relector Cable, Connector and Accessories	0.02		
71.	Cable, Connector and Accessories for Packing stage	0.03		
72.	System	2.03	Swathi Infoserve	October 16, 2021
73.	Scanner	0.24		
74.	UPS	1.20		
75.	20 port switch box	12.00		
76.	Printer	0.12		
77.	UPS	0.60		
78.	Label printer - Antenna	1.20		
79.	Fixture setup	0.12	Nive Systems Pvt. Ltd.	September 4, 2021
80.	heat shrink sleeve fixing - Hot airgun	0.02		
81.	Dipole assembly fixture 600Mhz	0.12		
82.	Dipole assembly fixture 2100Mhz	0.12		
83.	Dipole Soldering Fixture	0.36		
84.	PCB soldering Fixture	0.11		
85.	PS Soldering fixture	0.64		
86.	PS Assembly Fixture	0.40		
87.	PS Cable Soldering fixture	0.80		
88.	Assembly Fixture	0.60		
89.	Reflector Assembly Fixture	0.04		
90.	Radom assembly fixture	0.10		
91.	Process Measuring Tools	0.23		

S. No.	Particulars	Estimated cost (in ₹ million) <sup>(1)</sup>	Name of supplier / vendor	Date of quotation / purchase order
	<b>Total</b>	<b>192.60</b>		

(1) Total estimated cost as per the Chennai Project Report.

### ***Schedule of deployment of funds for the proposed projects in Chennai***

The Net Proceeds are currently expected to be deployed in accordance with the estimated schedule set forth below:

(₹ in million)

Particulars	Total estimated cost	Amount already deployed as on October 30, 2021	Amount which will be financed from Net Proceeds	Estimated Utilization of Net Proceeds		
				Fiscal 2022	Fiscal 2023	Fiscal 2024
Setting up of a research and development laboratory	375.96	-	375.96	100.00	234.84	41.12
Setting up of an EMS manufacturing facility and expansion of our existing manufacturing facilities in Chennai through the setting up surface-mount technology ("SMT") lines and related equipment	892.26	-	892.26	-	764.04	128.22
Setting up port base station antenna manufacturing unit	192.60	-	192.60	-	96.30	96.30
<b>Total</b>			<b>1,460.82</b>	<b>100.00</b>	<b>1,095.18</b>	<b>265.64</b>

### ***Schedule of implementation of the proposed projects in Chennai***

The expected schedule of implementation of the proposed projects is set forth below:

	Project	Schedule of implementation
1.	Setting up of a research and development laboratory	This project was proposed to commence in November 2021, and the installation of machinery for this project is proposed to commence in March 2023. The project is proposed to be completed in June 2023.
2.	Setting up of an EMS manufacturing facility and expansion of our existing manufacturing facilities in Chennai through the setting up surface-mount technology ("SMT") lines and related equipment	
(a)	Installation of eight SMT lines at our existing manufacturing facility at Chennai	This project is proposed to commence in April 2022, and the installation of machinery for this project is proposed to commence in September 2023. The trial production in connection with this project is proposed to be completed by December 2023, following which commercial production pursuant to this project is proposed to commence in January 2024.
(b)	Installation of three SMT lines at our existing manufacturing facility at Chennai	This project is proposed to commence in April 2022, and the installation of machinery for this project is proposed to commence in March 2023. The trial production in connection with this project is proposed to be completed by June 2023, following which commercial production pursuant to this project is proposed to commence in July 2023.
3.	Setting up port base station antenna manufacturing unit	This project is proposed to commence in April 2022, and the installation of machinery for this project is proposed to commence in March 2023. The trial production in connection with this project is proposed to be completed by June 2023, following which commercial production pursuant to this project is proposed to commence in July 2023.

The aforementioned schedule of implementation is based on the Chennai Project Report issued by Rahul R Pujara & Associates. For further details see "Risk Factors – We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements for development of a R&D facility and expansion / setting up of manufacturing facilities and if the costs of setting up and the possible time or cost overruns related to these projects are higher than expected, it could have a material adverse effect on our financial condition, results of operations and growth prospects." on page 49.

## 2. ***Funding capital expenditure requirements for setting up of manufacturing facility in Hyderabad***

Pursuant to this project, our Company intends to set up two surface mount technology (SMT) lines at a new manufacturing facility in Hyderabad at the location set out below.

### ***Land and utilities***

The land on which the manufacturing facility is proposed to be set up is located at SEZ IT Park, JT Holdings Private Limited, Survey No. 1/1, Hardware Park, Raviryal Srinagar Village, KanchaImarath, Srisailam Highway, Maheswaram - Mandal, RangaReddy, Hyderabad - 500 005. We intend to lease the said land and building from JT Holdings Private Limited, wherein our Promoter and Executive Chairman, Sandeep Tandon is a director. The land is spread across an area of 263,000 square feet, and the building has a built-up area of 300,000 square feet. Pursuant to the letter of intent entered into with JT Holdings Private Limited, we are required to pay a refundable security deposit of ₹ 75.60 million. We will be availing the pre-existing arrangements available at the site for our power requirements.

### ***Schedule of implementation***

This project is proposed to commence in June 2022, and the installation of machinery for this project is proposed to commence in December 2023. The trial production in connection with this project is proposed to be completed by March 2024, following which commercial production pursuant to this project is proposed to commence in April 2024. This schedule of implementation is based on the Hyderabad Project Report. For further details see “*Risk Factors – We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements for development of a R&D facility and expansion / setting up of manufacturing facilities and if the costs of setting up and the possible time or cost overruns related to these projects are higher than expected, it could have a material adverse effect on our financial condition, results of operations and growth prospects.*” on page 49.

### ***Estimated cost***

The total estimated cost for the proposed project, which is to be funded from the Net Proceeds, is approximately ₹ 515.22 million, as certified by Rahul R Pujara & Associates, pursuant to the Hyderabad Project Report. The fund requirements, the deployment of funds and the intended use of the Net Proceeds, for the proposed project, as described herein are based on our current business plan, management estimates, current and valid quotations from suppliers or purchase orders issued to suppliers / vendors, and other commercial and technical factors. However, such total estimated cost and related fund requirements have not been appraised by any bank or financial institution. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition and interest or exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management.

The total estimated cost comprises the following:

(₹ in million)			
S. No.	Particulars	Total estimated cost <sup>(1)</sup>	Amount proposed to be funded from the Net Proceeds
1.	Security deposit towards premises	75.60	75.60
2.	Civil cost with respect to infrastructure customization	187.00	187.00
3.	Developing and setting up SMT lines for manufacturing of EMS products	252.62	252.62
<b>Total</b>		<b>515.22</b>	<b>515.22</b>

(1) Total estimated cost as per the Hyderabad Project Report.

### ***Break-up of the estimated cost***

A detailed break-up of the estimated costs towards the proposed project is set forth below:

S. No.	Particulars	Estimated cost (in ₹ million) <sup>(1)</sup>	Name of supplier / vendor	Date of quotation / purchase order
	<i>Security deposit towards premises</i>	75.60	-	
	<i>Civil cost with respect to infrastructure customization</i>			
1.	Interior and Facility development	156.00	TSO Design Commune Private Limited	October 25, 2021
2.	Furniture and fixtures	6.00		
3.	IT (Computer, software and other IT hardware)	12.50		
4.	Stores racks etc.	6.00		
5.	IQC and testing	4.00		
6.	Tools and toolroom	2.50		

S. No.	Particulars	Estimated cost (in ₹ million) <sup>(1)</sup>	Name of supplier / vendor	Date of quotation
	<i>Primary equipment required for one SMT line</i>			
1.	Reflow Oven with Standard Accessories	4.41	NM Tronics (India) Private Limited	September 14, 2021
2.	Automatic Solder Paste Printer with Standard Accessories	4.63		September 14, 2021
3.	Automatic Test and Inspection Equipment SPI	5.1		September 14, 2021
4.	Automatic Test and Inspection Equipment AOI	17.67		September 14, 2021
5.	Electrical and Air supply Accessories & Cleaning Machine	1.88		September 15, 2021
6.	Pick and Place Machine (Chip Shooter)	63.39		September 15, 2021
7.	Magazine, Loader, Unloader, Conveyors	3.04		September 15, 2021
8.	JT Wave Soldering Machine WS 350	5.22		September 15, 2021
9.	Feeders for Pick and Place Machine	12.66		September 15, 2021
10.	Camera Barcode Reader	0.22		August 9, 2021
	<b>Total</b>	<b>118.22</b>		

	<b>Total cost for two SMT lines</b>	<b>236.44</b>		
	<i>Additional expenditure proposed to be incurred for this project</i>			
1.	FLEXA Programming Software – Pick and Place machinery software (Intangible asset)	1.95	NM Tronics (India) Private Limited	August 9, 2021
2.	FLEXA Programming Software and Machine Interface - 32mm	3.42		September 15, 2021
3.	FLEXA Programming Software and Machine Interface - 44mm			
4.	System pc fujitrax and fujiflexa			
5.	AOI review system			
6.	Offline Router (4 Axes machine)	10.81		September 15, 2021
7.	Asyntek selectcoat			
	<b>Total</b>	<b>16.18</b>		
	<b>Grand total</b>	<b>252.62</b>		

(1) Total estimated cost as per the Hyderabad Project Report.

#### **Schedule of deployment of funds**

The Net Proceeds are currently expected to be deployed for this project, in accordance with the estimated schedule set forth below:

(₹ in million)

Total estimated cost	Amount already deployed as on October 30, 2021	Amount which will be financed from Net Proceeds	Estimated Utilization of Net Proceeds		
			Fiscal 2022	Fiscal 2023	Fiscal 2024
515.22	-	515.22	-	125.60	389.62

**3. Funding capital expenditure requirements for setting up of a new manufacturing facility and expansion of our existing manufacturing facility, in Manesar, Haryana**

Pursuant to this project, our Company intends to set up 14 surface mount technology (SMT) lines at a new manufacturing facility in Manesar at the location set out below, and installation of certain equipment towards the expansion of our existing manufacturing facility at Manesar.

**Land and utilities**

The land and building in which the proposed new manufacturing facility is to be set up is located at Plot No. 22, Sector 5, Industrial Model Township, Manesar, Gurgaon – 122 050, Haryana. We intend to purchase the said land and building for approximately ₹ 455.00 million, which is based on various discussions with the seller. The property proposed to be acquired consists of a fenced land of approximately 84,506 square feet, along with a constructed building having a built-up facility of around 1.48 lac square feet in the premises. We will be availing the pre-existing arrangements available at the site for our power requirements. The seller is not related to the Promoters or Directors.

**Schedule of implementation**

This project is proposed to commence in January 2022, and the installation of machinery for this project is proposed to commence in June 2023. The trial production in connection with this project is proposed to be completed by September 2023, following which commercial production pursuant to this project is proposed to commence in October 2023. This schedule of implementation is based on the B&M Project Report. For further details see “Risk Factors – We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements for development of a R&D facility and expansion / setting up of manufacturing facilities and if the costs of setting up and the possible time or cost overruns related to these projects are higher than expected, it could have a material adverse effect on our financial condition, results of operations and growth prospects.” on page 49.

**Estimated cost**

The total estimated cost for the proposed expansion, which is to be funded from the Net Proceeds, is approximately ₹ 2,283.34 million, as certified by Rahul R Pujara & Associates, pursuant to the B&M Project Report. The fund requirements, the deployment of funds and the intended use of the Net Proceeds, for the proposed project, as described herein are based on our current business plan, management estimates, current and valid quotations from suppliers or purchase orders issued to suppliers / vendors, and other commercial and technical factors. However, such total estimated cost and related fund requirements have not been appraised by any bank or financial institution. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition and interest or exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management.

The total estimated cost comprises the following:

(₹ in million)

S. No.	Particulars	Total estimated cost <sup>(1)</sup>	Amount proposed to be funded from the Net Proceeds
1.	Acquisition of land and building	455.00	455.00
2.	Civil cost with respect to infrastructure customisation	60.00	60.00



S. No.	Particulars	Total estimated cost <sup>(1)</sup>	Amount proposed to be funded from the Net Proceeds
3.	Developing and setting up SMT lines	1,768.34	1,768.34
<b>Total</b>		<b>2,283.34</b>	<b>2,283.34</b>

(1) Total estimated cost as per the B&M Project Report.

### Break-up of the estimated cost

A detailed break-up of the estimated costs towards the developing and setting up of SMT lines is set forth below:

S. No.	Particulars	Estimated cost (in ₹ million) <sup>(1)</sup>	Name of supplier / vendor	Date of quotation
<b>Primary equipment required for one SMT line</b>				
1.	Reflow Oven with Standard Accessories	4.41	NM Tronics (India) Private Limited	September 14, 2021
2.	Automatic Solder Paste Printer with Standard Accessories	4.63		September 14, 2021
3.	Automatic Test and Inspection Equipment SPI	5.1		September 14, 2021
4.	Automatic Test and Inspection Equipment AOI	17.67		September 14, 2021
5.	Electrical and Air supply Accessories & Cleaning Machine	1.88		September 15, 2021
6.	Pick and Place Machine (Chip Shooter)	63.39		September 15, 2021
7.	Magazine, Loader, Unloader, Conveyors	3.04		September 15, 2021
8.	JT Wave Soldering Machine WS 350	5.22		September 15, 2021
9.	N2 Generator			
10.	Feeders for Pick and Place Machine	12.66		September 15, 2021
11.	Camera Barcode Reader	0.22		August 9, 2021
	<b>Total</b>	<b>118.22</b>		
	<b>Total cost for 14 SMT lines</b>	<b>1,655.08</b>		
<b>Additional expenditure proposed to be incurred for this project</b>				
1.	FLEXA Programming Software – Pick and Place machinery software (Intangible asset)	1.95	NM Tronics (India) Private Limited	August 9, 2021
2.	FLEXA Programming Software and Machine Interface - 32mm	3.42		September 15, 2021
3.	FLEXA Programming Software and Machine Interface - 44mm			
4.	System pc fujitrax and fujiflexa			
5.	Aoi review system			
6.	Offline Router (4 Axes machine)	10.81		September 15, 2021
7.	Asyntek selectcoat			
	<b>Total</b>	<b>16.18</b>		
	<b>Total cost for seven sets of the above equipment</b>	<b>113.26</b>		
	<b>Grand total</b>	<b>1,768.34</b>		

(1) Total estimated cost as per the B&M Project Report.

#### ***Schedule of deployment of funds***

The Net Proceeds are currently expected to be deployed for this project, in accordance with the estimated schedule set forth below:

Total estimated cost	Amount already deployed as on October 30, 2021	Amount which will be financed from Net Proceeds	(₹ in million)		
			Fiscal 2022	Fiscal 2023	Fiscal 2024
2,283.34	-	2,283.34	26.00	1,363.17	894.17

#### ***4. Funding capital expenditure requirements for expansion of our manufacturing facility in Bawal, Haryana***

Pursuant to this project, our Company intends to set up four surface mount technology (SMT) lines, of which two SMT lines are proposed to be set up at our existing manufacturing facility in Bawal, and two SMT lines are proposed to be set up at a new manufacturing facility in Bawal at the location set out below.

#### ***Land and utilities***

The land on which the proposed expansion is to be undertaken is located adjacent to our current manufacturing facility at Bawal, Haryana, at Plot No. 62, Sector 14, Industrial Model township, Bawal, Rewari district, Haryana, and is currently leased by us. We will be availing the pre-existing arrangements available at the site for our power requirements.

#### ***Schedule of implementation***

This project is proposed to commence in February 2022, and the installation of machinery for this project is proposed to commence in March 2023. The trial production in connection with this project is proposed to be completed by June 2023, following which commercial production pursuant to this project is proposed to commence in July 2023. This schedule of implementation is based on the B&M Project Report. For further details see “Risk Factors – We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements for development of a R&D facility and expansion / setting up of manufacturing facilities and if the costs of setting up and the possible time or cost overruns related to these projects are higher than expected, it could have a material adverse effect on our financial condition, results of operations and growth prospects.” on page 49.

#### ***Estimated cost***

The total estimated cost for the proposed expansion, which is to be funded from the Net Proceeds, is approximately ₹ 620.24 million, as certified by Rahul R Pujara & Associates, pursuant to the B&M Project Report. The fund requirements, the deployment of funds and the intended use of the Net Proceeds, for the proposed project, as described herein are based on our current business plan, management estimates, current and valid quotations from suppliers or purchase orders issued to suppliers / vendors, and other commercial and technical factors. However, such total estimated cost and related fund requirements have not been appraised by any bank or financial institution. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition and interest or exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management.

The total estimated cost comprises the following:

S. No.	Particulars	Total estimated cost <sup>(1)</sup>	(₹ in million)
			Amount proposed to be funded from the Net Proceeds
1.	Cost incurred towards construction of building and infrastructure customisation	115.00	115.00
2.	Developing and setting up two additional SMT lines in the existing manufacturing	252.62	252.62

S. No.	Particulars	Total estimated cost <sup>(1)</sup>	Amount proposed to be funded from the Net Proceeds
	facility		
3.	Developing and setting up of two SMT lines in the new manufacturing facility	252.62	252.62
<b>Total</b>		<b>620.24</b>	<b>620.24</b>

(1) Total estimated cost as per the B&M Project Report.

### **Break-up of the estimated cost**

A detailed break-up of the estimated costs towards the proposed project is set forth below:

S. No.	Particulars	Estimated cost (in ₹ million) <sup>(1)</sup>	Name of supplier / vendor	Date of quotation / purchase order
1.	Building construction and development expenditure	73.55	TSO Design Commune Private Limited	October 25, 2021
2.	Compound wall, drainage system, etc.	2.50		
3.	Interior and Facility development	30.42		
4.	Furniture and fixtures	1.76		
5.	IT (Computer, software and other IT hardware)	3.66		
6.	Stores racks etc.	1.76		
7.	IQC and testing	1.17		
8.	Tools and toolroom	0.73		

S. No.	Particulars	Estimated cost (in ₹ million) <sup>(1)</sup>	Name of supplier / vendor	Date of quotation
	<b>Primary equipment required for one SMT line</b>			
12.	Reflow Oven with Standard Accessories	4.41	NM Tronics (India) Private Limited	September 14, 2021
13.	Automatic Solder Paste Printer with Standard Accessories	4.63		September 14, 2021
14.	Automatic Test and Inspection Equipment SPI	5.1		September 14, 2021
15.	Automatic Test and Inspection Equipment AOI	17.67		September 14, 2021
16.	Electrical and Air supply Accessories & Cleaning Machine	1.88		September 15, 2021
17.	Pick and Place Machine (Chip Shooter)	63.39		September 15, 2021
18.	Magazine, Loader, Unloader, Conveyors	3.04		September 15, 2021
19.	JT Wave Soldering Machine WS 350	5.22		September 15, 2021
20.	N2 Generator			
21.	Feeders for Pick and Place Machine	12.66		September 15, 2021
22.	Camera Barcode Reader	0.22		August 9, 2021
	<b>Total</b>	<b>118.22</b>		

	<b>Total cost for 4 SMT lines</b>	<b>472.88</b>		
	<b>Additional expenditure proposed to be incurred for this project</b>			
8.	FLEXA Programming Software – Pick and Place machinery software (Intangible asset)	1.95	NM Tronics (India) Private Limited	August 9, 2021
9.	FLEXA Programming	3.42		September 15, 2021

S. No.	Particulars	Estimated cost (in ₹ million) <sup>(1)</sup>	Name of supplier / vendor	Date of quotation
10.	Software and Machine Interface - 32mm			
11.	FLEXA Programming Software and Machine Interface - 44mm			
12.	System pc fujitrax and fujiflexa			
13.	Aoi review system			
14.	Offline Router (4 Axes machine)	10.81		September 15, 2021
14.	Asyntek selectcoat			
	<b>Total</b>	<b>16.18</b>		
	<b>Total cost for two sets of the above equipment</b>	<b>32.36</b>		
	<b>Grand total</b>	<b>505.24</b>		

(1) Total estimated cost as per the B&M Project Report.

### ***Schedule of deployment of funds***

The Net Proceeds are currently expected to be deployed for this project, in accordance with the estimated schedule set forth below:

Total estimated cost	Amount already deployed as on October 30, 2021	Amount which will be financed from Net Proceeds	Estimated Utilization of Net Proceeds		
			Fiscal 2022	Fiscal 2023	Fiscal 2024
620.24	-	620.24	-	550.24	70.00

### ***5. Funding capital expenditure requirements for setting up of our manufacturing facility in Hosur, Tamil Nadu***

Pursuant to this project, our Company intends to set up three surface mount technology (SMT) lines at a new manufacturing facility in Hosur at the location set out below.

#### ***Land and utilities***

The land on which the proposed project is to be undertaken is located at Kuppatti Rd, Devaganapalli, Hosur, Tamil Nadu - 635 114. We intend to acquire the said land for an aggregate consideration of ₹ 66.69 million (inclusive of stamp duty and registration charges) from Shanthaprasad and Ramaswamy Reddy, pursuant to the letter of intent entered into by our Company with them. The land is spread across an area of 413,820 square feet. We will be availing the pre-existing arrangements available at the site for our power requirements. Neither of Shanthaprasad and Ramaswamy Reddy are related to the Promoters or Directors.

#### ***Schedule of implementation***

This project is proposed to commence in June 2022, and the installation of machinery for this project is proposed to commence in December 2023. The trial production in connection with this project is proposed to be completed by March 2024, following which commercial production pursuant to this project is proposed to commence in April 2024. This schedule of implementation is based on the Hosur Project Report. For further details see “*Risk Factors – We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements for development of a R&D facility and expansion / setting up of manufacturing facilities and if the costs of setting up and the possible time or cost overruns related to these projects are higher than expected, it could have a material adverse effect on our financial condition, results of operations and growth prospects.*” on page 49.

#### ***Estimated cost***

The total estimated cost for the proposed expansion, which is to be funded from the Net Proceeds, is approximately ₹ 832.53 million, as certified by Rahul R Pujara & Associates, pursuant to the Hosur Project Report. The fund requirements, the deployment of funds and the intended use of the Net Proceeds, for the proposed project, as

described herein are based on our current business plan, management estimates, current and valid quotations from suppliers or purchase orders issued to suppliers / vendors, and other commercial and technical factors. However, such total estimated cost and related fund requirements have not been appraised by any bank or financial institution. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition and interest or exchange rate fluctuations and other external factors, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management.

The total estimated cost comprises the following:

(₹ in million)			
S. No.	Particulars	Total estimated cost <sup>(1)</sup>	Amount proposed to be funded from the Net Proceeds
1.	Acquisition of Land	66.69	66.69
2.	Cost of construction of building	395.00	395.00
3.	Developing and setting up three SMT lines	370.84	370.84
<b>Total</b>		<b>832.53</b>	<b>832.53</b>

(1) Total estimated cost as per the Hosur Project Report.

#### **Break-up of the estimated cost**

A detailed break-up of the estimated costs towards the proposed project is set forth below:

S. No.	Particulars	Estimated cost (in ₹ million) <sup>(1)</sup>	Name of supplier / vendor	Date of quotation / purchase order
1.	Building Construction and infrastructure for EMS manufacturing	260.00	TSO Design Commune Private Limited	October 25, 2021
2.	Interior and Facility	104.00		
3.	Furniture	6.00		
4.	IT (Computer, software and IT hardware)	12.50		
5.	Stores racks etc.	6.00		
6.	IQC and testing	4.00		
7.	Tools and tool-room	2.50		

S. No.	Particulars	Estimated cost (in ₹ million) <sup>(1)</sup>	Name of supplier / vendor	Date of quotation
<b>Primary equipment required for one SMT line</b>				
1.	Reflow Oven with Standard Accessories	4.41	NM Tronics (India) Private Limited	September 14, 2021
2.	Automatic Solder Paste Printer with Standard Accessories	4.63		September 14, 2021
3.	Automatic Test and Inspection Equipment SPI	5.1		September 14, 2021
4.	Automatic Test and Inspection Equipment AOI	17.67		September 14, 2021
5.	Electrical and Air supply Accessories & Cleaning Machine	1.88		September 15, 2021
6.	Pick and Place Machine (Chip Shooter)	63.39		September 15, 2021
7.	Magazine, Loader, Unloader, Conveyors	3.04		September 15, 2021
8.	JT Wave Soldering Machine WS 350	5.22		September 15, 2021
9.	N2 Generator			
10.	Feeders for Pick and Place Machine	12.66		September 15, 2021

S. No.	Particulars	Estimated cost (in ₹ million) <sup>(1)</sup>	Name of supplier / vendor	Date of quotation
11.	Camera Barcode Reader	0.22		August 9, 2021
	<b>Total</b>	<b>118.22</b>		
	<b>Total cost for three SMT lines</b>	<b>354.66</b>		
<b><i>Additional expenditure proposed to be incurred for this project</i></b>				
1.	FLEXA Programming Software – Pick and Place machinery software (Intangible asset)	1.95	NM Tronics (India) Private Limited	August 9, 2021
2.	FLEXA Programming Software and Machine Interface - 32mm	3.42		September 15, 2021
3.	FLEXA Programming Software and Machine Interface - 44mm			
4.	System pc fujitrax and fujiflexa			
5.	Aoi review system			
6.	Offline Router (4 Axes machine)	10.81		September 15, 2021
7.	Asyntek selectcoat			
	<b>Total</b>	<b>16.18</b>		
	<b>Grand total</b>	<b>370.84</b>		

(1) Total estimated cost as per the Hosur Project Report.

### ***Schedule of deployment of funds***

The Net Proceeds are currently expected to be deployed for this project, in accordance with the estimated schedule set forth below:

<i>(₹ in million)</i>					
Total estimated cost	Amount already deployed as on October 30, 2021	Amount which will be financed from Net Proceeds	Estimated Utilization of Net Proceeds		
			Fiscal 2022	Fiscal 2023	Fiscal 2024
832.53	-	832.53	-	261.69	570.84

### **OTHER EXPENSES**

If there is any increase in the estimated costs as mentioned above for any of the proposed projects set out above, the additional costs shall be met from our Company's internal accruals.

We are yet to place orders for all of the plant and machinery required for any of the proposed projects set out above. We have not entered into any definitive agreements with the vendors and there can be no assurance that the same vendor(s) would be engaged to eventually supply the machinery and equipment or we will get the machinery at the same costs. The quantity of equipment and other materials required to be purchased is based on management estimates. For further details see “*Risk Factors – We intend to utilise a portion of the Net Proceeds for funding our capital expenditure requirements for development of a R&D facility and expansion / setting up of manufacturing facilities and if the costs of setting up and the possible time or cost overruns related to these projects are higher than expected, it could have a material adverse effect on our financial condition, results of operations and growth prospects.*” on page 49.

No second-hand or used machinery is proposed to be purchased out of the proceeds of the Fresh Issue.

Our Promoters, Directors, and Key Managerial Personnel do not have any interest in the proposed acquisition of the plant and machinery or in the entity from whom we have obtained quotations in relation to such proposed acquisition of the plant and machinery for the proposed projects.

### **GOVERNMENT APPROVALS**

As on the date of this Draft Red Herring Prospectus, our Company has not commenced the civil and construction

work in relation to any of the proposed projects set out above. We do not require any licenses / approvals from any governmental authorities at this stage for these projects, and we will apply for all such necessary approvals that we may require at future relevant stages. For details, see “*Risk Factors – We require various statutory and regulatory permits and approvals in the ordinary course of our business, and our failure to obtain, renew or maintain them in a timely manner may adversely affect our operations.*” on page 42.

## II. FUNDING OUR LONG TERM WORKING CAPITAL REQUIREMENTS

We fund a majority of our working capital requirements in the ordinary course of business from banks and internal accruals. As on June 30, 2021, our total outstanding indebtedness in respect of our working capital facilities was ₹ 224.84 million. We intend to utilise ₹ 1,315.80 million from the Net Proceeds to fund working capital requirements of our Company.

### *Basis of estimation of working capital requirement*

The details of our Company’s working capital as at March 31, 2020 March 31, 2021 and June 30, 2021 derived from the Restated Consolidated Financial Information, and source of funding are provided in the table below:

(₹ in Million)

Particulars	For the period ending March 31, 2020	For the period ending March 31, 2021	For the period ending June 30, 2021
<b>Current Assets</b>			
Inventories	682.25	770.75	1,115.84
Debtors	1,163.59	1,278.72	1,351.15
Cash & bank	351.66	302.06	277.71
Other Financial Assets	36.52	54.65	53.55
Other current assets	205.42	241.99	211.51
<b>Total Current Assets (A)</b>	<b>2,439.44</b>	<b>2,648.17</b>	<b>3,009.76</b>
<b>Current Liabilities</b>			
Trade Payables	1,068.12	1,148.42	1,474.08
Other Current Liabilities	417.08	397.54	392.62
Provisions	26.12	28.47	20.48
<b>Total Current Liabilities (B)</b>	<b>1,511.32</b>	<b>1,574.43</b>	<b>1,887.18</b>
<b>Total Working Capital Requirement (A-B)</b>	<b>928.12</b>	<b>1,073.74</b>	<b>1,122.58</b>
<b>Less: Working Capital Loans from Banks</b>	<b>531.40</b>	<b>242.46</b>	<b>224.84</b>
<b>Less : Internal Accruals</b>	<b>396.72</b>	<b>831.28</b>	<b>897.74</b>

\* The working capital details as at, March 31, 2020, March 31, 2021 and June 30, 2021 and source of funding has been certified by our M/s Sundararajan & Co, Chartered Accountants pursuant to their certificate dated December 13, 2021.

On the basis of our existing working capital requirements and estimated working capital requirements, our IPO Committee has approved the projected working capital requirements for Fiscal 2022, Fiscal 2023 and Fiscal 2024 as set forth below:

(₹ in Million)

Particulars	For the period ending March 31, 2022	For the period ending March 31, 2023	For the period ending March 31, 2024
<b>Current Assets</b>			
Inventories	1,188.36	1,574.42	2,304.75
Debtors	1,697.66	2,422.19	3,717.33
Loans & Advances	76.79	104.09	151.76
Other current assets	241.99	241.99	241.99
<b>Total Current Assets (A)</b>	<b>3,204.81</b>	<b>4,342.69</b>	<b>6,415.83</b>
<b>Current Liabilities</b>			
Creditors	1,334.05	1,870.27	2,794.45
Other Current Liabilities	558.63	757.19	1,103.95
Provisions	40.01	54.23	79.06
<b>Total Current Liabilities (B)</b>	<b>1,932.68</b>	<b>2,681.68</b>	<b>3,977.46</b>
<b>Total Working Capital Requirement (A-B)</b>	<b>1,272.13</b>	<b>1,661.01</b>	<b>2,438.38</b>

Particulars	For the period ending March 31, 2022	For the period ending March 31, 2023	For the period ending March 31, 2024
Less: Working Capital Loans from Banks	224.84	224.84	224.84
Less : Internal Accruals	897.74	897.74	897.74
Less : Utilised from Objects of the issue in the Fiscal	149.55	388.88	777.37
Utilised from objects of the issue (Cumulative)	149.55	538.43	1,315.80

\*The projected working capital requirements for March 31, 2022, March 31, 2023 and March 31, 2024 has been certified by M/s Sundararajan & Co, Chartered Accountants pursuant to their certificate dated December 13, 2021

#### Assumptions for working capital requirements

The table below sets forth the details of holding levels (in days) for Fiscal 2020, Fiscal 2021 and the period ended June 30, 2021 as well as projections for Fiscal 2022, Fiscal 2023 and Fiscal 2024:

#### ASSETS

Particulars	Note No.	No of days					
		For the period ended March 31 2020	For the period ended March 31 2021	For the period ended June 30 2021	For the period ended March 31 2022	For the period ended March 31 2023	For the period ended March 31 2024
Inventories	Note 1	92	86	96	94	86	81
Trade receivables	Note 2	107	106	92	101	101	101
Loans & Advances	Note 3	15	22	20	17	16	15
Derivatives							
Other financial assets							
Other current assets							
Assets held for sale							

#### LIABILITIES

Particulars	Note No.	No. of days					
		For the period ended March 31 2020	For the period ended March 31 2021	For the period ended June 30 2021	For the period ended March 31 2022	For the period ended March 31 2023	For the period ended March 31 2024
Trade payables	Note 4	143	128	126	105	102	98
Derivatives	Note 5	41	35	28	35	34	32
Other financial liabilities							
Other current liabilities							
Provisions							
Current tax liabilities (net)							

Note 1 (Inventory days)	For the period ended	For the period	For the period ended	For the period	For the period ended	For the period ended March 31
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	March 31 2020	ended March 31 2021	June 30 2021	ended March 31 2022	March 31 2023	2024
<b>Cost of materials consumed</b>	<b>2,273.01</b>	<b>2,820.88</b>	<b>933.43</b>	<b>4,057.72</b>	<b>5,936.08</b>	<b>9,272.48</b>
Power cost	51.48	39.93	11.37	59.53	84.94	130.36
Labour cost	403.03	412.26	117.72	521.68	685.44	1,051.94
<b>Manufacturing cost</b>	<b>2,727.52</b>	<b>3,273.07</b>	<b>1,062.52</b>	<b>4,638.93</b>	<b>6,706.46</b>	<b>10,454.77</b>
Inventories	682.25	770.75	1,115.84	1,188.36	1,574.42	2,304.75
<b>No. of days</b>	<b>92</b>	<b>86</b>	<b>96</b>	<b>94</b>	<b>86</b>	<b>81</b>
<b>Note 2 (Debtors days)</b>						
Revenue from operations	3,970.84	4,383.02	1,331.90	6,159.06	8,787.63	13,486.38
Trade receivables	1,163.59	1,278.72	1,351.15	1,697.66	2,422.19	3,717.33
<b>No of days</b>	<b>107</b>	<b>106</b>	<b>92</b>	<b>101</b>	<b>101</b>	<b>101</b>
<b>Note 3 (Other Current Assets)</b>						
Revenue from operations	3,970.84	4,363.00	1,344.00	6,159.00	7,798.00	9,526.00
Loans & advances	36.52	54.65	53.55	76.79	104.09	151.76
Other current assets	205.42	241.99	211.51	241.99	241.99	241.99
<b>Total other CAs</b>	<b>241.94</b>	<b>296.64</b>	<b>265.06</b>	<b>318.78</b>	<b>346.08</b>	<b>393.75</b>
<b>No of days</b>	<b>22</b>	<b>25</b>	<b>18</b>	<b>19</b>	<b>16</b>	<b>15</b>
<b>Note 4 (Trade payable days)</b>						
COGS (Manufacturing cost)	2,727.52	3,273.07	1,062.52	4,638.93	6,706.46	10,454.77
Trade payables	1,068.12	1,148.42	1,474.08	1,334.05	1,870.27	2,794.45
<b>No of days</b>	<b>143</b>	<b>128</b>	<b>126</b>	<b>105</b>	<b>102</b>	<b>98</b>
<b>Note 5 (Other current liabilities)</b>						
Revenue from operations	3,970.84	4,383.02	1,331.90	6,159.06	8,787.63	13,486.38
Other current liabilities	417.08	397.54	392.62	558.63	757.19	1,103.95
Provisions	26.12	28.47	20.48	40.01	54.23	79.06
<b>Total other current liabilities</b>	<b>443.20</b>	<b>426.01</b>	<b>413.10</b>	<b>598.63</b>	<b>811.41</b>	<b>1,183.01</b>
<b>No of days</b>	<b>41</b>	<b>35</b>	<b>28</b>	<b>35</b>	<b>34</b>	<b>32</b>

\* The details of holding levels as well as projections has been certified by M/s Sundararajan & Co, Chartered Accountants pursuant to their certificate dated December 13, 2021

#### Key assumptions for working capital projections

The table below sets forth the key assumptions for our working capital projections:

Sr No.	Particulars	Assumptions
1.	Inventories	Inventory days are computed from the historic Restated Standalone Financial Information and are expected to increase on account of opening of new stores
2.	Trade receivables	Receivables days are computed from the historic Restated Standalone Financial Information and are expected to continue on similar lines with efficient collections
3.	Cash & cash equivalents and Bank balances	Cash & cash equivalents and Bank balances days are computed from the historic Restated Standalone Financial Information and are expected to continue on similar lines
4.	Other CAs	Other CAs are expected to grow in line with expected business growth. Holding levels for Other CAs is computed from the historic Restated Standalone Financial Information and is expected to continue on similar lines
5.	Trade payables	Trade payables is expected to grow in line with expected business growth. Holding levels for trade payables is computed from the historic Restated Standalone Financial Information and is expected to remain unchanged

Note: As certified by our M/s Sundararajan & Co, Chartered Accountants, pursuant to their certificate dated December 13, 2021.

### III. GENERAL CORPORATE PURPOSES

Our Company intends to deploy the balance Net Proceeds towards general corporate purposes, subject to such utilization not exceeding 25% of the Gross Proceeds, in accordance with Regulation 7(2) of the SEBI ICDR

Regulations, to drive our business growth, including, amongst other things, (i) funding growth opportunities, including strategic initiatives; (ii) meeting any expenses incurred in the ordinary course of business by our Company, including salaries and wages, rent, administration expenses, insurance related expenses, and the payment of taxes and duties; (iii) servicing of borrowings including payment of interest; (iv) brand building and other marketing expenses; (v) meeting of exigencies which our Company may face in the course of any business; and (vi) any other purpose as permitted by applicable laws and as approved by our Board or a duly appointed committee thereof.

The quantum of utilization of funds towards any of the above purposes will be determined based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Company's management, in accordance with the policies of the Board, will have flexibility in utilizing surplus amounts, if any. Our management will have the discretion to revise our business plan from time to time and consequently our funding requirement and deployment of funds may change. This may also include rescheduling the proposed utilization of Net Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of Net Proceeds in a Fiscal, we will utilize such unutilized amount in the subsequent Fiscals.

### **Interim use of Net Proceeds**

Pending utilization of the Net Proceeds for the purposes described above, our Company undertakes to deposit the Net Proceeds only in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934, as amended, as may be approved by our Board.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

### **Means of finance**

The fund requirements set out for the aforesaid Objects are proposed to be met entirely from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and internal accruals as required under the SEBI ICDR Regulations.

### **Bridge financing facilities**

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

### **Appraising entity**

The Objects for which the Net Proceeds will be utilised have not been appraised.

### **Offer expenses**

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The Offer expenses includes listing fees, fees payable to the BRLMs, underwriting fees, selling commission, legal counsels, advisors to the Offer, Registrar to the Offer, Banker(s) to the Offer including processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges.

The fees and expenses relating to the Offer shall be shared in the proportion between our Company and the Selling Shareholder, in accordance with Applicable Laws. The Selling Shareholder undertakes to reimburse our Company for the expenses incurred by our Company on their behalf upon successful consummation of the Offer. However, in the event that the Offer is withdrawn or not completed for any reason whatsoever, all the Offer related expenses will be borne exclusively by our Company.

The break-up for the estimated Offer expenses are as follows:

Activity	Estimated expenses <sup>(1)</sup> (₹ in million)	As a % of total estimated Offer related expenses <sup>(1)</sup>	As a % of Offer size <sup>(1)</sup>
Fees payable to the BRLMs and commissions (including underwriting commission, brokerage and selling commission)	[●]	[●]	[●]
Selling commission payable to SCSBs for Bids directly procured by them and processing fees payable to SCSBs for Bids (other than Bids submitted by RIIs using the UPI Mechanism) procured by the Members of the Syndicate, the Registered Brokers, CRTAs or CDPs and submitted to SCSBs for blocking, Bankers to the Offer, fees payable to the Sponsor Bank for Bids made by RIBs <sup>(2)(3)</sup>	[●]	[●]	[●]
Selling commission and uploading charges payable to Members of the Syndicate (including their Sub-Syndicate Members), RTAs, CDPs and Registered Brokers <sup>(4)(5)(6)</sup>	[●]	[●]	[●]
Processing fees payable to the Sponsor Bank <sup>(6)</sup>	[●]	[●]	[●]
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Printing and stationery expenses	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Listing fees, SEBI fees, BSE and NSE processing fees, book-building software fees, and other regulatory expenses	[●]	[●]	[●]
Fees payable to legal counsel	[●]	[●]	[●]
<b>Total estimated Offer expenses</b>	[●]	[●]	[●]

<sup>(1)</sup> The Offer expenses will be incorporated in the Prospectus on finalization of the Offer Price.

<sup>(2)</sup> Selling commission payable to the SCSBs on the portion for RIBs and Non-Institutional Bidders which are directly procured and uploaded by the SCSBs, would be as follows:

Portion for RIBs*	[●]% of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders*	[●]% of the Amount Allotted (plus applicable taxes)

\* Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

Selling Commission payable to the SCSBs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

<sup>(3)</sup> No processing fees shall be payable by the Selling Shareholder to the SCSBs on the applications directly procured by them.

Processing fees payable to the SCSBs on the portion for RIBs (excluding UPI Bids) and Non-Institutional Bidders which are procured by the Members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/ CDPs and submitted to SCSB for blocking, would be as follows:

Portion for RIBs*	₹ [●] per valid application (plus applicable taxes)
Portion for Non-Institutional Bidders*	₹ [●] per valid application (plus applicable taxes)

\* For each valid application

<sup>(4)</sup> Selling commission on the portion for RIBs (using the UPI Mechanism), Non-Institutional Bidders which are procured by Members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs or for using 3-in-1 type accounts- linked online trading, demat & bank account provided by some of the brokers which are members of Syndicate (including their Sub-Syndicate Members) would be as follows:

Portion for RIBs	[●]% of the Amount Allotted* (plus applicable taxes)
Portion for Non-Institutional Bidders	[●]% of the Amount Allotted* (plus applicable taxes)

\* Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

The Selling Commission payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the application form number / series, provided that the application is also bid by the respective Syndicate / Sub-Syndicate Member. For clarification, if a Syndicate ASBA application on the application form number / series of a Syndicate / Sub-Syndicate Member, is bid by an SCSB, the Selling Commission will be payable to the SCSB and not the Syndicate / Sub-Syndicate Member.

Uploading Charges payable to Members of the Syndicate (including their sub-Syndicate Members), RTAs and CDPs on the applications made by RIBs using 3-in-1 accounts and Non-Institutional Bidders which are procured by them and submitted to SCSB for blocking or using 3-in-1 accounts, would be as follows: ₹ [●] plus applicable taxes, per valid application bid by the Syndicate (including their sub-Syndicate Members), RTAs and CDPs.

The selling commission and bidding charges payable to Registered Brokers, the RTAs and CDPs will be determined on the basis of the bidding terminal id as captured in the Bid Book of BSE or NSE.

<sup>(5)</sup> Uploading charges/ Processing fees for applications made by RIBs using the UPI Mechanism would be as under:

Payable to Members of the Syndicate (including their sub-Syndicate Members)/ RTAs / CDPs	₹ [●] per valid application (plus applicable taxes)
Payable to Sponsor Bank	₹ [●] per valid application (plus applicable taxes) The Sponsor Bank shall be responsible for making payments to the third parties such as remitter bank, NPCI and such other parties as required in connection with the performance of its duties under applicable SEBI circulars, agreements and other Applicable Laws

All such commissions and processing fees set out above shall be paid as per the timelines in terms of the Syndicate Agreement and Escrow and Sponsor Bank Agreement.

The Offer expenses shall be payable in accordance with the arrangements or agreements entered into by our Company with the respective Designated Intermediary.

As per directive issued by SEBI the processing fees for applications made by Retail Individual Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks provide a written confirmation on compliance with SEBI Circular No. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021.

### Monitoring utilization of funds from the Offer

In terms of Regulation 41 of the SEBI ICDR Regulations, prior to filing the Red Herring Prospectus with the RoC, we will appoint a monitoring agency to monitor the utilization of the Net Proceeds. Our Company undertakes to place the report(s) of the Monitoring Agency upon receipt before the Audit Committee without any delay.

Pursuant to the Regulation 32(3) of the SEBI Listing Regulations, our Company shall on a quarterly basis disclose to the Audit Committee the uses and application of the Net Proceeds. Additionally, the Audit Committee shall review the report submitted by the Monitoring Agency and make recommendations to our Board for further action, if appropriate. Such disclosure shall be made only till such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditors of our Company. Furthermore, in accordance with Regulation 32 of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement including deviations, if any, in the utilization of the Net Proceeds of the Offer from the Objects as stated above. The information will also be published in newspapers simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director's report, after placing the same before the Audit Committee. We will disclose the utilization of the Net Proceeds under a separate head along with details in our balance sheet(s) until such time as the Net Proceeds remain unutilized clearly specifying the purpose for which such Net Proceeds have been utilized. In the event that we are unable to utilize the entire amount that we have currently estimated for use out of the Net Proceeds in a Financial Year, we will utilize such unutilized amount in the next Financial Year.

### Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and the applicable rules, and the SEBI ICDR Regulations, our Company shall not vary the Objects without our Company being authorised to do so by the Shareholders by way of a special resolution. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("Notice") shall specify the prescribed details as required under the Companies Act. The Notice shall simultaneously be published in the newspapers, one in English and one in Marathi, the vernacular language of the jurisdiction where our Registered and Corporate 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 prescribed by SEBI, in this regard.

### Other confirmations

There is no proposal whereby any portion of the Net Proceeds will be paid to our Promoters, Promoter Group, Directors, Key Managerial Personnel except in the ordinary course of business. Further, there are no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with our Promoters, Promoter Group, Directors, Key Managerial Personnel. However, it may be noted that the land and building which the manufacturing facility in Hyderabad is proposed to be set up, is proposed to be leased from JT Holdings Private Limited, wherein our Promoter and Executive Chairman, Sandeep Tandon is a director.

## BASIS FOR THE OFFER PRICE

The Price Band, Floor Price and Offer Price will be determined by our Company in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the qualitative and quantitative factors as described below. The face value of the Equity Shares is ₹ 10 and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to “*Our Business*”, “*Risk Factors*”, “*Restated Financial Information*”, “*Proforma Financial Information*”, “*Management’s Discussion and Analysis of Financial Position and Results of Operations*” and “*Other Financial Information*” on pages 180, 30, 244, 409, 557 and 552, respectively, to have an informed view before making an investment decision.

### Qualitative factors

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are:

- one of the leading design and electronic manufacturing services companies in terms of revenue in Fiscal 2021, driven by our focus on quality and customer relationships;
- consistent track record of financial performance;
- diversified and continuously evolving and expanding product portfolio and service offerings catering to customers across various industries, backed by strong R&D capabilities;
- established relationships with marquee customers across various countries;
- state-of-the-art manufacturing capabilities supported by a global supplier network, with a focus on vertical integration; and
- experienced promoters supported with senior management team with proven track record of performance.

For further details, see “*Our Business – Our Competitive Strengths*” on page 183.

### Quantitative factors

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

#### I. Basic and diluted earnings per share (“EPS”)

*As per the Restated Standalone Financial Information:*

Fiscal / period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
2019	2.96	2.96	1
2020	6.19	6.19	2
2021	3.32	3.32	3
<b>Weighted Average</b>	<b>4.22</b>	<b>4.22</b>	
Three months ended June 30, 2021*	0.64	0.64	

\*Not Annualised

*Notes:*

- i) *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights*
- ii) *Basic Earnings per Equity Share (₹) = Net profit after tax attributable to owners of the Company, as restated / Weighted average no. of Equity Shares outstanding during the year*
- iii) *Diluted Earnings per Equity Share (₹) = Net Profit after tax attributable to owners of the Company, as restated / Weighted average no. of potential Equity Shares outstanding during the year*
- iv) *Earnings per Share calculations are in accordance with the notified Indian Accounting Standard 33 ‘Earnings per share’.*
- v) *The figures disclosed above are based on the Restated Standalone Financial Information.*

*As per the Restated Consolidated Financial Information:*

Fiscal / period	Basic EPS (in ₹)	Diluted EPS (in ₹)
2021	3.72	3.72
Three months ended June 30, 2021*	0.77	0.77

\*Not Annualised

Notes:

1. *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights*
2. *Basic Earnings per Equity Share (₹) = Net profit after tax attributable to owners of the Company, as restated / Weighted average no. of Equity Shares outstanding during the year*
3. *Diluted Earnings per Equity Share (₹) = Net Profit after tax attributable to owners of the Company, as restated / Weighted average no. of potential Equity Shares outstanding during the year*
4. *Earnings per Share calculations are in accordance with the notified Indian Accounting Standard 33 'Earnings per share'.*
5. *The figures disclosed above are based on the Restated Consolidated Financial Information.*

#### As per the Proforma Condensed Combined Financial Information

Fiscal/Period	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
2019	3.81	3.81	1
2020	6.42	6.42	2
2021	4.58	4.58	3
<b>Weighted Average</b>	<b>5.07</b>	<b>5.07</b>	
Three months ended June 30, 2021*	0.97	0.97	

\*Not Annualised

Notes:

- i) *Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights*
- ii) *Basic Earnings per Equity Share (₹) = Net profit after tax attributable to owners of the Company, as restated / Weighted average no. of Equity Shares outstanding during the year*
- iii) *Diluted Earnings per Equity Share (₹) = Net Profit after tax attributable to owners of the Company, as restated / Weighted average no. of potential Equity Shares outstanding during the year*
- iv) *Earnings per Share calculations are in accordance with the notified Indian Accounting Standard 33 'Earnings per share'.*
- v) *The figures disclosed above are based on the Proforma Condensed Combined Financial Information.*

#### II. Price/Earning ("P/E") ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
Based on basic EPS for Fiscal 2021	[●]	[●]
Based on diluted EPS for Fiscal 2021	[●]	[●]

Notes:

1. *Price/ earning (P/E) ratio is computed by dividing the price per share by earnings per share.*
2. *Basic and Diluted EPS as adjusted for the bonus issue of Equity Shares undertaken pursuant to a resolution of our shareholders dated October 28, 2021, pursuant to which our Company has issued and allotted 136,255,300 bonus equity shares in the ratio of 100 fully paid-up bonus share of the face value of ₹ 10 each for every existing one fully paid up equity share of the face value of ₹ 10 each held by the members as on October 28, 2021.*

#### Industry Peer Group P/E ratio

Particulars	Industry P/E (number of times)
Highest	201.96
Lowest	131.02
Average	166.49

Note:

*The industry high and low has been considered from the industry peer set provided later in this chapter. The*

industry composite has been calculated as the arithmetic average of P/E for industry peer set disclosed in this section. All the financial information for listed industry peers mentioned above is sourced from the audited financial statements of the relevant companies for Fiscal 2021, as available on the websites of the Stock Exchanges.

### III. Average Return on Net Worth (“RoNW”)

#### As per the Restated Standalone Financial Information:

Fiscal / period	RoNW (%)	Weight
2019	45.45	1
2020	55.81	2
2021	16.92	3
<b>Weighted Average</b>	<b>34.64</b>	
Three months ended June 30, 2021*	2.31	

\*Not Annualised

#### Notes:

- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.
- Return on Net Worth (%) = Net Profit after tax for the year/period, as restated / Restated net worth calculated on average of opening and closing Net worth of the year / period
- 'Net worth': Equity Share capital and other equity less capital reserves

#### As per the Restated Consolidated Financial Information:

Fiscal / period	RoNW (%)
2021	18.74
Three months ended June 30, 2021*	2.72

\*Not Annualised

#### Notes:

- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.
- Return on Net Worth (%) = Net Profit after tax for the year/period, as restated / Restated net worth calculated on average of opening and closing Net worth of the year / period
- 'Net worth': Equity Share capital and other equity less capital reserves

#### As per the Proforma Condensed Combined Financial Information

Fiscal / period	RoNW (%) <sup>#</sup>	Weight
<b>2019</b>	18.22	1
<b>2020</b>	23.58	2
<b>2021</b>	13.79	3
<b>Weighted Average</b>	17.79	
Three months ended June 30, 2021*	2.85	

\*Not Annualised

<sup>#</sup> excluding non-controlling interest

#### Notes:

- Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.
- Return on Net Worth (%) = Net Profit after tax for the year/period, as restated / Restated net worth at the end of the year/period.
- Net worth': Equity Share capital and other equity (excluding non-controlling interest) less capital reserves

### IV. Net Asset Value per Equity Share (face value of ₹ 10 each)

**As per the Restated Standalone Financial Information:**

As at	NAV per Equity Share (in ₹)
March 31, 2021	27.61
June 30, 2021	28.28

**Notes:**

- (i) Net Asset Value per Equity Share = Total Assets less Total Liabilities as per Restated Financial Statements / Number of equity shares and potential equity shares on account of compulsory convertible preference shares outstanding as at the end of year/period including bonus shares issued by the Company post last balance sheet date i.e. June 30, 2021
- (ii) Our Company has allotted 13,68,69,812 Equity Shares on account of private placement, conversion of preference shares and bonus issue post last balance sheet date i.e. June 30, 2021.

**As per the Restated Consolidated Financial Information:**

As at	NAV per Equity Share (in ₹)
March 31, 2021	28.00
June 30, 2021	28.80

**Notes:**

- (i) Net Asset Value per Equity Share = Total Assets less Total Liabilities as per Restated Financial Statements / Number of equity shares and potential equity shares on account of compulsory convertible preference shares outstanding as at the end of year/period including bonus shares issued by the Company post last balance sheet date i.e. June 30, 2021
- (ii) Our Company has allotted 13,68,69,812 Equity Shares on account of private placement, conversion of preference shares and bonus issue post last balance sheet date i.e. June 30, 2021.

**As per the Proforma Condensed Combined Financial Information**

As at	NAV per Equity Share (in ₹)
As on March 31, 2021	36.88
As on June 30, 2021	37.96

**Notes:**

- (i) Net Asset Value per Equity Share = Total Assets less Total Liabilities as per Proforma Condensed Combined Financial Information / Number of equity shares and potential equity shares on account of compulsory convertible preference shares outstanding as at the end of year/period including all equity shares issued by the Company post last balance sheet date i.e. June 30, 2021
- (ii) Our Company has allotted 13,68,69,812 Equity Shares on account of private placement, conversion of preference shares and bonus issue post last balance sheet date i.e. June 30, 2021.

As at	NAV per Equity Share (in ₹)
After the completion of the Offer:	
(i) At Floor Price <sup>(1)</sup>	[●]
(ii) At Cap Price <sup>(1)</sup>	[●]
Offer Price <sup>(2)</sup>	[●]

<sup>(1)</sup> Offer Price per equity share will be determined on conclusion of the Book Building Process.

**V. Comparison of accounting ratios with listed industry peers**

Name of the company	Consolidated/ Standalone	Face value (₹ per share)	Closing price on December 10, 2021 (₹)	Total Revenue (in ₹ million)	EPS (₹)		NAV (₹ per share)	P/E	RoNW (%)
					Basic	Diluted			
Syrma SGS Technology Limited	Consolidated	10	NA	4,444.80	3.72	3.72	28.00	NA	18.74



Name of the company	Consolidated/ Standalone	Face value (₹ per share)	Closing price on December 10, 2021 (₹)	Total Revenue (in ₹ million)	EPS (₹)		NAV (₹ per share)	P/E	RoNW (%)
					Basic	Diluted			
PEER GROUP									
Dixon Technologies Limited	Consolidated	2.00	5,551.95	64,497.48	27.49	26.87	125.89	201.96	24.99
Amber Enterprises India Limited	Consolidated	10.00	3,270.35	30,636.20	24.96	24.96	486.92	131.02	5.94

Notes:

- All the financial information for listed industry peers mentioned above is on a consolidated basis and is sourced from the annual report of the respective companies for the year ended March 31, 2021
- NAV per share is calculated as Net Worth as on March 31, 2021/ Equity Shares outstanding as on March 31, 2021
- P/E ratio is calculated as closing share price on December 10, 2021, quoted on BSE / Basic EPS for the year ended March 31, 2021.
- Return on Net Worth is calculated as Net Profit after tax for the year ending March 31, 2021/ Average of opening and closing Net Worth for the year March 31, 2021

The Offer Price of ₹ [●] has been determined by our Company in consultation with the BRLMs, on the basis of market demand from investors for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Position and Results of Operations” and “Restated Financial Information” on pages 30, 180, 557 and 244, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “Risk Factors” and you may lose all or part of your investments.

## STATEMENT OF SPECIAL TAX BENEFITS

### STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO SYRMA SGS TECHNOLOGY LIMITED (“THE COMPANY”), AND THE SHAREHOLDERS OF THE COMPANY UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS IN INDIA

Date: December 12, 2021

To  
**The Board of Directors**  
**Syrma SGS Technology Limited**  
**Unit No. 601, 6<sup>th</sup> Floor,**  
**Floral Deck PL MIDC,**  
**Andheri (East)**  
**Mumbai – 400 093**

Dear Sirs,

We Deloitte Haskins & Sells LLP, the statutory auditors of Syrma SGS Technology Limited refer to the proposed initial public offering of equity shares of **Syrma SGS Technology Limited** (“the Company” and such offering the “Offer”). We enclose herewith the statement (the “Annexure”) showing the current position of special tax benefits available to the Company and the shareholders of the Company as per the provisions of the Indian direct and indirect tax laws, including the Income Tax Act 1961, the Central Goods and Services Tax Act, 2017, the Integrated Goods and Services Tax Act, 2017, the Union Territory Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962 and the Customs Tariff Act, 1975 (collectively the “Taxation Laws”), including the rules, regulations, circulars and notifications issued in connection with the Taxation Laws and the Foreign Trade Policy 2015-2020 (which has been extended now i.e., up to 31<sup>st</sup> March 2022 vide Notification no. 33/2015-2020 dated 28<sup>th</sup> September 2021 and applicable to the assessment year 2022-23 relevant to the Financial Year (FY) 2021-22) for inclusion in the Draft Red Herring Prospectus (“DRHP”) for the proposed initial public offering of shares of the Company, as required under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”). Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the direct and indirect taxation laws, including the Income-tax Act 1961. Hence, the ability of the Company or its shareholders to derive these direct and indirect tax benefits is dependent upon their fulfilling such conditions.

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

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

- The Company or its shareholders will continue to obtain these benefits in future;
- The conditions prescribed for availing the benefits have been/would be met;

We hereby give our consent to include this report and the enclosed Annexure regarding the special tax benefits available to the Company, and the shareholders of the Company in the DRHP for the Offer, which the Company intends to submit to the Securities and Exchange Board of India and the stock exchanges (National Stock Exchange of India Limited and BSE Limited) where the equity shares of the Company are proposed to be listed.

### LIMITATIONS

Our views expressed in the enclosed Annexure are based on the facts and assumptions indicated above. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the Annexure is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed Offer relying on the Annexure.

This statement has been prepared solely in connection with the Offer under the ICDR Regulations.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No: 117366W/W-100018)

Chandraprakash Surana R  
Partner  
Membership Number: 215526  
UDIN: 21215526AAAADC7080

Place: Chennai  
Date: December 12, 2021

## **ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO SYRMA SGS TECHNOLOGY LIMITED (“THE COMPANY”) AND THE COMPANY’S SHAREHOLDERS**

The information provided below sets out the possible special tax benefits available to the Company, and the shareholders of the Company in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares of the Company, under the current tax laws presently in force. Several of these benefits are dependent on the shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence the ability of the shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which, based on commercial imperatives a shareholder faces, may or may not choose to fulfill. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult their own tax consultant with respect to 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. The statement below covers only relevant special direct and indirect tax law benefits and does not cover benefits under any other law.

**INVESTORS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING OF EQUITY SHARES IN THEIR PARTICULAR SITUATION.**

### **STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, AND TO THE SHAREHOLDERS OF THE COMPANY**

#### **Under the Income Tax Act, 1961 (the Act)**

##### ***I. Special tax benefits available to the Company***

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

The company has represented to us that they have not opted for section 115BAA of the Act for the Assessment Year 2021-22.

##### ***B. Deductions from Gross Total Income***

###### **Deduction in respect of employment of new employees:**

Subject to the fulfillment of prescribed conditions, the Company is entitled to claim deduction of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided under section 80JJAA of the Act.

###### **Deduction in respect of inter-corporate dividends – Section 80M of the Act**

Up to 31<sup>st</sup> March 2020, any dividend paid to a shareholder by a company was liable to Dividend Distribution Tax (“DDT”), and the recipient shareholder was exempt from tax. Pursuant to the amendment made by the Finance Act, 2020, DDT stands abolished and dividend received by a shareholder on or after 1<sup>st</sup> April 2020 is liable to tax in the hands of the shareholder, other than dividend on which tax under section 115-O has been paid. The company is required to deduct Tax at Source (“TDS”) at applicable rate specified under the Act read with applicable Double Taxation Avoidance Agreement (if any).

With respect to a shareholder, which is a domestic company as defined in section 2(22A) of the Income Tax Act, 1961, a new section 80M has been inserted in the Act to remove the cascading effect of taxes on inter-corporate dividends during FY 2020-21 and thereafter. The section inter-alia provides that where the gross total income of a domestic company in any previous year includes any income by way of dividends from any other domestic company or a foreign company or a business trust, there shall, in accordance with and subject to the provisions of this section, be allowed in computing the total income of such domestic company, a deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it on or before the due date. The “due date” means the date one month prior to the date for furnishing the return of income under sub-section (1) of section 139 of the Act.

## ***II. Special direct tax benefits available to Shareholders***

There are no special tax benefits available to the shareholders under the provisions of the Income-tax Act, 1961.

### **Notes:**

1. The benefits in I and II above are as per the current tax law as amended by the Finance Act, 2021.
2. This statement does not discuss any tax consequences in the country outside India of an investment in the shares. The shareholders / investors in the country outside India are advised to consult their own professional advisors regarding possible Income tax consequences that apply to them.
3. Surcharge is to be levied on domestic companies at the rate of 7% where the income exceeds INR one crore but does not exceed INR ten crores and at the rate of 12% where the income exceeds INR ten crores.
4. If the company opts for concessional income tax rate under section 115BAA of the Act, surcharge shall be levied at the rate of 10% irrespective of the amount of total income.
5. Health and Education Cess @ 4% on the tax and surcharge is payable by all category of tax payers.
6. If the company opts for concessional tax rate under section 115BAA of the Act it will not be allowed to claim any of the following deductions:
  - Deduction under the provisions of section 10AA (deduction for units in Special Economic Zone)
  - Deduction under clause (iia) of sub-section (1) of section 32 (Additional depreciation)
  - Deduction under section 32AD or section 33AB or section 33ABA (Investment allowance in backward areas, Investment deposit account, site restoration fund)
  - Deduction under sub-clause (ii) or sub-clause (iia) or sub-clause (iii) of sub-section (1) or sub-section (2AA) or sub-section (2AB) of section 35 (Expenditure on scientific research)
  - Deduction under section 35AD or section 35CCC (Deduction for specified business, agricultural extension project)
  - Deduction under section 35CCD (Expenditure on skill development)
  - Deduction under any provisions of Chapter VI-A other than the provisions of section 80JJAA and section 80M;
  - No set off of any loss carried forward or depreciation from any earlier assessment year, if such loss or depreciation is attributable to any of the deductions referred above;
  - No set off of any loss or allowance for unabsorbed depreciation deemed so under section 72A, if such loss or depreciation is attributable to any of the deductions referred above
7. Further, it is also clarified in section 115JB(5A) that if the Company opts for concessional income tax rate under section 115BAA, the provisions of section 115JB regarding Minimum Alternate Tax (MAT) are not applicable. Further, such Company will not be entitled to claim tax credit relating to MAT.
8. The above statement of possible direct tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

## **STATEMENT OF SPECIAL POSSIBLE INDIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, AND THE SHAREHOLDERS OF THE COMPANY**

### ***I. Special tax benefits available to the Company***

- The company has export of goods or services. Refund benefit under zero rated supply is applicable. The company is applying for refund of GST input credit against its exports.
- The company is importing materials. However, they are not eligible for any Free Trade Agreement (FTA) benefits.
- Rebate of State & Central Taxes and Levies (RoSCTL) or Merchandise Exports from India Scheme (MEIS) is applicable as there is export supplies made by the company. The company is also availing such benefit.
- Against importation of capital goods, the company is also availing benefit of duty exemption under EPCG license. Such duty benefit is available against fulfilment of export obligations.

### ***II. Special tax benefits available to Shareholders***

- There are no special tax benefits available to the shareholders under the provisions of the GST Act, 2017

#### **Notes:**

The above statement of possible indirect tax benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences.

## STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

The Board of Directors  
SGS Teknics Manufacturing Private Limited (“SGS”)  
A-3 Infocity, Sector-34,  
Gurgaon, Haryana, 122001

Date: December 13, 2021

**Subject: Statement of possible special tax benefits (“the Statement”) available to SGS Teknics Manufacturing Private Limited (“SGS”) in accordance with the requirement under Schedule VI – Part A - Clause (9) (L) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“the ICDR Regulations”) in connection with the proposed Initial Public Offer of equity shares (“Proposed Offer”) of Syrma SGS Technology Limited [(the Holding Company of SGS) (“Company”)]**

This report is issued in accordance with the terms of our engagement letter dated 20 October 2021.

We hereby report that the enclosed Annexure I and Annexure II prepared by SGS and initialed by us for identification purpose only, states the possible special tax benefits available to SGS under direct and indirect tax laws (together “the Tax Laws”), presently in force in India as on the signing date, which are defined in Annexure I. These possible special tax benefits are dependent on SGS fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of SGS to derive these possible special tax benefits is dependent upon their fulfilling such conditions, which is based on business imperatives the SGS may face in the future and accordingly, SGS may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure II cover the possible special tax benefits available to SGS are not exhaustive and do not cover any general tax benefits available to SGS. Further, the preparation of the enclosed Annexure II and its contents is the responsibility of the management of SGS. We were informed that the Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing Tax Laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed initial public offering of equity shares of the Company comprising fresh issue of equity shares (the “Proposed Offer”) particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the possible special tax benefits, which an investor can avail. Neither we are suggesting nor advising the investors to invest money based on this Statement.

We conducted our examination in accordance with the “Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)” (“**Guidance Note**”) issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements.

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

- i) SGS will continue to obtain these possible special tax benefits in future; or
- ii) the conditions prescribed for availing the possible special tax benefits where applicable, have been/would be met with.

The contents of enclosed Annexures are based on the information, explanations and representations obtained from SGS, and on the basis of our understanding of the business activities and operations of SGS.

Our views expressed herein are based on the facts and assumptions indicated to us. 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 change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to SGS 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. We will not be liable to any other person in respect of this Statement, except as per applicable law.

We hereby give consent to include this Statement in the Draft Red Herring Prospectus, Red Herring Prospectus, the Prospectus and in any other material used in connection with the Proposed Offer, and it is not to be used, referred to or distributed for any other purpose without our prior written consent.

**For B S R & Co. LLP**

*Chartered Accountants*

ICAI firm registration number: 101248W/W-100022

**Ankush Goel**

*Partner*

Membership No.: 505121

ICAI UDIN: 21505121AAAADO1496

Place:

Date: December 13, 2021

cc.

**DAM Capital Advisors Limited**

One BKC, Tower C,  
15th Floor, Unit No. 1511,  
Bandra Kurla Complex,  
Bandra (East), Mumbai - 400051  
Maharashtra

**ICICI Securities Limited**

ICICI Venture House,  
Appasaheb Marathe Marg, Prabhadevi  
Mumbai - 400025  
Maharashtra, India

**IIFL Securities Limited**

10<sup>th</sup> Floor, IIFL Centre, Kamala City  
Senapati Bapat Marg  
Lower Parel (W)  
Mumbai 400013



## ANNEXURE I

S. No.	Details of Tax Laws
1.	Income Tax Act, 1961 and Income Tax Rules, 1962
2.	Central Goods and Services Tax Act, 2017
3.	Integrated Goods and Services Tax Act, 2017
4.	State Goods and Services Tax Act, 2017
5.	Customs Act, 1962 and Customs Tariff Act, 1975
6.	The Foreign Trade Policy 2015-2020

## ANNEXURE II

### ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO SGS UNDER THE APPLICABLE DIRECT AND INDIRECT TAX LAWS (“TAX LAWS”) IN INDIA

Outlined below are the possible special tax benefits available to SGS under the Tax Laws in force in India. These possible special tax benefits are dependent on SGS fulfilling the conditions prescribed under the Tax Laws. Hence, the ability of SGS to derive the possible special tax benefits is dependent upon fulfilling such conditions, which are based on business imperatives it faces in the future, it may or may not choose to fulfil.

#### UNDER THE TAX LAWS

##### A. Direct taxation

SGS is neither eligible nor availing any special corporate tax benefits under the Tax Laws identified in Annexure I above.

##### B. Indirect taxation

SGS is availing the following special benefits under Indirect Taxes:

- a. SGS is entitled for reimbursement of 25% of Capex (Capital -Expenditure) investment in non SEZ area and reimbursement of CVD/ Excise on capital equipment under the Modified Special Incentive Package Scheme (M - SIPS).
- b. SGS is entitled to zero rated benefit on the goods and services exported by them i.e., supply of goods and services without payment of GST under the cover of Letter of Undertaking (‘LUT’).
- c. SGS is entitled for exemption from the whole of the duty of customs and the additional duty, leviable under the Customs Tariff Act, 1975, for manufacture and development of electronics hardware and software for export by an Electronic Hardware Technology Park (EHTP) unit.

#### NOTES:

1. The above is as per the current tax laws, **as amended by the Finance Act, 2021.**
2. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares of SGS.
3. The possible special tax benefits are subject to conditions and eligibility criteria which need to be examined for tax implications.
4. This Statement does not discuss any tax consequences in any country outside India of an investment in the equity shares of SGS.
5. The tax benefits discussed in the Statement are not exhaustive and are 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 and 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.
6. In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the applicable double taxation avoidance agreement (“DTAA”), if any, between India and the country in which the non-resident has fiscal domicile.

**For SGS Teknics Manufacturing Private Limited**

Authorized Signatory

Place: Gurgaon

Date: 13-12-2021

## **Certificate on Statement of Tax Benefits - Perfect ID India Private Limited**

**Date:** 13 December 2021

To,

### **The Board of Directors**

Perfect ID India Private Limited,  
Ground Floor, Center Block 188,  
Poonamallee, High Road, Kilpauk,  
Chennai – 600010, Tamil Nadu, India

**Statement of possible special tax benefits (under direct and indirect tax laws) available to Perfect ID India Private Limited (the “Company”) in accordance with the requirements under Schedule VI Part A- Clause (9) (L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”) in connection with the proposed initial public offer (“Offer”) of equity shares of Syrma SGS Technology Limited (“Issuer”).**

Ladies and Gentlemen,

We, Sundarajan & Co., the statutory auditors of the Company (i.e. material subsidiary of the Issuer), hereby confirm that the enclosed statement is in connection with the special tax benefits available to the Company, under the Income Tax Act, 1961, as amended (the “Act”), presently in force in India, the Finance Act, 2021 as amended, i.e. applicable for financial year 2021-22, relevant to the assessment year 2022-23 presently in force in India as on the date of this certificate in the enclosed statement at **Annexure I**.

Several of these benefits are dependent on the Company fulfilling the conditions prescribed under the relevant provisions of the Act which are based on business imperatives the Company may face in the future and accordingly, the Company may or may not choose to fulfil.

The benefits discussed in the enclosed **Annexure I** are not exhaustive. We were informed that this statement covers only special tax benefits available to the Company and do not cover any general tax benefits available to the Company and is only intended to provide general information to the investors for the Offer and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.

We confirm that Annexure I provide in all material respects the tax benefits available to the Company in accordance with the applicable tax laws as on the date of this certificate.

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

- (1) The Company will continue to obtain these benefits in future; or
- (2) The conditions prescribed for availing the benefits have been/ would be met with.
- (3) The revenue authorities/courts will concur with the views expressed therein

The contents of the enclosed statement 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.

We have conducted our examination in accordance with the ‘Guidance Note on Reports or Certificates for Special Purposes’ issued by the Institute of Chartered Accountants of India (“ICAI”) which requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI. We hereby confirm that while providing this certificate we have complied with the Code of Ethics issued by the ICAI.

We confirm that the information in this certificate is true and correct and there is no untrue statement or omission which would render the contents of this certificate misleading in its form or context.

We hereby give consent to include this statement in the Draft Red Herring Prospectus, Red Herring Prospectus, the Prospectus and in any other material used in connection with the Offer (“**Offer Documents**”), and it is not to

be used, referred to or distributed for any other purpose without our prior written consent.

We confirm that we will immediately communicate any changes in writing in the above information to the Book Running Lead Managers until the date when the Equity Shares allotted and transferred in the Offer commence trading on the relevant stock exchanges. In the absence of any such communication from us, Book Running Lead Managers and the legal advisors, each to the Issuer and the Book Running Lead Managers, can assume that there is no change to the above information.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Offer Documents.

Yours faithfully

**For M/S Sundarajan & Co**  
**Chartered Accountants**  
**ICAI Firm Registration Number: 005101S**

**Partner: Krishnan V**  
**Membership No. 210277**  
**Place: Mumbai**  
**UDIN: 21210277AAAAAU8584**  
*Encl: Annexure I (Statement of tax benefits)*

## **Annexure I**

NIL

## SECTION VI - ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

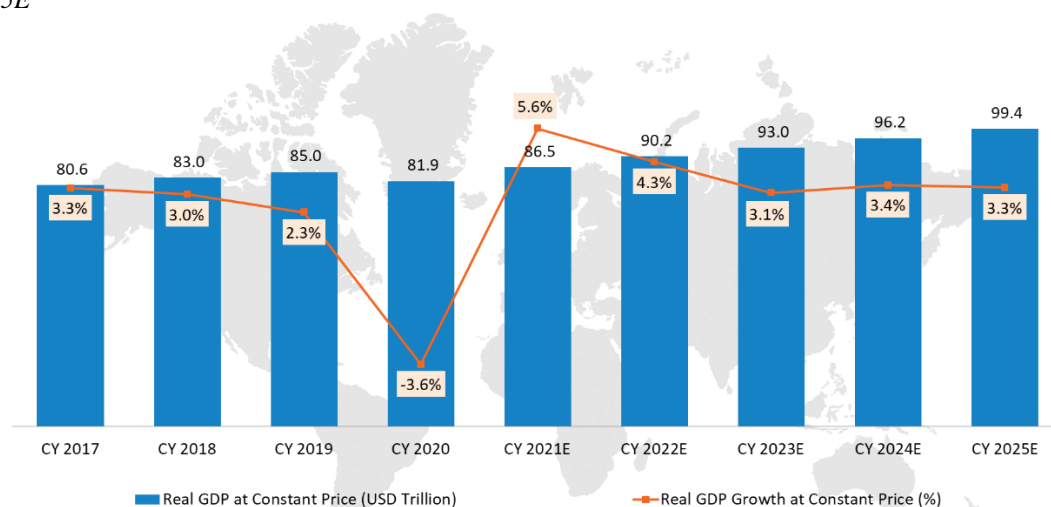
The information contained in this section is derived from a report titled “Assessment of Electronics Manufacturing Services (EMS) Industry in India” dated December 13, 2021 prepared by F&S, and commissioned and paid for by our Company in connection with the Offer. Neither we, nor the BRLMs, nor any other person connected with the Offer has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as at specific dates and may no longer be current or reflect current trends. Accordingly, investment decisions should not be based on such information. See “Certain Conventions, Use of Financial Information and Market Data and Currency of Presentation – Industry and market data” on page 16.

### GLOBAL MACROECONOMIC OVERVIEW

#### Global Real GDP and Growth Outlook

The Global economy (real GDP), which is now in the path of steady recovery, has undergone significant stress in the last few years due to extended trade conflicts, slowdown in investments across the world and then a novel virus. Global economy was showing signs of slowdown since CY2018 and then entered into a recession in CY2020 owing to the unprecedented crisis caused by COVID-19 pandemic. The global GDP is expected to grow at a CAGR of 3.9% by CY2025.

*Real GDP and Real GDP Growth (Annual %age Change), Global, Value in USD Trillion, Growth in %, CY2017-CY2025E*



Note: E refers to Estimate

Source: IMF, World Economic Outlook, 2021; World Bank; Frost & Sullivan Analysis

*Country/ Region wise Real GDP comparison, Global, Value in USD Trillion, CY2017-CY2025E*

Country/ Region	CY2017	CY2018	CY2019	CY2020	CY2021E	CY2022E	CY2023E	CY2024E	CY2025E
Global	80.6	83.0	85.0	81.9	86.5	90.2	93.0	96.2	99.4
United States	17.4	18.0	18.3	17.7	18.9	19.7	20.2	20.5	20.8
Europe	23.7	24.2	24.6	23.2	24.2	25.2	25.8	26.3	26.8
China	10.2	10.9	11.5	11.8	12.8	13.5	14.2	14.9	15.7
South East Asia	2.8	3.0	3.1	3.0	3.1	3.3	3.5	3.6	3.8
India	2.7	2.8	2.9	2.7	3.0	3.2	3.4	3.6	3.8

\* All values in USD Trillion

Note: E refers to Estimate

Source: IMF, World Economic Outlook, 2021; World Bank; Frost & Sullivan Analysis

## Real GDP for Key Regions and Growth Outlook

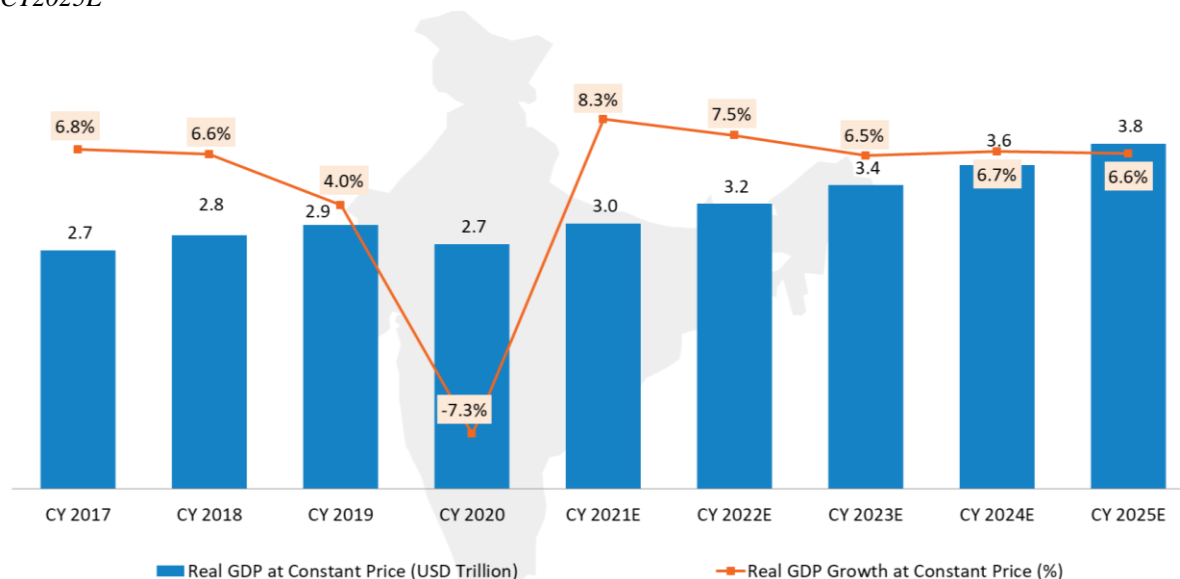
### India

The Indian economy continued to grow between 2017 and 2019. However, there was a moderation in the growth rate during these years. As the Government was taking various measures to counter this slowdown, Covid-19 created havoc in 2020 which resulted in 7.3% contraction of the country's economy. This was worst ever economic performance by India, worst year in terms of economic contraction in the country's history and much worse than the overall contraction in the world. Unemployment rate was more than 20% in April and May 2020 and individual income dropped by more than 40% during this period. Private consumption, the mainstay of aggregate demand, was severely affected by the pandemic. As per NSO estimate, Private Final Consumption Expenditure (PFCE) contracted by 9.0 per cent in 2020-21, reflecting impact of the stringent nation-wide lockdown and social distancing norms, heightened uncertainty as a result of transitory and permanent job losses, closures of small, micro and unincorporated businesses and wage resets.

However, the country has showed tremendous resilience in these difficult times and macroeconomic indicators started improving gradually since Q3 2020. The medium term growth outlook is very positive and country is likely to record a growth of 8.3% in 2021 and 7.5% in 2022, on account of strong macroeconomic fundamentals including moderate inflation, implementation of key structural reforms and improved fiscal and monetary policies.

Among all large economies, India is likely to demonstrate a rapid and sustainable growth post COVID-19, driven by strong manufacturing-led industrial expansion and consumption demands from the private sector.

*Real GDP and Real GDP Growth (Annual %age Change), India, Value in USD Trillion, Growth in %, CY2017-CY2025E*



Note: E refers to Estimate

Source: IMF, World Economic Outlook, 2021; World Bank; Frost & Sullivan Analysis

One of the key reasons for the anticipated growth of Indian economy is the country's focus on the manufacturing sector. Indian manufacturing sector's contribution has increased from 16 % to over 18 % in the past 10 years buoyed by initiatives like the "Make In India" and sector specific initiatives to various manufacturing companies that aim to make India a global manufacturing destination. Similarly, the Government of India has also introduced Production Linked Incentives (PLI) scheme for large-scale electronics manufacturing. The scheme proposes production-linked incentive to boost domestic manufacturing and attract large investments in - Large Scale Electronics Manufacturing (mobile phones and specified electronic components), IT Hardware (Laptops, Tablets PCs and Servers) and White Goods (Air Conditioners and LED Lighting) including Assembly, Testing, Marking and Packaging (ATMP) units.

The pandemic has also created unique growth opportunity for India. Supply chain disruption during the pandemic has forced many countries and organization to re-think on their sourcing strategy and reducing dependency on one country for the entire supplies. These large companies are now looking for alternate low-cost manufacturing locations in South East Asia and South Asia and India is emerged as one of the sought after investment destinations

for many of these organization. As there would be re-alignment of global supply chain in the coming years, India is likely to benefit immensely from these strategic decisions and likely to become a manufacturing powerhouse in the coming years. Favourable business environment, liberal FDI norms, constantly improving 'Ease of Doing Business' rankings, enormous consumer base and rapidly improving digital infrastructure are some of the key factors that will drive investment in India in the coming years.

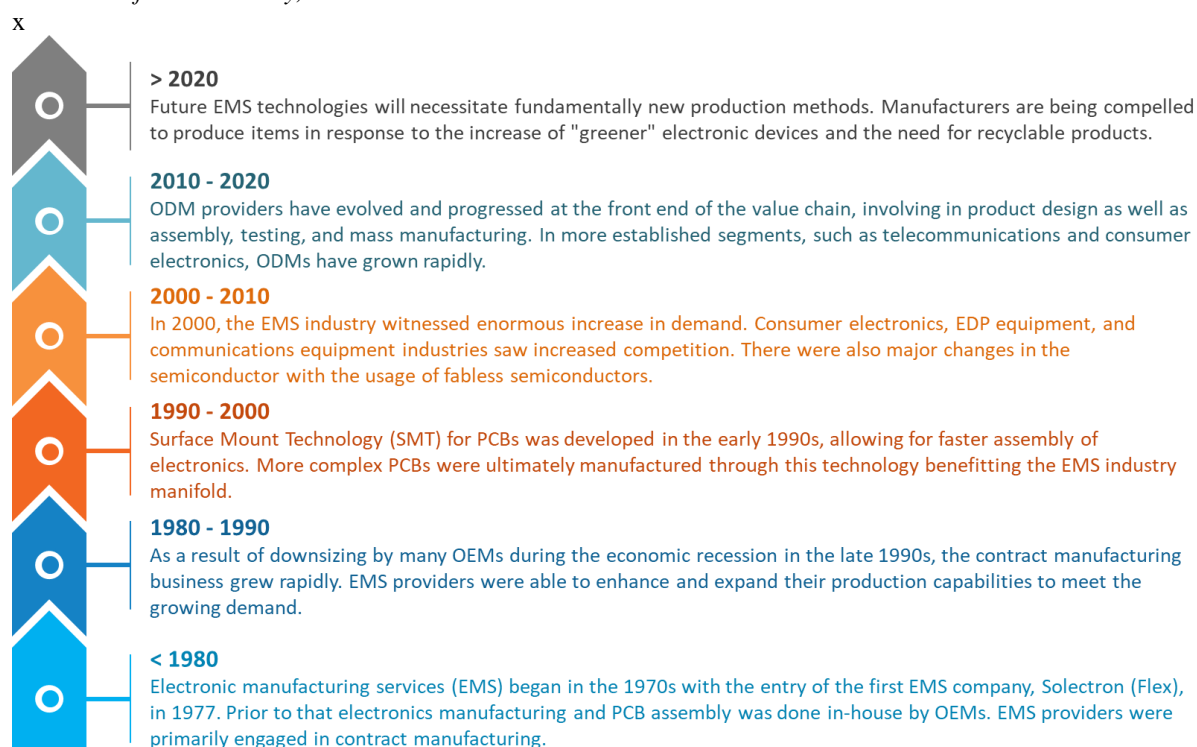
## GLOBAL ELECTRONICS INDUSTRY OVERVIEW

### Introduction to Electronics Manufacturing Services (EMS) Industry

The global electronics manufacturing services market traditionally comprised of companies that manufacture electronic products, predominantly assembling components on Printed Circuit Boards (PCBs) and box builds for OEMs. Today OEMs are seeing more value from EMS companies, leading to involvement beyond just manufacturing services to product design and developments, testing, aftersales services, such as repair, remanufacturing, marketing, and product lifecycle management.

### Evolution of EMS Industry

*Evolution of EMS Industry, 1980 to 2020*



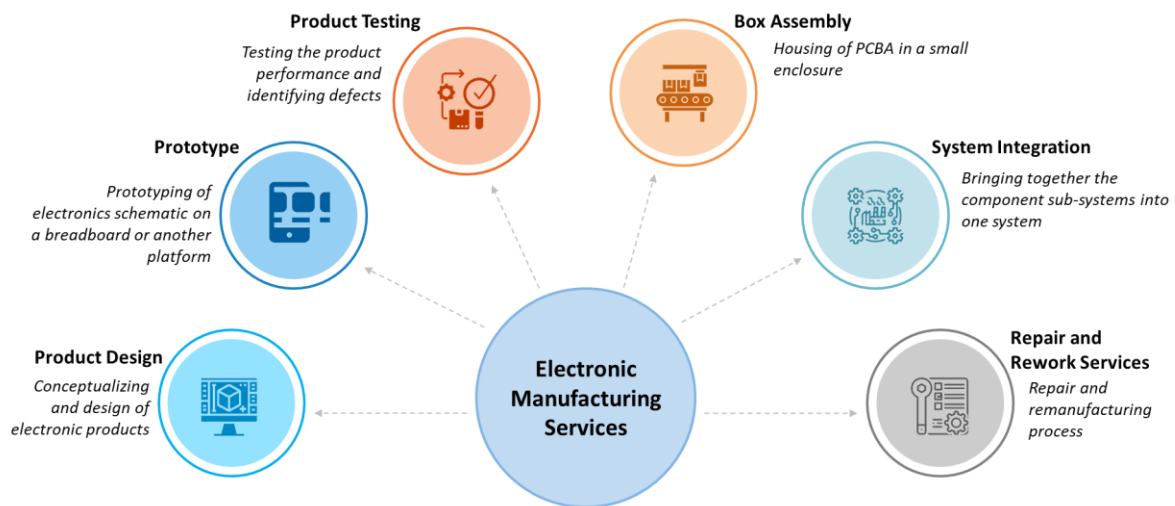
Source: Frost & Sullivan Analysis

### Range of Services offered by EMS Companies Globally

EMS companies are equipped to provide a gamut of services which includes design, assembly, manufacturing and testing of electronic components for the original equipment manufacturers.

*Range of Services offered by Electronic Manufacturing Service companies, Global, 2020*





Source: Frost & Sullivan Analysis

Service providers who specialise in the small production or prototypes runs normally assemble Printed Circuit Boards manually to save time and cost involved in setting up the automated assembly equipment. Electronics manufacturing services differ by service provider, and any particular partner may provide any combination of the following: PCB assembly, cable assembly, electro mechanical assembly, contract design, testing, prototyping and aftermarket services.

**Design services:** Design services incorporate numerous associated actions that occur after determining the customer's specifications or product requirements and before manufacturing or at the beginning of an assembly. The EMS Company initially provide the product concept describing the core objectives of the project and the initial specifications and the company is expected to do research by interviewing the product users, consulting the experts, and exploring the existing correlated products. After these two steps take place, the product is then being developed, envisioned, and tested, and a sample is being sent to the customer for approval purpose.

**Prototyping:** EMS providers build prototypes, which are the early samples prepared to test the product's concept, after the design phase. Prototyping make sure that the product will serve its proposed purpose after it is manufactured as a part of a bigger production run. Prototypes are frequently built with low-cost materials than those used in the manufacturing process. Prototyping may happen many times at several points in the design and the planning stages of a project.

**Testing services:** Testing is an essential element of the production process since it protects against defects and errors. EMS companies should have strong test solutions in place so that they can consistently create high-quality products. EMS companies might provide one or further types of product testing after finishing a prototype or product run. Some of the key types of testing solutions include:

- *Agency compliance testing* - guarantees that the product meets the safety and the quality guideline of a certain agency's standards
- *Analytical laboratory testing* - helps in terms of quality control, research and development and failure investigation
- *Automated optical inspection* - uses a computer to analyse a Printed Circuit Board to find defects, including the broken traces, etching problems, excess solder or incorrect hole registration
- *Electrical safety testing* - is required for every product that uses electricity and helps to maintain the assembly's integrity
- *Environmental testing* - simulates a product's planned environment. It could vary the environment's temperature, humidity, & vibration to test the product's resistance
- *Functional testing* - simulates the assembly's usual function to test its complete operational features
- *In-circuit testing* - involves probing distinct components within the circuit to test their operation
- *X-ray testing* - uses non-destructive imaging technique to provide a detailed analysis of the assembly

**Manufacturing capabilities:** Electronics manufacturing includes quite a few diverse types of electronic products and service providers should be capable of delivering the specified product as per design.

- *Printed circuit boards (PCBs):* are the flat boards that hold the electronic components. EMS providers populate the PCBs with components for the purpose of creating printed circuit assemblies, and may have

the competency to work with some different types of boards. Printed Circuit Boards are expected to be very rigid and manufactured as a hard and inflexible board.

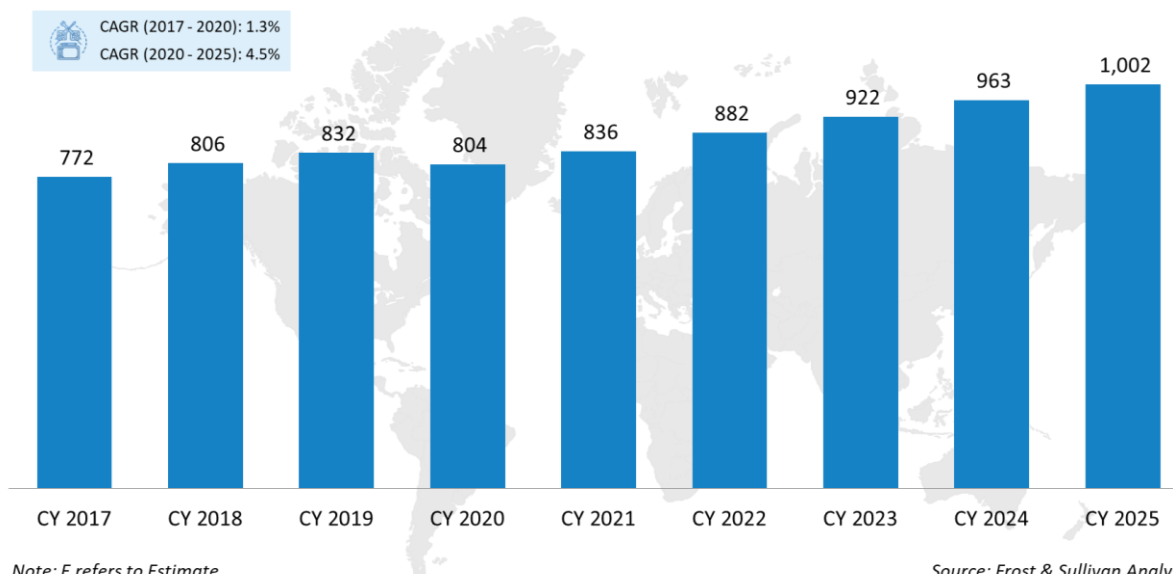
EMS companies might also specialize in one of two different types of PCB technology: (i) Through hole technology (THT) encompasses mounting the components by inserting their leads through the holes drilled in board. The leads after that are soldered into place on the reverse side of board. THT components are usually hand-soldered or wave soldered to a Printed Circuit Board in the production line. (ii) In Surface mount technology (SMT) the components are soldered to the top of the Printed Circuit Board. They are typically smaller and cheaper than the THT components. From the manufacturing standpoint, existing pick-&-place equipment can mount the SMT components very quickly and precisely.

- **Microelectronics:** deals with the production of small semiconductor components that contains flip chip and chip on board devices. Flip chips are integrated circuits that connect to the external circuitry using the solder bumps deposited on the chip. They are frequently used in the mobile phones and other types of small electronics. Chip-on-board devices include bonding bare dies to Printed Circuit Boards.
- **Optoelectronics:** devices include sourcing, identifying, or controlling the light. EMS companies can bring together optical switches, fibre optic transmitter & receiver, and the laser modules.
- **Radio frequency or wireless devices:** are regularly used in the telecommunications and the data transfer applications. EMS providers can assemble RFID and other types of telecommunication and wireless technologies.

**Aftersales Service:** Aftersales currently generates 7.1 % of the total EMS market revenue. The demand for repair and remanufacture is not high, as a majority of the electronics products, for instance mobile phones, tablets, computers, and laptops, do not create a demand for repair or remanufacturing activities. The end-user mind-set is fixed on replacement rather than repair, and hence, the overall demand for this service is low. Only high-value electronics with warranty will the create necessity for repair and remanufacturing, for instance telecom or certain products in the aerospace and industrial sectors.

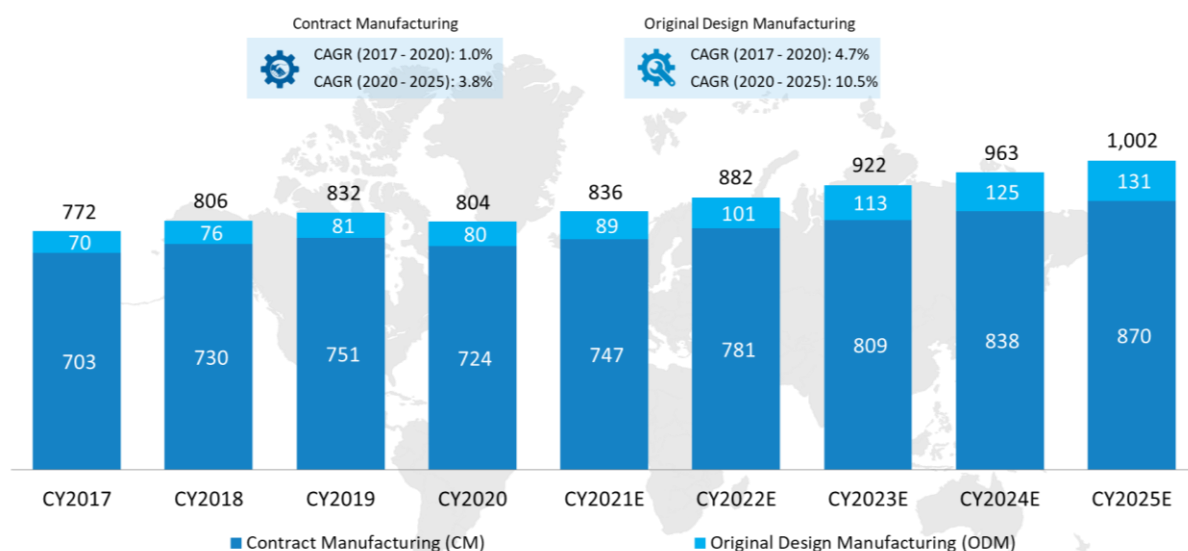
## Global Electronics Manufacturing Services (EMS) Industry and Outlook

*Electronics Manufacturing Services (EMS) Industry, Global, Value in USD Billion, CY2017-CY2025E*



## Global EMS Market Break-up by Contract Manufacturing (CM) and Original Design Manufacturing (ODM)

*EMS Market break-up by CM and ODM, Global, Value in USD Billion, CY2017-CY2025E*

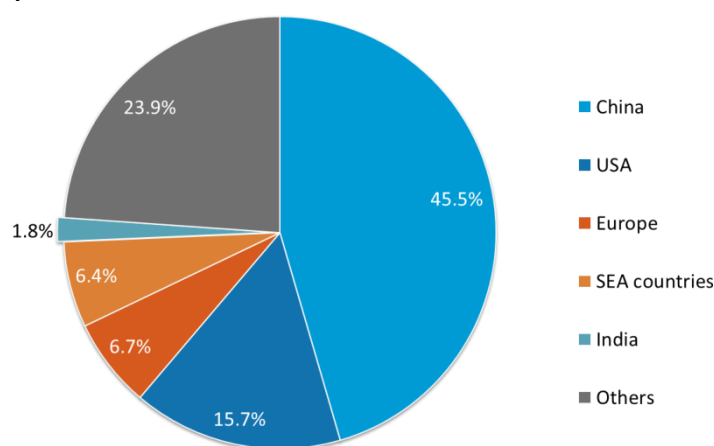


Note: E refers to Estimate

Source: Frost & Sullivan Analysis

## Global EMS Market Break-up by Select Countries

EMS Market break-up by select countries, Global, Value in USD Billion, CY2020



Source: Frost & Sullivan Analysis

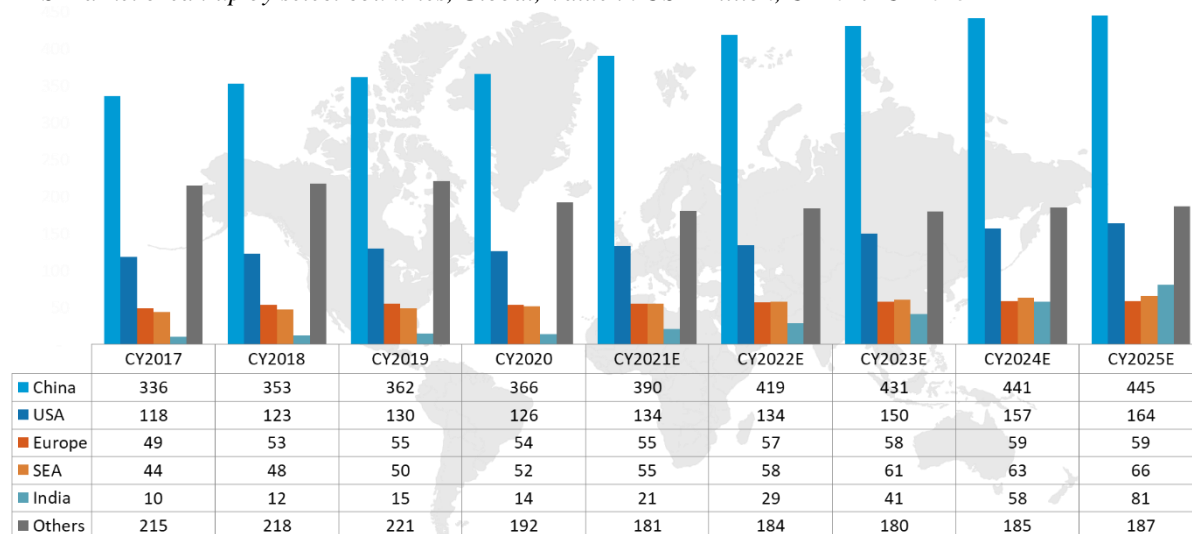
North America is a leader in adopting next-generation technologies and devices. For instance, USA is one of the first countries to start commercialization of 5G. On the devices front, the demand for IoT based devices is expected to accelerate at CAGR of 15.0 % till 2025. In the next five years, demand for EMS will be driven by a rise in electronic device demand, a well-established EMS infrastructure, and evolving government policies that encourage local production. Linking the region's quantum of R&D activities to the total available market, EMS providers can expect good growth opportunities from product development if EMS providers can solve scalability and time-to-develop challenges.

Also, the EMS providers in the region are looking to diversify the portfolio of end-user verticals to create sustainable growth opportunities. Currently, some EMS firms in the region that rely heavily on the automotive or aerospace and defence (A&D) verticals were significantly impacted in 2020 due to economic slowdown. From a growth perspective, the presence of leading network equipment OEMs, emerging medical device start-ups, regulations forcing auto OEMs to shift to EVs, reshoring, and upgrading of manufacturing facilities will improve growth prospects for EMS companies in the region.

In India, there is a strong government push to broaden the operations and revenue from the electronics industry. In 2019, India launched several schemes, including EMC 2.0, under National Policy on Electronics (NPE) to improve the infrastructure of electronics manufacturing and provides incentives to produce more goods that drive EMS in India. PLI scheme offers various incentives to promote the EMS industry and pushes companies to rethink their local supply chain and aim for export-led growth. An EMS corridor is being set up in southern state of Tamil

Nadu at Chennai. EMC Smart City investment in Greater Noida is proposed at an investment of USD 162.7 million. Companies such as Jabil, Dixon, Flextronics, SFO, Elin, Rangsons, Kaynes, and Centum have invested in production capacities backed by Make in India policy initiatives.

*EMS Market break-up by select countries, Global, Value in USD Billion, CY2017-CY2025E*



\* Others include: Rest of Asia, Latin America (LATAM), Middle East & Africa (MEA)

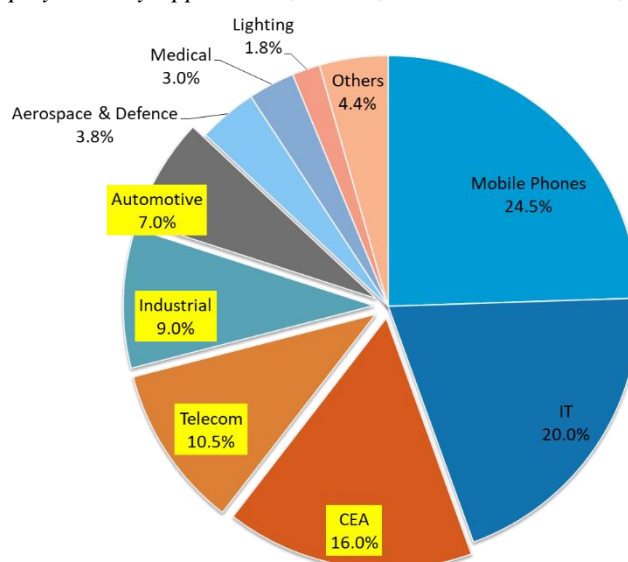
Note: E refers to Estimate

Source: Frost & Sullivan Analysis

Post Covid-19 pandemic, many global electronics manufacturers are contemplating on China + 1 strategy and looking for alternate manufacturing locations for exports business. This is creating tremendous investment potential for countries like Vietnam, India, and Philippines etc.

### Global EMS Market Break-up by End-user Applications

*EMS Market break-up by Industry Applications, Global, Value in USD Billion, CY2020*



# Segments highlighted in yellow are the key business segments for Syrma

\* Others include: Energy, Power, etc

Source: Frost & Sullivan Analysis

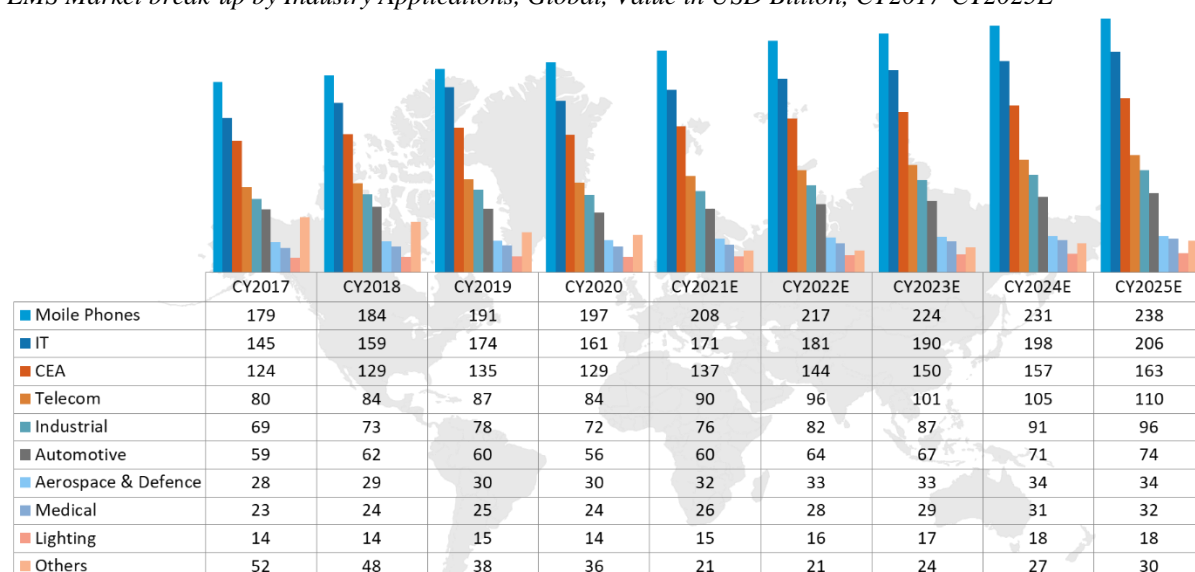
Computers and information technology (IT) and consumer electronics and appliances (CE&A) account for roughly 36% of the market in terms of value in 2020. The work-from-home trend boosted sales of computers, IT, and other hardware products during this time period. Consumer electronics and appliances, which have the second largest market share, have had a consistent performance in the last few years, which has been aided by growth in advanced economies and developing countries.

Rising demand for smart solutions is expected to fuel future growth. Furthermore, OEM and EMS manufacturers are progressively supplying both premium and mid-range appliances in order to meet the growing demand for both product categories and increase revenue.

The Telecom vertical includes servers, routers, base-station transceivers and transmitters, and other telecom devices. 5G technology commercialization is one of the major factors contributing to the growth of the EMS market from this vertical. EMS companies provide end-to-end services, including design, prototyping, testing, and supply chain management.

Automotive is one of the key growth opportunity verticals for EMS providers in the next 5 years, due to the technology transformation currently underway with autonomous car development and electric car commercialization activities. Moreover, the rapidly growing electronics content will accelerate the growth of EMS revenue from this vertical. Medical device electronic manufacturing services are a key revenue opportunity in the other segment. Though the Covid-19 pandemic has created a surge in demand for EMS in this vertical, it is important to carefully assess the demand level for the mid and long terms.

*EMS Market break-up by Industry Applications, Global, Value in USD Billion, CY2017-CY2025E*



\* Others include: Energy, Power, etc.

Note: E refers to Estimate

Source: Frost & Sullivan Analysis

## Drivers and Challenges for the growth of Global EMS industry

Key Drivers for the growth of Global EMS industry

- Technological advancements and acceptance of smart home devices
- Greater Emphasis on Vehicle Electrification
- Technological upgrade of facilities
- Product development activities
- COVID-19 induced pent-up demand

## Government incentives and Programs to support Electronics Industry by Select Countries

Across nations, there is a strong government push to broaden the operations and revenue from the electronics industry.

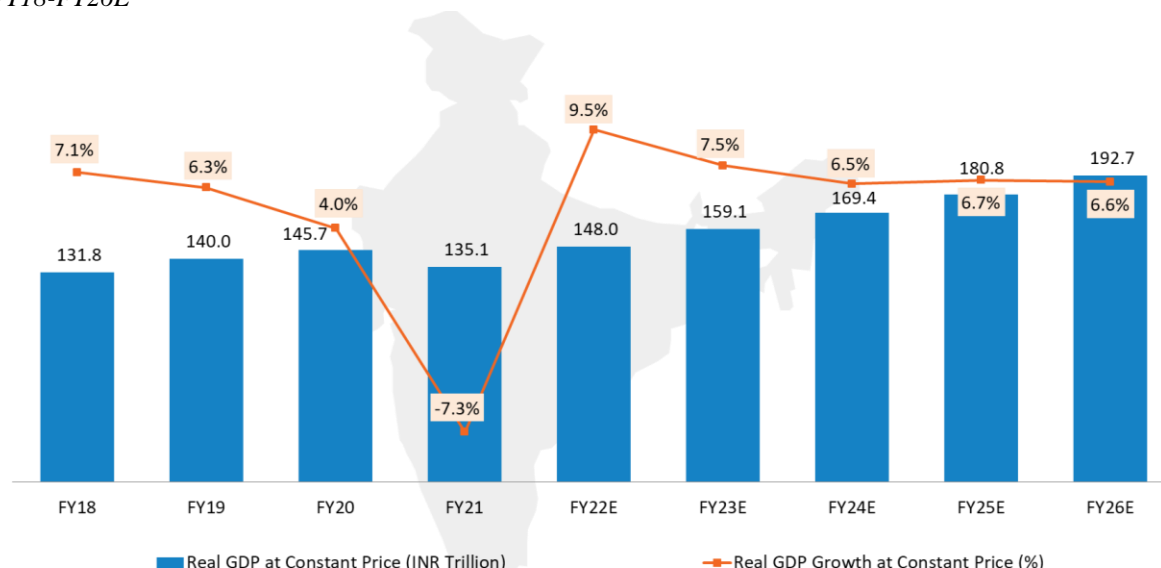
**India:** The government of India has been proactively building a base for electronics manufacturing in India and it has launched numerous incentive schemes, which have allowed manufacturing growth, reduced dependence on the imports, and promoted the exports. The GOI has launched numerous policies over the last few years to increase the innovation, protect the intellectual property, and develop the best-in-class electronics manufacturing set-up to build a favourable environment and invite the investment in the electronics hardware manufacturing. India's production of electronics has more than doubled in the past five years in between the time period 2015 to 2020 depending on such favourable incentive schemes. Some of the key schemes/ policies include: Product Linked

Incentive (PLI) Scheme, Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECs), Modified Electronics Manufacturing Clusters Scheme (EMC 2.0), Merchandise Exports from India Scheme (MEIS).

## INDIAN ELECTRONICS INDUSTRY OVERVIEW

### India Macroeconomic Outlook

Annual Real GDP and Real GDP growth (Annual Percentage Change), Value in ₹ Trillion, Growth in %, India, FY18-FY26E



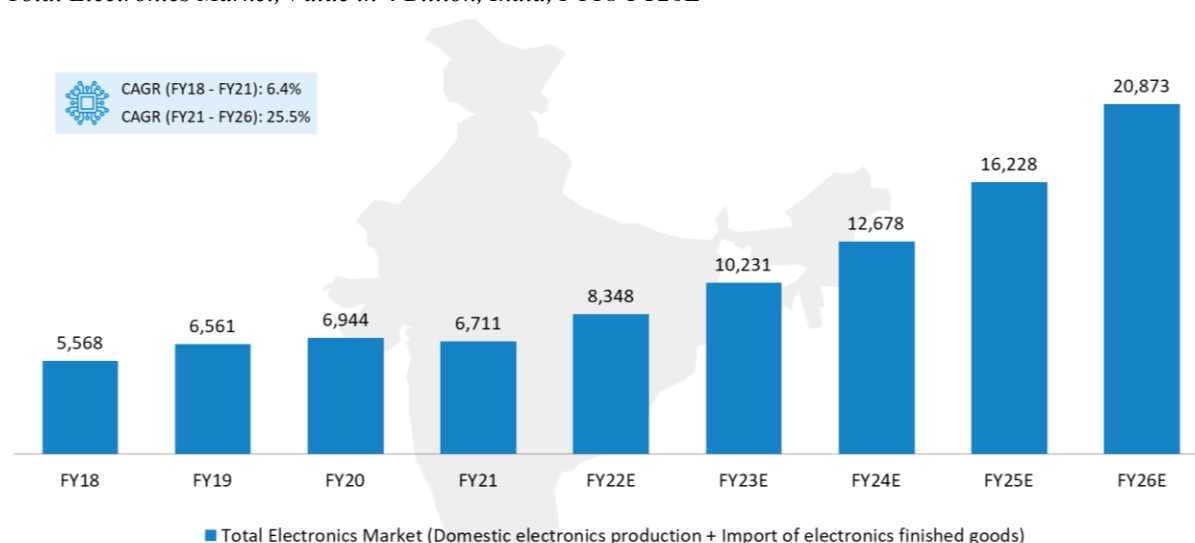
Note: E refers to Estimate

Source: MoSPI (Annual Estimates of GDP at constant price, 2011-12 series), IMF; Frost & Sullivan Analysis

FY22 outlook is strong and the Indian economy is expected to register 9.5 % growth in this financial year. Govt. has taken slew of measures to bring the economy back into track. There is strong focus on growth of the domestic manufacturing sector through various policy initiatives such as Atmanirbhar Bharat, PLI schemes etc. These initiatives will help the economy to register stable growth of approximately 6.5 % in the medium term.

### Indian Electronics Industry - Historical Trends and Outlook

Total Electronics Market, Value in ₹ Billion, India, FY18-FY26E



Note: E refers to Estimate

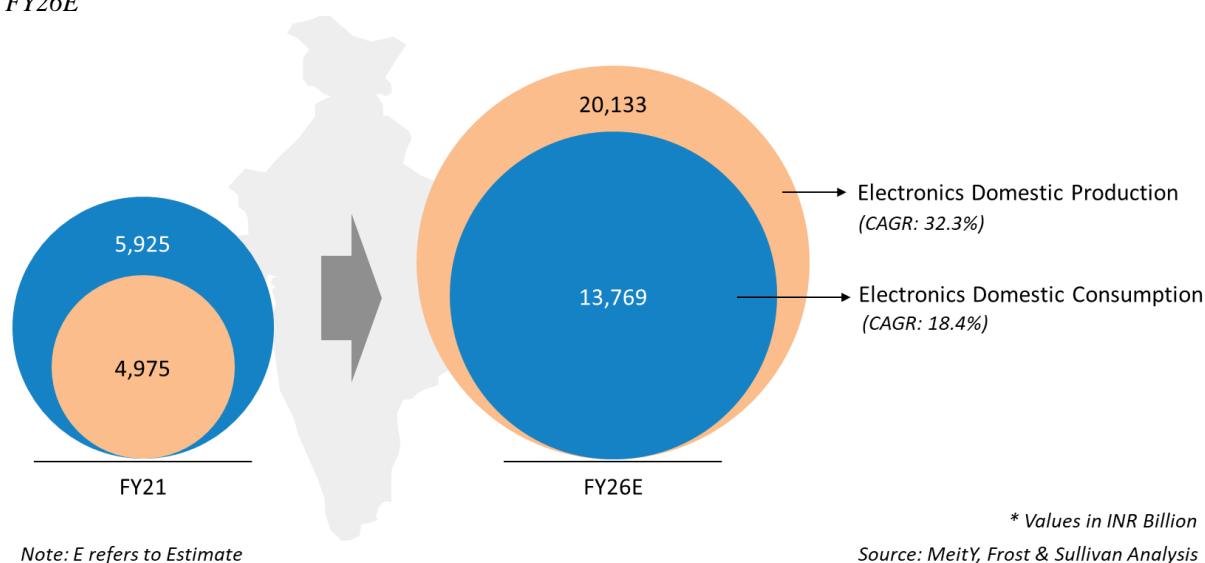
Source: MeitY, Frost & Sullivan Analysis

Electronics is one of the fastest growing industries in the country. The total electronics market (which includes domestic electronics production and imports of electronic products) in India is valued at ₹ 6,711 Billion (USD 91 Billion) in FY21, which is expected to grow at a CAGR of 25.5% to reach ₹ 20,873 Billion (USD 282 Billion) in FY26. The domestic production of electronics is around 74% of the total electronics market in FY21, which is expected to reach around 96% by FY26, with the help of various government initiatives and development of electronic ecosystem in India. Also, the global landscape of electronic design and manufacturing is changing significantly, and revised cost structures have shifted the attention of multinational companies to India.

India is positioned not only as a low-cost alternative, but also as a destination for high-quality design work. Many multinational corporations have established or expanded captive centres in India. Among the large bouquet of EMS players in India, our Company is one of the fastest growing Indian-headquartered ESDM companies.

### Indian Electronics Industry - Electronics Consumption vs. Domestic Manufacturing

*Overview of Electronics Industry - Domestic Consumption Vs Production, Value in ₹ Billion, India, FY21 and FY26E*



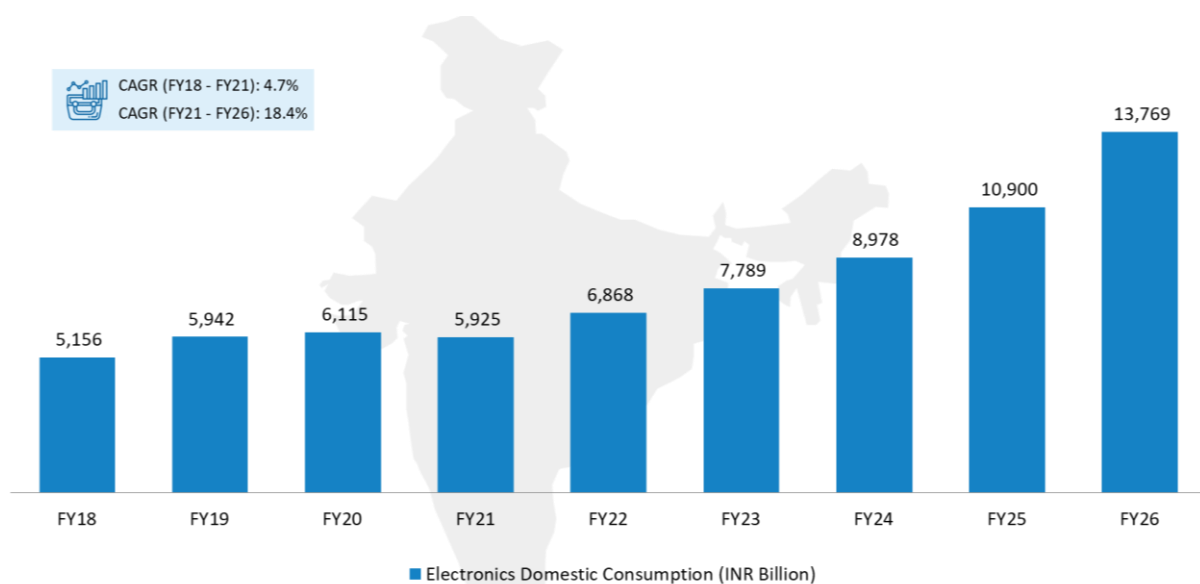
According to the World Bank's Doing Business Report, India has improved its position in ease of doing business from 142 ranks in 2015 to 63 rank in 2020.

In recent years, India's demand for electronic products has increased substantially, primarily due to India's development in the EMS segment. At present, India is the second largest mobile phone manufacturer in the world. The Indian start-up ecosystem is still evolving, and the potential that Indian start-ups have shown is a huge opportunity for the country. Our Company has deep connects with the start-up ecosystem that can help partner with the next generation companies very early. The reliance on imports to meet rising demand for electronic products is projected to increase unless timely measures are taken to improve local electronic production.

### Indian Electronics Consumption

*Electronics Domestic Consumption Market, Value in ₹ Billion, India, FY18-FY26E*





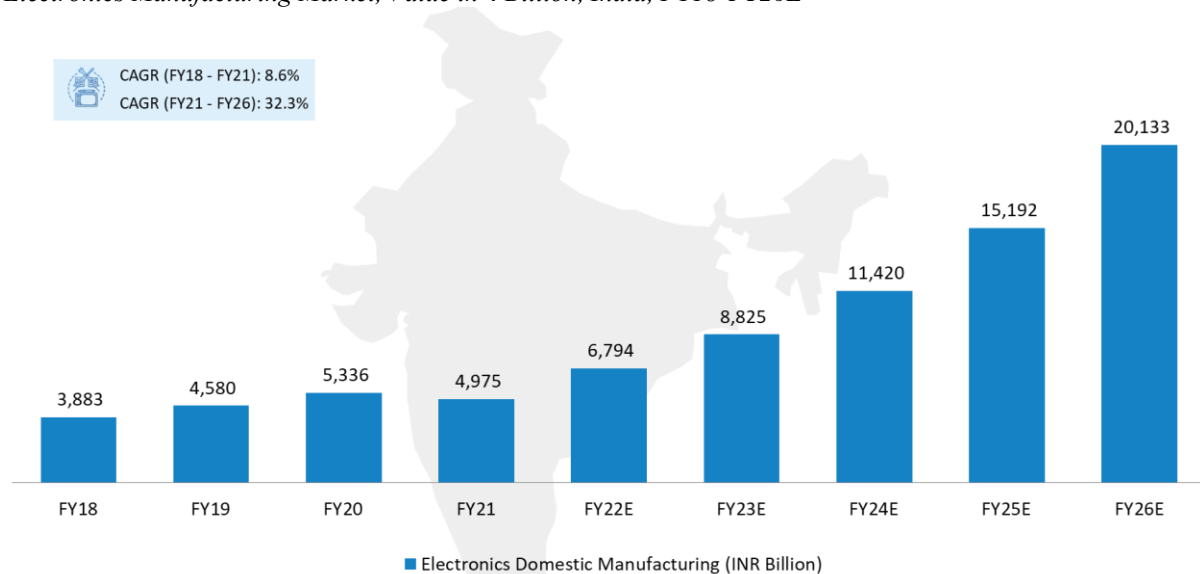
Note: E refers to Estimate

Source: MeitY, Frost & Sullivan Analysis

Electronics consumption market in India is estimated at ₹ 5,925 billion (USD 80 billion) in FY21, and is expected to grow at the rate of 18.4% to reach ₹ 13,769 billion (USD 186 billion) by FY26.

### Indian Electronics Manufacturing

Electronics Manufacturing Market, Value in ₹ Billion, India, FY18-FY26E



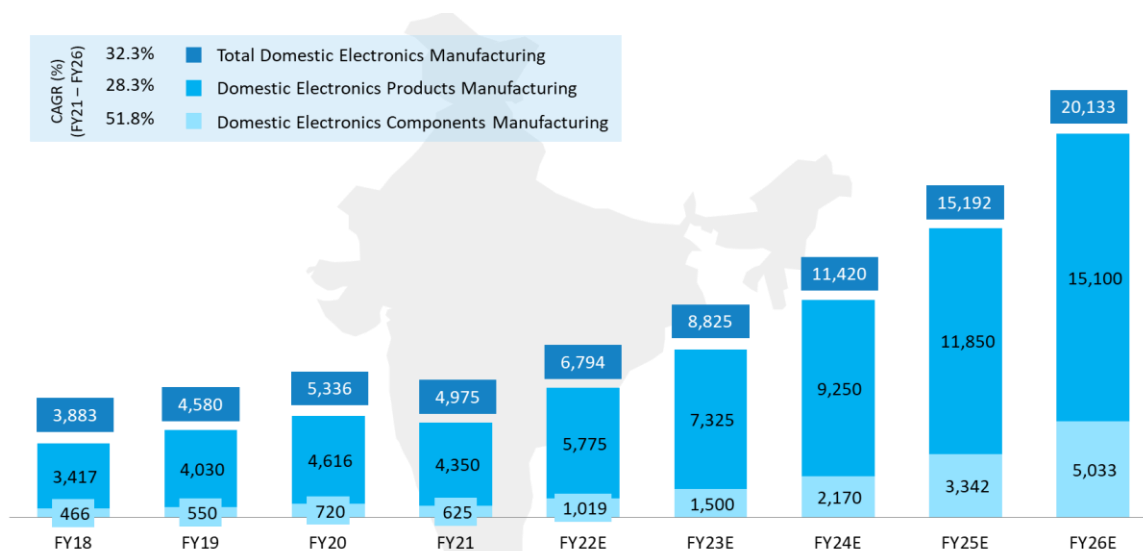
Note: E refers to Estimate

Source: MeitY, Frost & Sullivan Analysis

Electronics production in India is estimated at ₹ 4,975 Billion (USD 67 Billion) in FY21, and is expected to grow at a CAGR of 32.3% to reach ₹ 20,133 Billion (USD 272 Billion) by FY26. India has the potential to be one of the most attractive manufacturing destinations and support the objective of 'Make in India for the World'. Government and Industry needs to collaborate and drive initiatives to help India move among top 5 countries in electronics production and among top 3 in electronics consumption.

Total Domestic Electronics Manufacturing Market split by Products vs. Components manufacturing, Value in ₹ Billion, India, FY18-FY26E

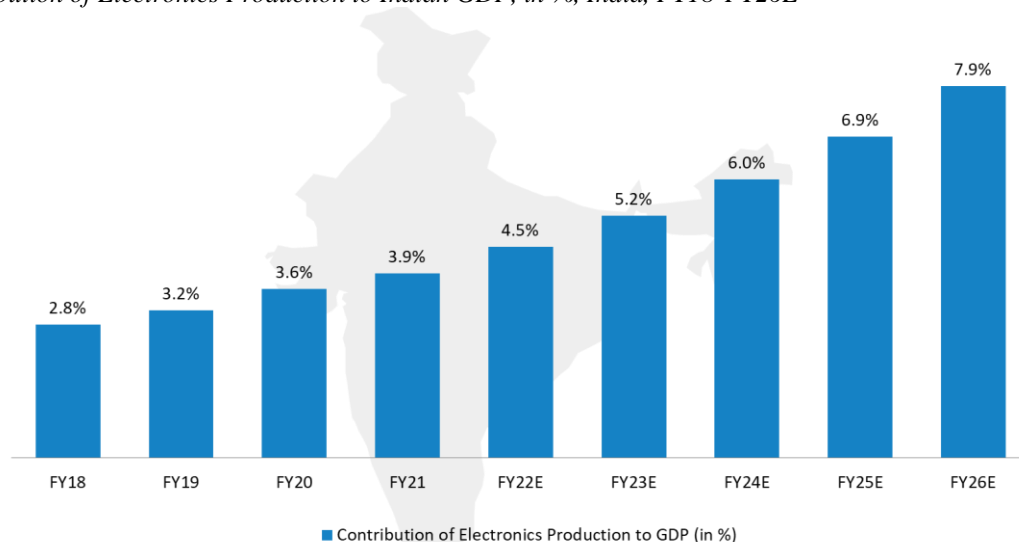




Note: E refers to Estimate

Source: MeitY, Frost & Sullivan Analysis

### Contribution of Electronics Production to Indian GDP, in %, India, FY18-FY26E



Note: E refers to Estimate

Source: MoSPI (Annual Estimates of nominal GDP, at current prices); Frost & Sullivan Analysis

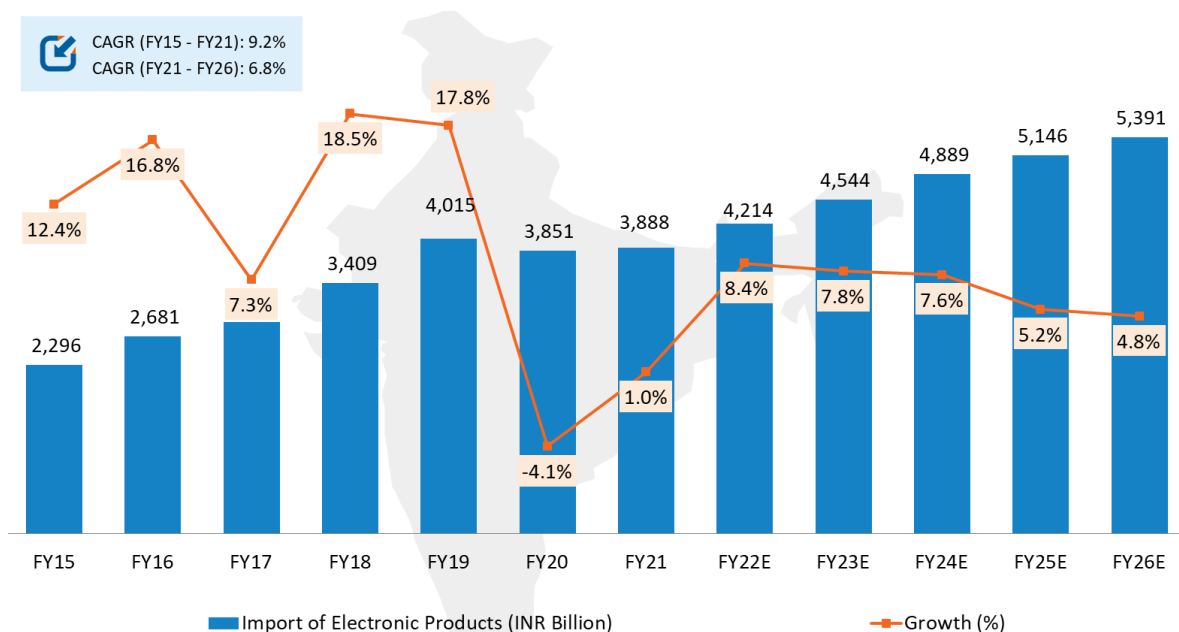
The success of the PLI scheme for the electronics segment in encouraging large-scale manufacture of electronics products is being viewed with great confidence. Similarly, the National Policy on Electronics (NPE) aims to make India a global hub of the electronic system design and manufacturing and has fixed some aspiring targets: manufacture of 1.0 billion mobile phones by the year 2025, valued at USD 190 billion including 600 million mobile phones (approximately USD 110 billion) for export purpose. The electronics industry is the foundation of the all other manufacturing sector. Diverse sectors have dissimilar incentive schemes.

In FY21, the electronics production in India contributed to 3.9 % of the nominal GDP (at current prices), which is expected to increase to around 7.9 % by FY26. The Government's objective is to provide domestic manufacturers with a better facility to make them competitive with imports into the industry by simplifying the tariff system, simplifying the procedures, giving incentives and improving the infrastructure.

### Import of Electronic Products in India

The total import value of the electronics products in FY15 was ₹ 2,296 Billion and in FY20 the value was ₹ 3,851 Billion. The import value saw a negative growth of 4.1 % in FY20 from FY19 which was valued at ₹ 4,015 Billion.

### Import of Electronic Products, ₹ Billion, India, FY15-FY26E



Note: E refers to Estimate

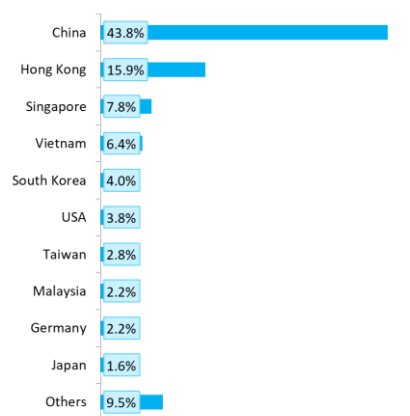
Source: MeITy; Directorate General of Commercial Intelligence and Statistics (DGCI&S)

#### List of Top 10 Imported Electronic Products by Value, India, FY20



Source: Export-Import Data Bank, Frost & Sullivan Analysis

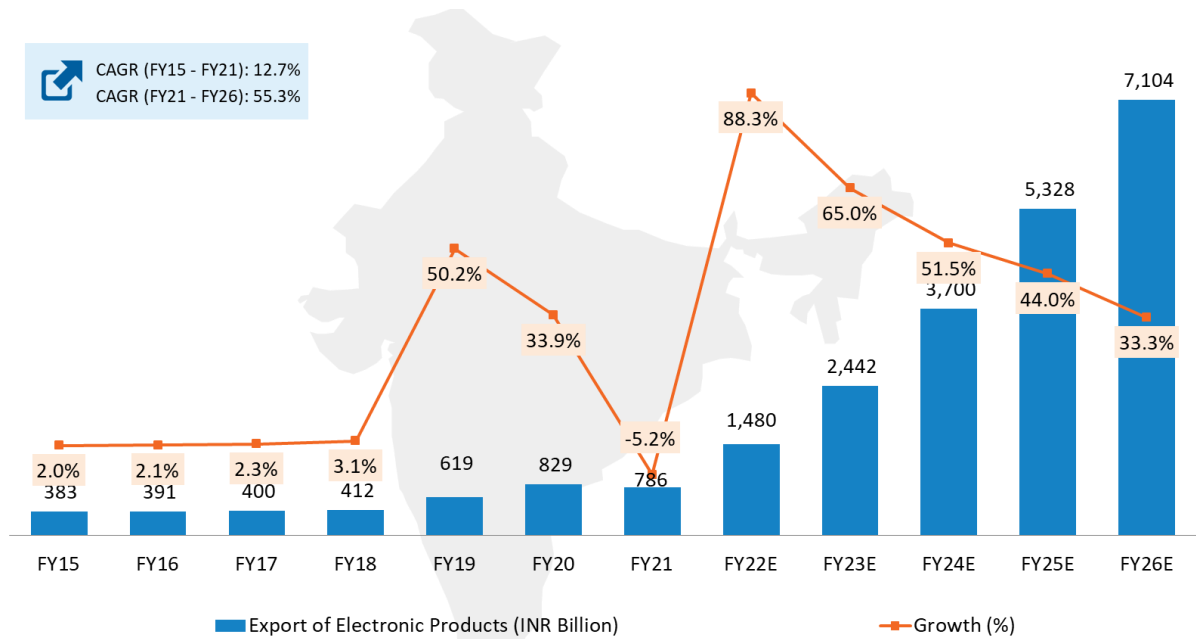
#### Import of Electronic Products by Key Countries, Value in %, FY20



Source: Ministry of Commerce & Industry, Govt. of India

## Export of Electronic Products in India

Export of Electronic Products, ₹ Billion, India, FY15-FY26E



Note: E refers to Estimate

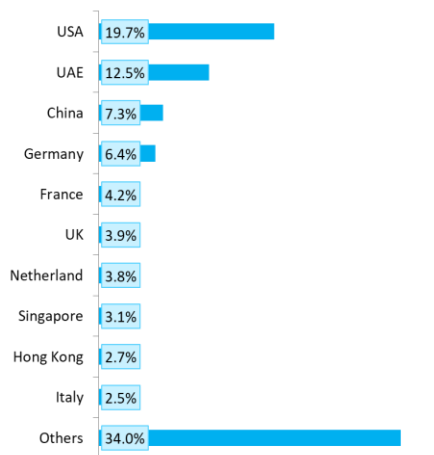
Source: MeITY; Directorate General of Commercial Intelligence and Statistics (DGCI&S)

## List of Top 10 Exported Electronic Products by Value, India, FY20

- Mobile Phones
- Engine Control Unit
- Industrial Machinery
- Energy Meters
- Smart Card Readers
- Inverter
- Set Top Boxes
- Storage Devices
- Air Conditioners
- Washing Machines

Source: Export-Import Data Bank, Frost & Sullivan Analysis

## Export of Electronic Products by Key Countries, Value in %, FY20

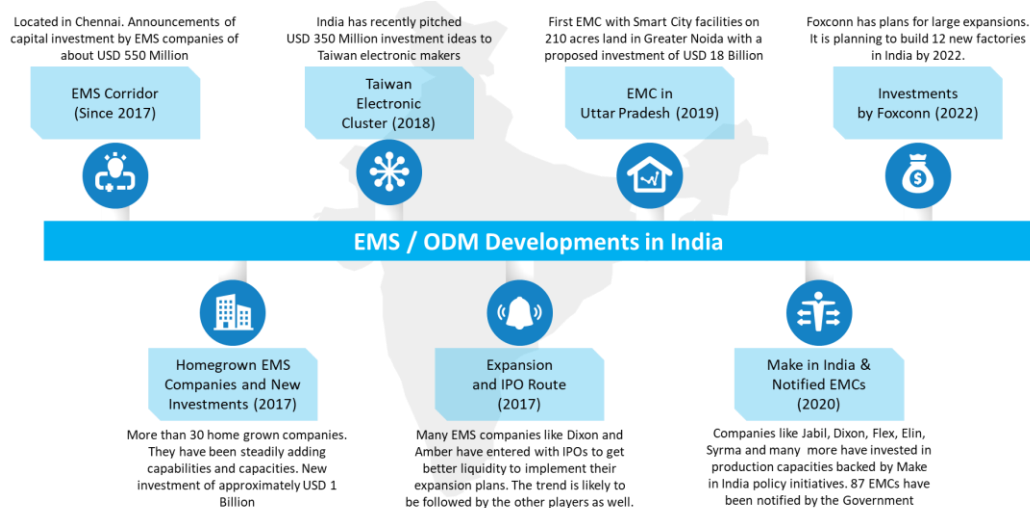


Source: Ministry of Commerce & Industry, Govt. of India

The total export value of the electronics products in FY15 was ₹ 383 Billion and in FY20 the value was ₹ 829 Billion. The value of exports increased by 34.0 % in FY20 compared to FY19, which was valued at ₹ 619 billion.

## Overview of EMS (Electronic Manufacturing Services) Industry in India

### EMS / ODM Developments in India



Source: Frost & Sullivan

The Indian electronic market, which is large, complex and highly competitive, requires OEMs to focus on marketing and after-marketing services, thus leaving manufacturing to electronic manufacturing service providers. The extensive financial costs involved in setting-up manufacturing, capacity additions/expansions, R&D, manpower, etc. influence OEMs to leverage on EMS/ODM services.

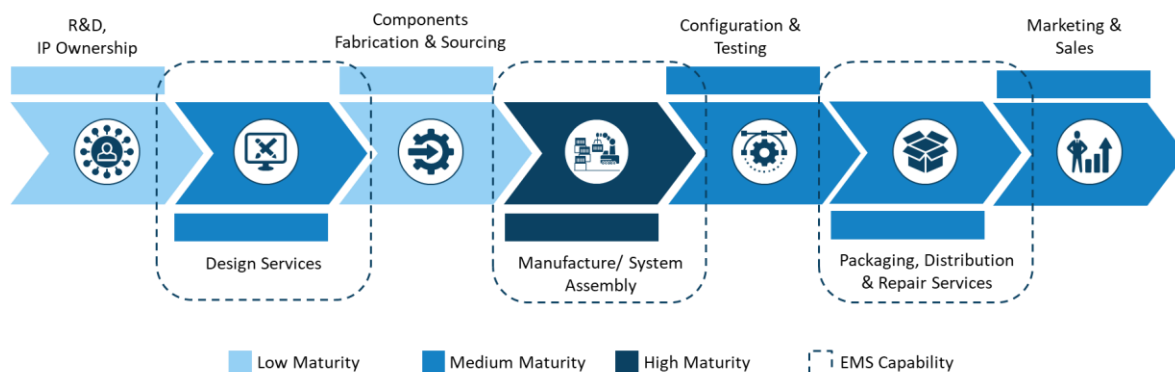
There are more than 30 players in the organized market. Major players are Flextronics, Foxconn, Jabil, Dixon, SFO, our Company, Elin, NTL and Cyient. Mobile Phones, Consumer Electronics and Industrial electronics contribute to 3/4th of the total EMS market in India. Embracing ODM model of partnership with EMS partners coupled with venturing into new product segments is propelling OEMs to pursue EMS engagement. High volumes will influence EMS/ODM to bring in the component ecosystem locally and enhance domestic capabilities of component sourcing thus making the electronics ecosystem stronger.

Ambitious expansion plans and capacity augmentation of indigenous EMS players to capitalize favourable policy initiatives ensure that the EMS sector in India shall witness heightened growth in coming days. Also, India has done well in Electronics design and has established itself as design hub of the world.

### EMS Value Chain Analysis

India has a competitive edge in design services, since most such work is outsourced to cost-effective destinations (China, South Korea, Thailand). In terms of manufacturing and system assembly, India has an established set-up. Many EMS providers are slowly evolving to offer complete design services apart from contract manufacturing. EMS players obtain higher margins through this model, and OEMs benefit by outsourcing manufacturing and design activities.

#### *Value Chain of EMS / ODM Industry in India, FY21*



EMS providers in India have moderate maturity levels in packaging, distribution, repair, sales and marketing functions to meet geographical standards and cater to local requirements. After-sales services which include repair and maintenance are fairly important for the Indian buyer as the use-and-throw perception is still not acceptable in the Indian electronics ecosystem. EMS companies having an extra ability to provide the reverse logistics will get additional business from the OEMs at the same time they would also be playing a very significant role in the e-waste management which is a huge concern globally. Our Company is involved with customers from design stage thereby ensuring integration in the entire value chain. It has strong credentials in concept co-creation with many customers followed by product realization and lifecycle support. The company is also driving innovations in the SCM.

#### **Emerging Trends in Electronics Manufacturing in India**

##### **Key Trends for EMS industry**

- Emerging Technologies
- System Automation and Analytics
- Localization of Supply Chain
- Component Miniaturisation

*Emerging Technologies:* Rapid technology advancement and newer products having upgraded technology have led to shorter life cycles for electronic products.

Utilization of IoT/sensors, 5G, artificial intelligence, and machine learning are providing stimulus for the creation of advanced multi-utility electronic products.

*System Automation and Analytics:* Indian design companies work on end-to-end product development, right from concept design to development to prototype testing. Advanced product development focusing on miniaturisation, IoT, automation, AI, and defence applications is likely to be one of the biggest trends in market growth in electronics design. IoT-based advanced analytics and industrial automation provide manufacturers with better efficiency and productivity gains.

*Localization of Supply Chain:* High domestic volumes and consumption, higher outsourcing volumes will influence EMS/ODM to bring in the component ecosystem locally and enhance local capabilities of component sourcing, thus making the ecosystem stronger and closer.

A vigorous and localised supply chain offers numerous advantages, like reduced reliance on imports and the ability

to cater to larger volumes in relatively shorter time periods, leading to lower costs and additional flexibility.

*Component Miniaturization:* The choice of PCB is dictated by three major factors from the product perspective, which is complexity of operation, form factor, and level of miniaturization. As the PCBs and the electronic components contract in size, manufacturers face the challenge of precisely placing the small components on the miniaturised boards.

## **Growth Drivers and Challenges for EMS industry**

### ***Key Growth Drivers for EMS industry***

*Import Substitution:* As per MeiTY, electronic imports accounted for ₹ 3.9 Trillion (USD 56 Billion) in FY1, which is 21% of the total electronics market in India. Imports are expected to reach USD 68 Billion by FY25, accounting for 12.6 % of total electronics market demand.

*Enhancing local value add:* India is evolving as an innovation-driven R & D destination for global companies. India is registering increasing EV investment in the country.

Sub-assembly modules and the finished goods assemblies are things that are happening currently in India and are very lucrative opportunities given in the Indian ecosystem. Current Indian wages stand at roughly 20 % of the Chinese average wages, and India offers a 500 million plus workforce in the age bracket of 15 to 39 years, which is 15 % larger than that of China. Even though component manufacturing is currently being dominated by China, Japan, and South Korea, India has showcased strong potential in this part and is on the path to developing a strong component manufacturing base. The opportunities in India ominously offset the hurdles. It is also clear from the World Bank report's improvement in rank of ease of doing business in India, which has risen from 142nd in 2015 to 63rd in 2020.

*China + 1 Strategy:* As the Chinese electronics contract manufacturing cost structure continues to be on the rise, so has the OEM customer's interest been amplified in moving the electronics production to other countries having similar prices, quality, and receptiveness. There is a new urgency now to examine practical alternatives to manufacturing in China given the tariff conflicts and the COVID 19 pandemic. Our Company is a strong contender for China+1. According to a recent global survey, 20-30 % of industrial firms will leave China in the next few years.

*Export focus on USD 5 Trillion GDP:* With a larger focus on CAPEX and R&D, Budget 2021 has given a strong push to the domestic marketplace, which is very significant to India's economic growth. India has the potential to be one of the most attractive manufacturing destinations and support the objective of 'Make in India for the World'. The government and industry need to collaborate and drive initiatives to help India move among the top 5 countries in ESDM production and the top 3 in ESDM consumption.

*Investments by Local and Global players:* The higher growth rate in India vis-à-vis the Global market is because of multiple factors: consistent local demand for Electronics products, Government's focus on domestic manufacturing, programs like Make in India and Digital India, which have led to increasing manufacturing investment in the country.

## **Policy initiatives driving Domestic Production in India**

*Production Linked Incentive (PLI) Scheme:* The scheme was initially announced in the year 2019 by the Government of India considering the incremental investment and sales of manufactured goods specifically to mobile phones and components market in India. It is expected to promote exports in the next few years. As per the scheme, a total production of ₹ 11,500 Billion is expected including ₹ 7,000 Billion exports in the next five years. Production Linked Incentive Scheme (PLI) for large scale electronics manufacturing was notified in April 2020. Another PLI scheme for IT Hardware was later notified in March 2021. As per the scheme incentives of 3 % to 5 % is provided on incremental sales (over base year) of goods manufactured in India. Eligibility is subjected to thresholds of incremental investment and incremental sale of manufactured goods. The Scheme is open for applications for a period of 4 months initially which may be extended. Support under the Scheme shall be provided for a period of five (5) years subsequent to the base year. The Scheme will be implemented through a Nodal Agency which shall act as a Project Management Agency (PMA) and be responsible for providing implementation support.

*PLI scheme in 13 key sectors for enhancing India's manufacturing capabilities and enhancing exports, Atmanirbhar Bharat, FY21 and FY22*

Sectors	Implementing Ministry/Department	Approved financial outlay over a five year period (INR billion)
Mobile manufacturing and specified electronic components	Ministry of Electronics and Information Technology	409.5
Critical key starting materials/ drugs intermediaries, APIs	Department of Pharmaceuticals	69.4
Manufacturing of medical devices	Department of Pharmaceuticals	34.2
Advance Chemistry Cell ACC Battery	NITI Aayog and Department of Heavy Industries	181.0
Electronic/Technology Products	Ministry of Electronics and Information Technology	50.0
Automobiles & Auto Components <sup>#</sup>	Department of Heavy Industries	259.4
Pharmaceuticals drugs	Department of Pharmaceuticals	150.0
Telecom & Networking Products	Department of Telecom	122.0
Textile Products	Ministry of Textiles	106.8
Food Products	Ministry of Food Processing Industries	109.0
High Efficiency Solar PV Modules	Ministry of New and Renewable Energy	45.0
White Goods (ACs & LED)	Department for Promotion of Industry and Internal Trade	62.4
Speciality Steel	Ministry of Steel	63.2
<b>Total</b>		<b>1,661.9</b>

<sup>#</sup> Financial outlay for Automobiles & auto components was revised on September 2021 from INR 570.4 billion to INR 259.4 billion

Source: MeitY (Ministry of Electronics and Information Technology), Invest India

*Production Linked Incentive Scheme (PLI): Scheme 1 (Round 1) - for Large Scale Electronics Manufacturing, India, April 2020*

As per the 2021-22 budget, under the PLI scheme the government has allotted ₹ 409 Billion for Mobile Manufacturing and Specified Electronic Components, which is much higher than any other scheme. It has different thresholds of investments required for domestic vs. international companies.

**Target Segments Eligible under PLIC Scheme**

- Mobile Phones
- Specified Electronic Components
  - SMT components
  - Discrete semiconductor devices including transistors, diodes, thyristors, etc.
  - Passive components including resistors, capacitors, etc. for electronic applications
  - Printed Circuit Boards (PCB), PCB laminates, prepregs, photopolymer films, PCB printing inks
  - Sensors, transducers, actuators, crystals for electronic applications
  - System in Package (SIP)
  - Micro / Nano-electronic components such as Micro Electromechanical Systems (MEMS) and Nano Electromechanical Systems (NEMS)
  - Assembly, Testing, Marking and Packaging (ATMP) units

Segment	Proposed Incentive Rate (%)	Incremental Investment Over Base Year (INR Billion)	Incremental Sales of Manufactured Goods Over Base Year
Mobile Phones (Invoice Value of INR 15,000 and above)		INR 10 Billion over 4 years Cumulative minimum: Year 1: INR 2.5 Billion Year 2: INR 5.0 Billion Year 3: INR 7.5 Billion Year 4: INR 10.0 Billion	Year 1: INR 40.0 Billion Year 2: INR 80.0 Billion Year 3: INR 150.0 Billion Year 4: INR 200.0 Billion Year 5: INR 250.0 Billion
Mobile Phones (Domestic Companies)	Year 1: 6% Year 2: 6% Year 3: 5% Year 4: 5% Year 5: 4%	INR 2 Billion over 4 years Cumulative minimum: Year 1: INR 0.5 Billion Year 2: INR 1.0 Billion Year 3: INR 1.5 Billion Year 4: INR 2.0 Billion	Year 1: INR 5.0 Billion Year 2: INR 10.0 Billion Year 3: INR 20.0 Billion Year 4: INR 35.0 Billion Year 5: INR 50.0 Billion
Specified Electronic Components		INR 1 Billion over 4 years Cumulative minimum: Year 1: INR 0.25 Billion Year 2: INR 0.50 Billion Year 3: INR 0.75 Billion Year 4: INR 1.0 Billion	Year 1: INR 1.0 Billion Year 2: INR 2.0 Billion Year 3: INR 3.0 Billion Year 4: INR 4.5 Billion Year 5: INR 6.0 Billion

\*Year 1 (FY2020-21); Year 2 (FY2021-22); Year 3 (FY2022-23); Year 4 (FY2023-24); Year 5 (2024-25)

Source: MeitY (Ministry of Electronics and Information Technology)

**Production Linked Incentive Scheme (PLI): Scheme 1 (Round 2) - for Large Scale Electronics Manufacturing, India, March 2021**

Segment	Incentive Rate (on Incremental Sale of Manufactured Goods) (%)	Incremental Investment Over Base Year (INR Billion)	Incremental Sales of Manufactured Goods Over Base Year
Specified Electronic Components	Year 1: 5% Year 2: 4% Year 3: 4% Year 4: 3%	INR 0.25 Billion over 4 years Cumulative minimum: Year 1: INR 0.05 Billion Year 2: INR 0.11 Billion Year 3: INR 0.18 Billion Year 4: INR 0.25 Billion	Year 1: INR 0.15 Billion Year 2: INR 0.35 Billion Year 3: INR 0.60 Billion Year 4: INR 1.00 Billion

\*Year 1 (FY2021-22); Year 2 (FY2022-23); Year 3 (FY2023-24); Year 4 (FY2024-25)

Source: MeitY (Ministry of Electronics and Information Technology)

The Production Linked Incentive Scheme for IT Hardware proposes a financial incentive to boost domestic manufacturing and attract large investments in the value chain. The scheme seeks to incentivise companies to utilise the existing installed capacity to fulfil the increasing domestic demand. Product Linked Incentives of upto ₹ 73 Billion will be awarded over a period of 4 years.

**Production Linked Incentive Scheme (PLI) for IT Hardware, India, March 2021**

**Target Segments Eligible under PLIC Scheme**

- Laptops
- Tablets
- All-in-one PCs
- Servers



Segment	Proposed Incentive Rate (%)	Incremental Investment Over Base Year (INR Billion)	Incremental Sales of Manufactured Goods Over Base Year
IT Hardware Companies		INR 5 Billion over 4 years	
(I) Laptops (Invoice value of INR 30,000 and above)		Cumulative minimum:	Year 1: INR 10.0 Billion
(II) Tablets (Invoice value of INR 15,000 and above)		Year 1: INR 0.5 Billion	Year 2: INR 25.0 Billion
(III) All-in-one PCs		Year 2: INR 1.0 Billion	Year 3: INR 50.0 Billion
(IV) Servers		Year 3: INR 3.0 Billion	Year 4: INR 100.0 Billion
	Year 1: 4%	Year 4: INR 5.0 Billion	
	Year 2: 3%		
	Year 3: 2%		
	Year 4: 2% / 1%		
Domestic Companies		INR 0.20 Billion over 4 years	
(I) Laptops		Cumulative minimum:	Year 1: INR 0.5 Billion
(II) Tablets		Year 1: INR 0.04 Billion	Year 2: INR 1.0 Billion
(III) All-in-one PCs		Year 2: INR 0.08 Billion	Year 3: INR 2.0 Billion
(IV) Servers		Year 3: INR 0.14 Billion	Year 4: INR 3.0 Billion
		Year 4: INR 0.20 Billion	

\*Year 1 (FY2021-22); Year 2 (FY2022-23); Year 3 (FY2023-24); Year 4 (FY2024-25)

Source: MeitY (Ministry of Electronics and Information Technology)

**Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECS):** The aim is to strengthen the manufacturing ecosystem of electronic components and semiconductors. Target manufacturing of electronic components and semiconductors through the scheme will help meet domestic demand, increase value addition and promote employment opportunities in this sector. Incentives of up to ₹ 32.85 Billion will be awarded under the Scheme over a period of 8 years.

**Merchandise Exports from India Scheme (MEIS):** The scheme falls under foreign trade policy of India, replacing five other similar incentive schemes in the past. As per this scheme the government of India provides benefits up to 4 % depending on the country of exports and the products. Rewards under the scheme are payable as percentage of realized free-on-board value and, MEIS duty credit scrip can be transferred to the company for working capital needs or used for payment of various duties such as basic customs duty.

**Modified Electronics Manufacturing Clusters Scheme (EMC 2.0):** The scheme aims to strengthen the electronics industry's infrastructure and value chain in India. There are financial incentives to provide high-quality infrastructure and shared facilities for electronics producers. Incentives of up to ₹ 37.62 Billion will be distributed over 8 years.

### Advantage India: A favourable destination for Electronic Manufacturing

India has long been seen as an attractive destination with low-cost skilled labour and a challenging business environment. In recent years, India has risen significantly in the global rankings to become a favoured investment destination. Previously hampered by poor demand and value addition, India's electronics sector was not regarded as a top destination by decision makers. With the recognition of electronics as a key segment for policy focus, this situation has changed. The National Policy on Electronics (NPE) emphasised local value addition and created an enabling environment. Shift in government in 2014, and its unwavering focus on manufacturing through Make-in-India policies, attracted the interest of both global and domestic companies.

The following driving factors contribute to India's increasing preference for electronics manufacturing:

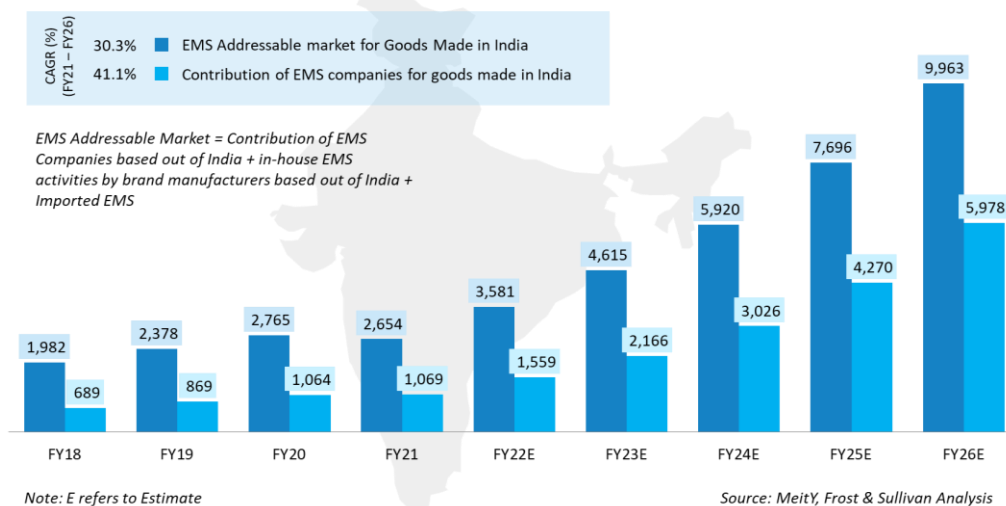
- Stable political government that assures global investors on consistency in policies
- Rising cost of labour in China while India is still at a lower end of this cost
- Creation of National Manufacturing Zones (NMZ), Electronics Manufacturing Clusters (EMC), close coordination between centre and states for investment promotion
- High domestic demand for products and services; local needs
- Investment by EMS companies
- Duties and tariffs to discourage imports and encourage domestic value addition
- Digitalization that accentuates demand for select products

### EMS Industry Size and Growth Forecast

The total addressable EMS market in India was valued at ₹ 2,654 billion (USD 36 Billion) in FY21, and is expected to grow to ₹ 9,963 Billion (USD 135 Billion) in FY26 with a CAGR of 30.3%. However, the contribution of Indian EMS companies is around 40%, which is valued at ₹ 1,069 Billion (USD 14 Billion) in FY21, which is expected to grow at 41.1% CAGR to reach ₹ 5,978 Billion (USD 81 Billion) by FY26. India is positioned as a destination for high-quality design work, not merely as a low-cost alternative. Embracing the ODM model of

partnership with EMS partners, coupled with venturing into new product segments, is propelling OEMs to pursue EMS engagement. High volumes will influence EMS/ODM to bring in the component ecosystem locally and enhance domestic capabilities for component sourcing, thus making the electronics ecosystem stronger.

*EMS addressable market vs. Contribution of EMS companies for goods made in India, Value in ₹ Billion, FY21 and FY26E*

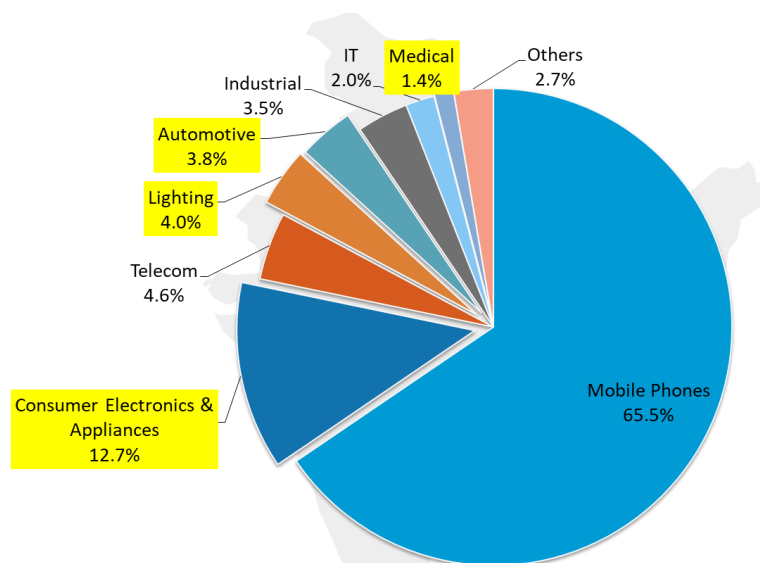


Our Company are leaders in high mix low volume product management and it is present in most industrial verticals. The company is growing through consolidation and partnership models. Also, it is recognized in the industry for responsiveness and being a reliable partner based on the NPS Score.

Our Company is operating in some of the fastest growing sectors in the current market, including consumer electronics and appliances, telecommunications, automotive and industrial. These sectors have tremendous development potential globally. The company is also having a plan to diversify its focus into other key industry verticals such as aerospace and defence which is currently contributing to less than 2 % of the overall market.

### EMS Market Break-up by Industry Applications

*EMS Market break-up by Industry Applications, India, in %, FY20*

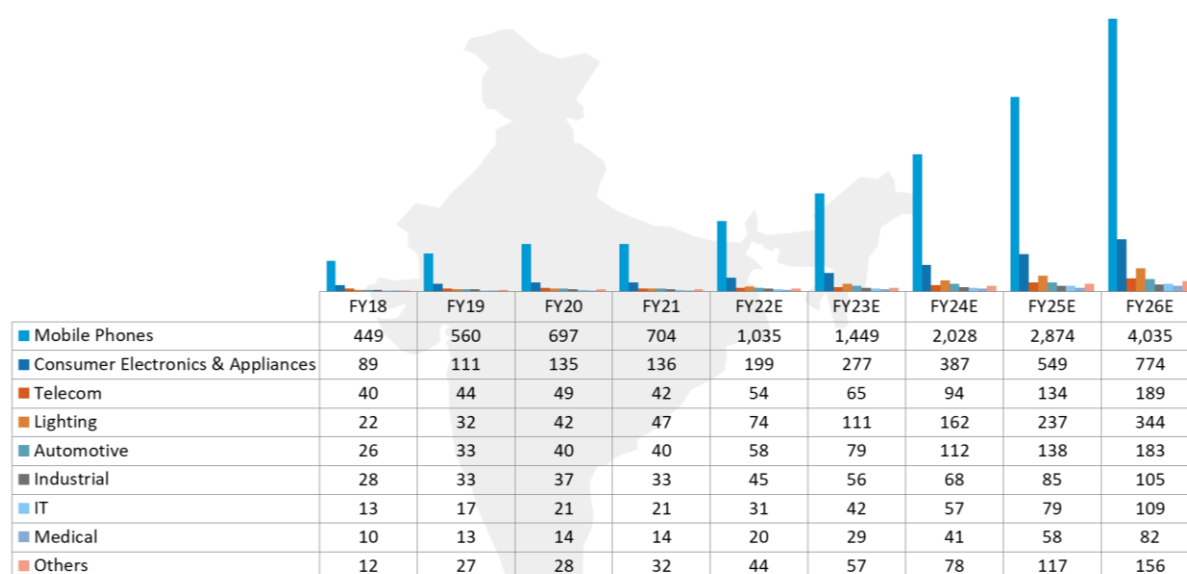


# Segments highlighted in yellow are the key business segments for Syrma

\* Others include: Aerospace & Defence, Energy, etc.

Source: Frost & Sullivan Analysis

## EMS Market break-up by Industry Applications, India, Value in ₹ Billion, FY18-FY26E

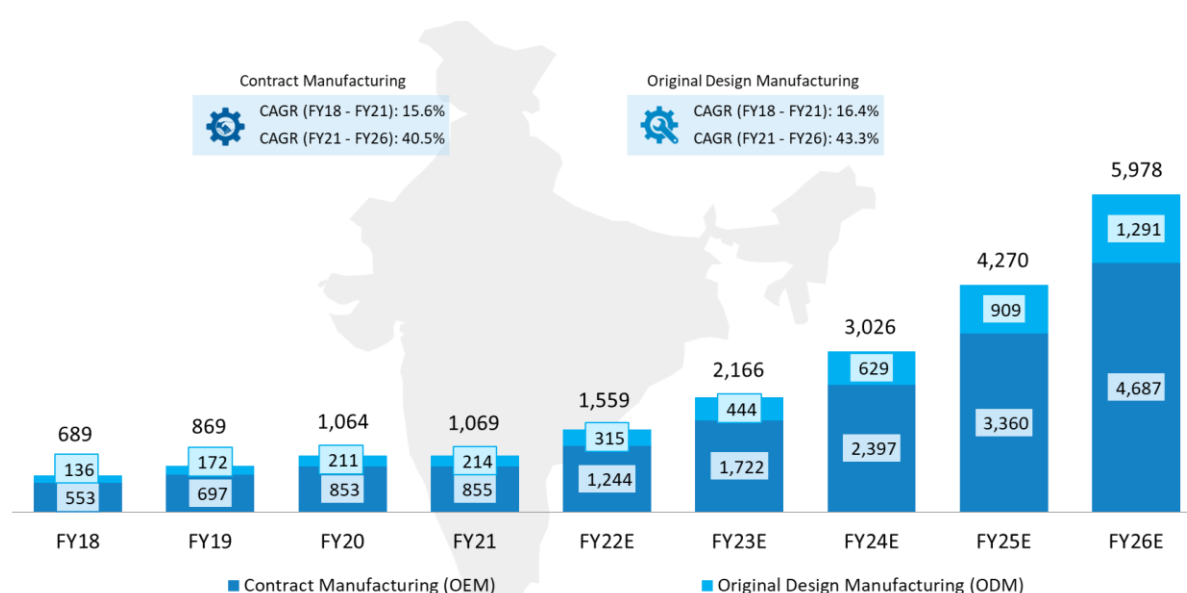


\* Others include: Aerospace & defence, Energy, etc.  
Note: E refers to Estimate

Source: Frost & Sullivan Analysis

## EMS market Break-up by ODM vs. Contract Manufacturing

### EMS Market break-up by ODM and CM, Value in ₹ Billion, India, FY18-FY26E



Note: E refers to Estimate

Source: Frost & Sullivan Analysis

In the total EMS market, contract manufacturing (CM) accounts for approximately 80 %, while ODM accounts for the remaining 20 %. EMS companies are steadily shifting towards ODM models, giving full turnkey solutions for items from design, product development to reverse logistics.

### Range of services offered by EMS companies: ODM vs. Contract Manufacturing

EMS companies can offer end-to-end services right from Design, Assembly, Production, Testing and After sales. However, only very few companies in India provide end-to-solutions, as most OEMs are primarily involved in

assembly and testing phase.

### High opportunity segments for EMS companies

Industrial, Consumer electronics and appliances, Automotive, Lighting and Mobile phones are the high opportunity segment for EMS companies in India. The mobile phone has become the dominating sector in the EMS industry. Our Company is delivering excellence with larger focus on new age communication (specifically M2M) – like, IOT based products. Also, our Company has a well-diversified portfolio with over half of the revenue from exports.

### Benefits of ODM over Contract Manufacturing

#### Advantages of ODM over CM

Original Design Manufacturing	Contract Manufacturing
<ul style="list-style-type: none"> <li>✓ ODM retains IP rights to their design, giving them better negotiating power.</li> <li>✓ ODMs may produce client products themselves or through subcontract; also into final assembly of products.</li> <li>✓ ODMs will manage the technical resources required for the successful completion of the production process.</li> <li>✓ It is difficult for OEMs to switch suppliers since ODM players hold the rights for the design.</li> <li>✗ Product development costs will be high</li> <li>✗ Minimum order quantity requirements are quite high.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Contract manufacturing helps in quicker production time</li> <li>✓ OEMs save on their capital costs by involving CMs</li> <li>✓ Better economies of scale when the business grows, when contract manufacturers produce for multiple customers.</li> <li>✗ OEMs gain complete ownership of all IP rights, including product specifications. CMs do not have negotiating power.</li> <li>✗ All contractual manufacturing items are produced in-house, but not into final assembly.</li> <li>✗ Lack expertise in producing their own set of products, development starts from the scratch.</li> <li>✗ OEMs can easily move to other providers, as they own rights for the design.</li> </ul>

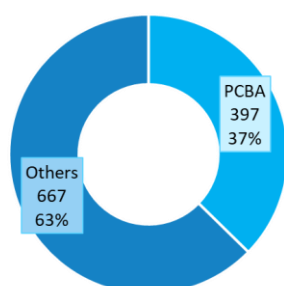
The increase in demand for electronic products has not been met by a corresponding increase in investment by OEMs in their production facilities. This is due to the fact that they have the choice of EMS businesses, giving them a compelling incentive to create them locally. The ODM companies, with their versatile capabilities in system designs, plastic moulding, PCBA, software engineering, and more importantly, manufacturing, encourage OEMs to increase the width of their partnership. Instead of investing in R&D, Tier-II players collaborate with ODMs to select and develop specific models based on existing models. The secondary benefit for ODMs from such collaborations is the improvement of capabilities to handle fresh clients.

Our Company is one of the leading EMS companies with a focus on technology based solutions and ODM business.

### EMS Market Break-up by Select Product Segment

#### PCBA (Printed Circuit Board Assembly)

**Chart 3.40: Break-up of PCBA in the EMS Market, India, by Value in %, FY20**



The PCBA is the core of an electronic device, which includes Flash Memory, Application Processor, Graphics Processor, other semiconductor-based active and passive sub-components. All electronic devices derive their intelligence and functionality from the PCBA. PCBAs are used in several sectors such as consumer electronics, mobile phones, automotive, and medical.

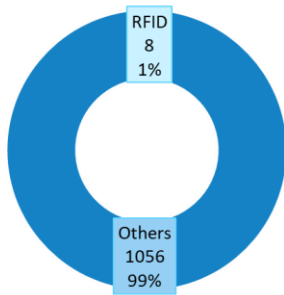
Building PCBA manufacturing capabilities is going to be the key to India's desire to become the leading electronics manufacturing hub for the universe.

Some of the key drivers of PCBAs include growth in value addition and increasing demand for electronic products globally,

requirement for high-speed assembly and miniaturization. It is very important for India to encourage the contract manufacturers and increase their manufacturing operations in India. This is expected to speed up the export of PCBA, position India as the source of the global supply and further strengthen India's hold on the electronic manufacturing. Our Company is one of the leading PCBA manufacturers in India, supplying to various OEMs and assemblers in the market.

### ***RFID (Radio-Frequency Identification) Tags***

**Chart 3.41: Break-up of RFID Tags in the EMS Market, India, by Value in INR Billion, FY20**



RFID is a technology that uses radio wave communication to identify items and personnel individually or as a group. A tag is a silicon chip embedded with an antenna to enable communication through assigned radio frequencies. The significance of the benefits in using RFID in various applications across verticals is expected to have a major bearing on the level of adoption of the technology. Benefits attracting customers include better inventory management, improved operational efficiency, reduced labour, enhanced supply chain visibility, information accuracy, greater sales, and improved customer service.

India is a promising market for RFID adoption. Several ministries involving the MoD, the Ministry of Roadways and Highways, and the Ministry of Railways have issued mandates towards the use of RFID. Demand for RFID is

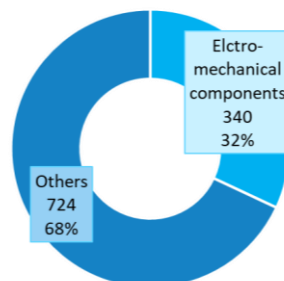
expected to increase in India along with organised retail, automotive, health care, and public transit. In addition, growing utilisation in government projects like Unique identification programme (Aaadhar) and metro rail is expected to fuel the market in India.

India is expected to witness considerable RFID deployments in coming days. Supply chain and asset tracking are among the top end-user applications in India. Our Company's RFID tags, readers, and custom software enable the development of cutting-edge RFID applications for access control monitoring, animal identification, healthcare tracking, inventory management, product authentication, and vehicle sharing programmes, among others.

Some of the leading RFID player in India includes, our Company, InfoTech Software and System Limited, Zebra Technologies Corporation, Gemini Communication Limited, Alien Technology Corporation, NEC Corporation, Bartronics India Private Limited, PVL Tag Factory (India) Private Limited and Mantra Softech India Private Limited. Our Company is one of the key global players in the custom RFID tags.

### ***Electro mechanical components***

**Chart 3.42: Break-up of Electro-mechanical components in the EMS Market, India, by Value in %, FY20**



Electro-mechanical components are those that utilise an electrical signal to create a mechanical change. The electronic components market can be largely categorised as follows:

- Passive components - capacitors, resistors, wound components and crystals
- Active components - diodes, transistors, ICs and LEDs
- Electromechanical components - PCBs, switches, relays, cables and connectors
- Associated components - optical discs, magnets, RF tuners, heat-sinks, magnetrons, etc.

The electromechanical components dominate the EMS market, contributing to 43 % of the total EMS market. India has strong production capability for components that do not require complex manufacturing.

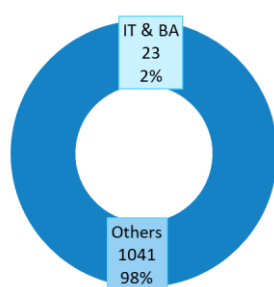
Consumer durables and the telecommunication which includes mobile phone account for the major demand for the electronic components in India. This is being followed by the information technology and office automation and the automotive industries. Other major application industries like industrial and medical electronics, strategic electronics and the lighting industry contribute to the balance of the market. Industries like lighting and the

strategic electronics are anticipated to witness the substantial growth in the near future. Rising local demand, adoption of high-end technology devices, technological advancements such as 4G/LTE network rollouts and the Internet of Things (IoT), along with government policies and incentives will drive the growth for electro mechanical components in India. Our Company's magnetic components and assemblies are used in a broad range of sectors, from household products to cutting-edge applications in heavy industry and beyond. Our Company is supplying to some of the key segments such as Industrial products, defence and aerospace, home appliances, and telecommunications.

Our Company is one of the key player in magnetics. The company has in-house magnetics facility with constant focus on backward integration.

### ***IT & BA***

**Chart 3.43: Break-up of IT & BA in the EMS Market, India, by Value in INR Billion, FY20**



Government's digitization programs like Digital India will continue to drive this segment. Additionally, rising security concerns (primarily deployment of video surveillance systems), demand from upcoming infrastructures projects as well as growing awareness amongst consumers is driving the Building Automation market in India.

The top 5 products in the IT and Building automation segment include CCTV cameras, Notebooks, Servers, Storage Devices and Tablets. These top 5 products occupy 90% of the market in terms of volume.

Our Company having one of the key focus area in this segment; the company is involved with customers from design stage thereby ensuring integration in the entire value chain. It has

strong credentials in concept co-creation with many customers followed by product realization and lifecycle support.

### ***Other Product Segments***

Dynamic Random Access Memory (DRAM) is a subtype of RAM utilised for data or command processing by the computer processor. Servers use DRAM modules to enhance memory capacity while networking applications use DRAM modules to increase bandwidth and signal integrity. Organizations use contemporary equipment such as PCs, servers, and workstations, which is driving the DRAM market.

Solid State Drives (SSDs) are used in computers to employ flash memory, which is much faster than a mechanical hard drive. Rising need for high-performance and large-capacity storage devices, rising IT investment, and expanding number of data centres will drive the SSD market in India.

USB flash drive - stores data on flash memory with a USB interface. It's usually rewritable and smaller than an optical disc. A high demand for electronic data storage devices, a need for backup storage, and the ability to store data without power are key drivers. Dual drives are a growing trend in the industry.

Our Company is having key presence in other product segments such as DRAM modules, solid state drives, USB drives and other memory products. These specific product segments contribute to less than 10 % of the overall sales of our Company, which has a growth of around 10 % CAGR.

Our Company has a strong track record of technical innovation, which includes collaboration with the engineering teams of its marquee customers, and the company has evolved over the years to provide integrated services and solutions to OEMs, from the initial product concept stage to volume production via concept co-creation and product realisation.

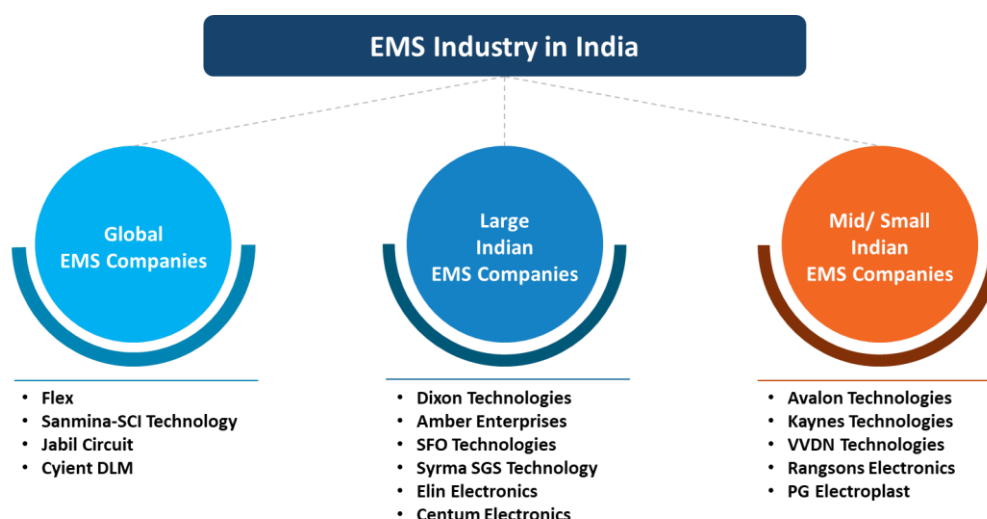
## Competition Scenario

### Industry Structure

There are more than 30 organized companies in the EMS industry but the commercial semiconductor fabrication operation is almost non-existent. The competition concentration is moderate as the top 3 companies account for 28.5 % of the market. EMS companies in India have matured from being mere contract manufacturers to end-to-end support partners today. Companies are observed to follow either of the two unique business models – High volume/low mix or Low volume/high mix and seldom do companies adopt a mixed approach. Major players are Flextronics, Jabil, Dixon, SFO, Resolute, our Company, Elin, NTL, Cyient and Foxconn.

EMS companies are slowly moving toward the ODM model offering complete end to end services including design, product development and also Reverse Logistics for certain products.

### Industry Structure of EMS market in India



Source: Frost & Sullivan

## Syrma SGS Technology Limited



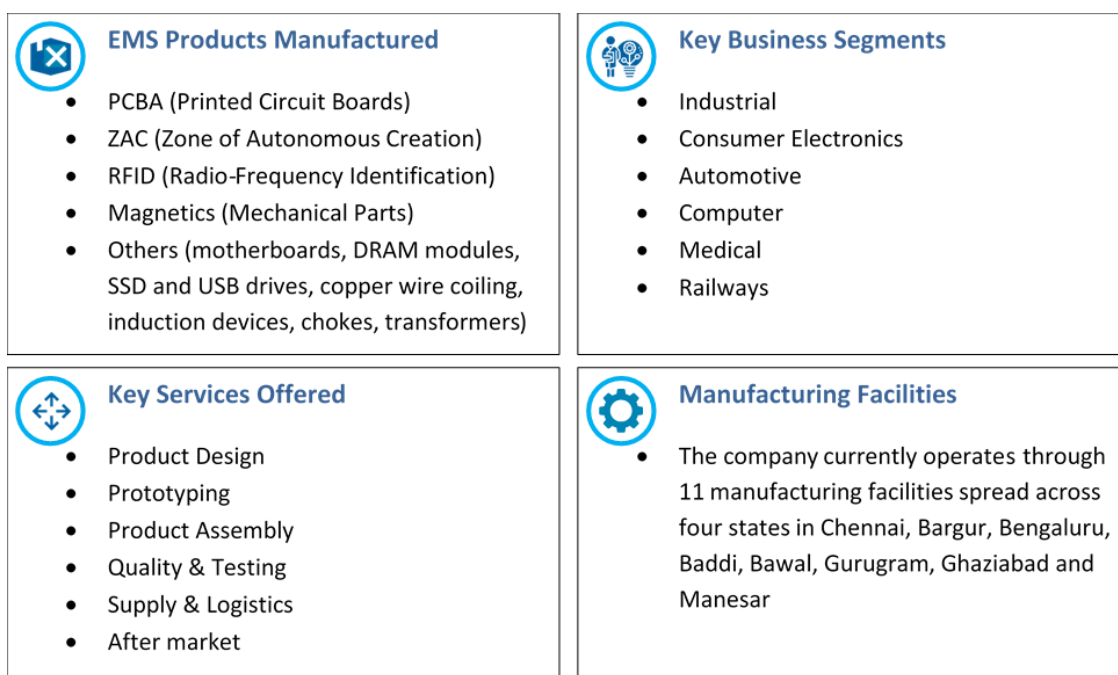
## Company Overview

Our Company, founded in 1978 by industry pioneers (Tandon family), is located in San Jose (California), and Chennai (India), developing quality technology products. It is one of India's leading exporters of electronics, providing a high-value integrated design and production solution for internationally recognized OEMs.

Our Company is one of the leading ESDM company with a focus on technology based solutions and ODM business. Unlike the traditional OEM or ODM business model, which only focuses on certain stages of the production process, the company's business model starts from product concept design and focuses on every segment of the overall industry value chain.

Our Company's business approach leads to continuous advancements in product technology, structure, and functional design to meet customer requirements and lead the industry in development.

The company believes that their business model gives a competitive advantage at the front-end of the industry value chain which makes a value-creator and it enables them to become a driving force for developing new products and break-through technologies.



## Key Strengths

- Manufacturing facilities in Tamil Nadu are placed in SEZs, allowing them to take advantage of specific tax and other incentives in relation to the products manufactured at these facilities.
- All of the manufacturing facilities are certified, including ISO 14001 and ISO 9001. Our Company is recognized as leader in people development as in the company is one of the great places to work. Also, it has key focus on women empowerment, where more than 80% of employee base is women workforce.
- The company was the first in India to manufacture RFID products in India and continues to lead the industry. Also, the company is recognised as a leader in memory modules with deep expertise.
- Our Company has a long standing relationships with customers, an opportunity for increased wallet share and not a single customer more than 5 %.

## ESG Activities

The list of Environment and Social Objectives the Company is adhering to includes: (a) Access to water (b) Access to Energy (c) Equality & Empowerment (d) Human Rights Protection (e) Income and Productivity (f) Pollution prevention and waste management (g) Water resource management.



### *Environmental & Social*

- Legal requirements and compliance checklist on Emissions, leakage, waste management, safety checks, employee safety etc.
- Agreement with Best hospital on the Company's Bio medical waste disposal.
- Periodical Testing of plant and machinery on emissions (Environment testing labs)
- Safety health and environment program: Regular spends to ensure further safety and environment control
- Annual EHS Objective planning and monitoring on emissions, pollution (air, water, noise), plantation, leakages & wastage checks, and proper disposals in check.

### *Legal Authorization*

- E-Waste Authorization
- Fire Compliance and NOC
- Hazardous Waste Authorization
- Returns under EHS

### *Employee's health and Safety*

- LOTO program: Identifying hazard and ensure safety to before proceeding on work
- Annual Hazard Identification & Risk Assessment (HIRA)
- Launched Covid 19 protocol manual to follow across plants
- Emergency Preparedness And Response Plan
- Safety Organization Chart in place for better planning and response.


### *Governance*

- Employee Grievances redressal policy
- Equal Employment Opportunity Policy
- Human Rights Policy
- Sexual Harassment & Resolution Committee
- Anti-Corruption Policy

## **Bharat FIH (formerly Rising Star Mobile India)**

### *Company Overview*





Bharat FIH, the subsidiary of the FIH Mobile Ltd, a Foxconn Technology Group Company, is currently India's leader in manufacturing and services of handset and the wireless communications. Bharat FIH is one of the largest EMS providers in the country serving the local and the international brands. The company entered and established their presence in India in the year 2015 at Sri City, Andhra Pradesh.

 <b>EMS Products Manufactured</b> <ul style="list-style-type: none"><li>• Mechanical components (metal &amp; plastic) of mobile phones</li><li>• PCBA</li><li>• Assembly of both Smart Phones and the Feature Phones categories</li></ul>	 <b>Key Business Segments</b> <ul style="list-style-type: none"><li>• Mobile phones (Communication devices)</li><li>• Telecom</li><li>• Television</li></ul>
 <b>Key Services Offered</b> <ul style="list-style-type: none"><li>• Design &amp; Engineering</li><li>• New Product Development</li><li>• PCB Assembly</li><li>• Complex machining</li><li>• SMT</li><li>• Final assembly</li></ul>	 <b>Manufacturing Facilities</b> <ul style="list-style-type: none"><li>• The company has 3 manufacturing campuses and 12 factories in overall</li><li>• 50+ mobile assembly lines</li><li>• Company's manufacturing operations are spread over three campuses in at Sri City, Andhra Pradesh, at Sriperumbudur and <u>Sungavarchatram</u> with on-going R&amp;D center at IIT Research Centre, Chennai.</li></ul>

## **Dixon Technologies India Ltd**

### Company Overview





Dixon Technologies, located in Noida, is an Indian Electronics Manufacturing Services Company that was founded in 1993 and has been leading this space in India. The company offers design-focused solutions in consumer durables, home appliances, lights, mobile phones, and security systems, as well as repairing and refurbishing services for a wide range of products.

 <b>EMS Products Manufactured</b> <ul style="list-style-type: none"> <li>• LED TVs</li> <li>• Washing Machines</li> <li>• LED bulbs, LED Drivers</li> <li>• Feature Phone and Smart Phone</li> <li>• CCT and DVR</li> <li>• Micro PCR Analyser and Thermometer</li> <li>• Set-Top-Box</li> </ul>	 <b>Key Business Segments</b> <ul style="list-style-type: none"> <li>• Consumer Electronics</li> <li>• Home Appliances</li> <li>• Lighting Solution</li> <li>• Mobile Phones</li> <li>• Security surveillance system</li> <li>• Medical Electronics</li> <li>• Reverse Logistics</li> </ul>
 <b>Key Services Offered</b> <ul style="list-style-type: none"> <li>• Product Design</li> <li>• Prototyping</li> <li>• System Integration</li> <li>• Quality &amp; Testing</li> <li>• Supply &amp; Logistics</li> <li>• After market</li> </ul>	 <b>Manufacturing Facilities</b> <ul style="list-style-type: none"> <li>• The company operates in ten production facilities in Noida, Dehradun, and Tirupati / Chittoor District</li> </ul>

### Amber Enterprises India Ltd

#### Company Overview





The company is a prominent solution provider for Air conditioner OEM/ODM Industry in India. It has a dominant presence in RACs complete unit and deals in major RAC components. Amber is well-positioned to extract the core deliverables in terms of quality, pricing, and delivery due to its backward integration.

 <b>EMS Products Manufactured</b> <ul style="list-style-type: none"> <li>• Room Air Conditioners (Window ACs, Indoor &amp; Outdoor units of split ACs, Inverter Split ACs)</li> <li>• Room Air Conditioner Components (Heat exchanger, Electric motor, Copper tubing, Sheet metal components)</li> <li>• Non-AC Components (Plastic extrusion, Vacuum forming, Sheet metal component)</li> <li>• Mobile Air Conditioners (Railway, Metro, Bus, Defence &amp; Telecommunications)</li> </ul>	 <b>Key Business Segments</b> <ul style="list-style-type: none"> <li>• Consumer Electronics</li> <li>• Home Appliances</li> <li>• Industrial</li> <li>• Automotive</li> </ul>
 <b>Key Services Offered</b> <ul style="list-style-type: none"> <li>• Conceptualize &amp; Design</li> <li>• Product Development</li> <li>• Prototyping</li> <li>• Product Assembly</li> <li>• Testing</li> <li>• Supply Chain</li> </ul>	 <b>Manufacturing Facilities</b> <ul style="list-style-type: none"> <li>• The company has ten manufacturing facilities across seven locations in India – Rajpura, Jhajjar, Faridabad, Pune, Kala amb, Dehradun and Noida</li> </ul>

## SFO Technologies Pvt Ltd

### Company Overview

SFO Technologies, a subsidiary of the NeST Group of Companies, was founded in 1990 and is headquartered in Kochi, Kerala. It has evolved from a single manufacturing facility to a diversified corporation with a global footprint and multi-domain competence in EMS, ODM, SI, and ADM. SFO can provide turnkey solutions, product development and maintenance, R&D support, and customised services across a wide range of domains and technologies.

 <b>EMS Products Manufactured</b> <ul style="list-style-type: none"><li>• Digital electronics, power supplies &amp; RF</li><li>• Optronics &amp; Magnetics</li><li>• Cables &amp; Harness</li><li>• Tool Making &amp; Sheet metal fabrication</li><li>• Plastic injection &amp; Moulding</li></ul>	 <b>Key Business Segments</b> <ul style="list-style-type: none"><li>• Healthcare/ Medical Diagnostics</li><li>• Automobile/ Transportation</li><li>• Communications</li><li>• Aerospace &amp; Defence</li><li>• Energy</li><li>• Industrial</li></ul>
 <b>Key Services Offered</b> <ul style="list-style-type: none"><li>• Hardware Design Services</li><li>• Hardware Testing</li><li>• Software Services</li><li>• Manufacturing Services</li><li>• Testing &amp; Certification</li><li>• After market support</li></ul>	 <b>Manufacturing Facilities</b> <ul style="list-style-type: none"><li>• SFO Technologies has manufacturing units, robust software development centers and R&amp;D cells spread over Kochi, Trivandrum and Bangalore</li></ul>

## Kaynes Technology India Pvt Ltd

### Company Overview

Kaynes Technology, headquartered in Mysore, is a prominent domestic player in the Electronics System & Design Manufacturing Services, having a strong worldwide presence. Kaynes Technology is an ISO 9001/14001/18001 BSCI Certified Company, making it one of the key EMS players in the Professional Electronics market with an integrated Management System. The company has a cutting-edge Design and Development Center in Bangalore that provides Embedded Design and Engineering services to customers from Concept to Manufacturing.

 <b>EMS Products Manufactured</b> <ul style="list-style-type: none"><li>• PCBAs</li><li>• Box Build</li><li>• Military Wire/Cable Harness</li><li>• SMD &amp; THD boards with latest packaging of QFPs, Fine Chip ICs <u>and Wire/Chip Bonding</u></li></ul>	 <b>Key Business Segments</b> <ul style="list-style-type: none"><li>• Defence &amp; Aerospace</li><li>• Railways &amp; other Transportation</li><li>• Healthcare</li><li>• Automotive</li><li>• IT &amp; Telecom</li><li>• Power &amp; Energy &amp; Industrial Automation &amp; Controls</li></ul>
 <b>Key Services Offered</b> <ul style="list-style-type: none"><li>• ODM</li><li>• OEM Manufacturing</li><li>• Systems Integration</li><li>• Product Service Support</li></ul>	 <b>Manufacturing Facilities</b> <ul style="list-style-type: none"><li>• <u>Kaynes</u> has manufacturing plants in five distinct sites, including Bangalore, Chennai, Manesar, <u>Parwanoo</u>, and <u>Selaqui</u>, in addition to its main factory and supplementary manufacturing facility in Mysore.</li></ul>

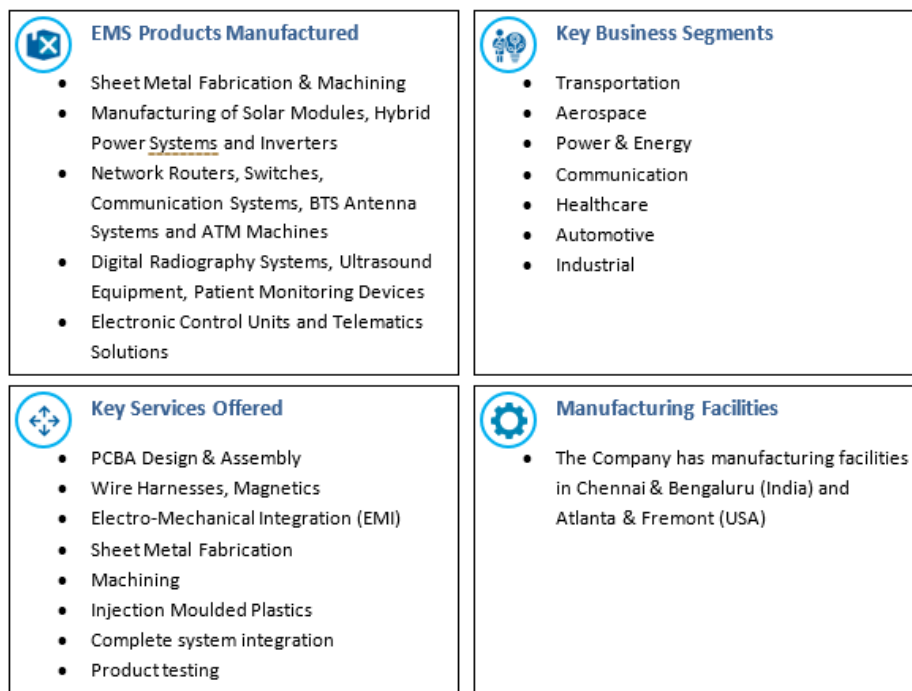
### **Key Strengths**

- Kayne's capabilities in Design, Manufacturing, Infrastructure, Systems, Skill Sets, and TQM techniques allow it to provide High Tech, High Mix, Low and Medium Volume Production, as well as Value Engineering and Product Data Management throughout the product's life cycle.
- Kaynes provides conceptual design, production, and testing of high reliability PCBAs, Box Build, Products, and Systems Integration Services in addition to products required by various industry segments.
- It features a cutting-edge production and testing facility as well as a contemporary infrastructure, including a unique line for green manufacturing.

### **Avalon Technologies Pvt Ltd**

#### **Company Overview**

Avalon Technologies, a division of Sienna Group, has been a preferred vendor for large global MNCs operating in a wide range of industries. Avalon is a vertically integrated manufacturing company.



### **VVDN Technologies Pvt Ltd**

#### **Company Overview**





VVDN's India headquarters' is located in the Global Innovation Park in Manesar, Gurugram, India, while its North America HQ is in San Jose, CA, USA. It is a global leader in product engineering and manufacturing with clients in a range of technical domains. The company supports its global customers across several regions including US, Canada, Europe, India, Vietnam, Korea, and Japan.

 <b>EMS Products Manufactured</b> <ul style="list-style-type: none"> <li>• PCB Assembly</li> <li>• 5G NR Products</li> <li>• Cloud network management system</li> <li>• Industrial IoT, E-mobility, Hearable &amp; Wearables</li> <li>• Smart Medical</li> <li>• Power &amp; Utilities</li> </ul>	 <b>Key Business Segments</b> <ul style="list-style-type: none"> <li>• Communications (5G, Networking &amp; Wi-Fi, VISION, IoT, Clouds &amp; apps)</li> </ul>
 <b>Key Services Offered</b> <ul style="list-style-type: none"> <li>• Embedded Product Design and Manufacturing</li> <li>• Hardware Design, Software Design, Mechanical Design, QA &amp; Testing, Prototyping and Manufacturing</li> </ul>	 <b>Manufacturing Facilities</b> <ul style="list-style-type: none"> <li>• VVDN has five manufacturing centers located in Gurugram and ten design centers</li> </ul>

## Sanmina-SCI Technology India Pvt Ltd

### Company Overview

Sanmina was founded in 1980 and is located in San Jose, California (USA). Sanmina manufactures some of the world's most sophisticated and inventive optical, electrical, and mechanical devices. Sanmina, a technological leader, offers end-to-end design, manufacturing, and logistics solutions, as well as exceptional quality and support to OEMs.

 <b>EMS Products Manufactured</b> <ul style="list-style-type: none"> <li>• PCB Circuit Boards &amp; Assembly</li> <li>• SMT capability</li> <li>• Medical devices</li> <li>• RF products &amp; enclosures</li> <li>• LED Lighting</li> <li>• Cables</li> </ul>	 <b>Key Business Segments</b> <ul style="list-style-type: none"> <li>• Communications networks</li> <li>• Computing and storage</li> <li>• Healthcare</li> <li>• Defense and Aerospace</li> <li>• Industrial</li> <li>• Automotive</li> <li>• Clean technology sectors</li> </ul>
 <b>Key Services Offered</b> <ul style="list-style-type: none"> <li>• Design &amp; Engineering</li> <li>• Prototyping</li> <li>• Test Services</li> <li>• New Product Development</li> <li>• Systems Manufacturing</li> <li>• Global Services and Logistics</li> <li>• PCB Assembly</li> <li>• SMT</li> </ul>	 <b>Manufacturing Facilities</b> <ul style="list-style-type: none"> <li>• The company has global operations in 21 countries.</li> <li>• In India, Sanmina has a complete end-to-end design service and a high-tech manufacturing facility located in Chennai</li> </ul>

## Comparative Analysis of Leading EMS companies in India

*Comparison of key EMS companies presence in Application segments, India, FY21*

Name of the EMS Company	Consumer Electronics	Home Appliances	Mobile Phones	Automotive	Industrial	IT	Telecom	Lighting	Medical	Others
Syrma SGS Technology Pvt Ltd		✓		✓	✓		✓		✓	✓
Bharat FIH Pvt Ltd			✓	✓		✓	✓			✓
Dixon Technologies India Ltd	✓	✓	✓					✓	✓	✓
Amber Enterprises India Ltd	✓									✓
SFO Technologies Pvt Ltd				✓	✓				✓	✓
Elin Electronics Ltd		✓						✓		✓
Kaynes Technology India Pvt Ltd				✓		✓	✓		✓	✓
Avalon Technologies Pvt Ltd				✓	✓		✓		✓	✓
VVDN Technologies Pvt Ltd				✓	✓	✓	✓			✓
Sanmina-SCI Technology India Pvt Ltd				✓	✓		✓		✓	✓

Others\* include Aerospace & Defence, Energy, etc.

Source: Company websites; Frost & Sullivan Analysis

### Revenue Comparison of key EMS companies, India, Value in ₹ Million, FY17-FY20

Name of the EMS Company	FY17	FY18	FY19	FY20
Syrma SGS Technology Pvt Ltd	4,056.1	5,485.7	8,062.4	8,799.5
Bharat FIH Pvt Ltd (prev. Rising Star Mobile India)	1,13,767.0	2,37,620.0	3,43,454.0	2,66,356.0
Dixon Technologies India Ltd	24,987.0	28,534.0	29,844.0	44,001.0
Amber Enterprises India Ltd	16,520.0	21,280.8	27,519.9	39,627.9
SFO Technologies Pvt Ltd	12,546.6	12,877.7	16,977.4	18,069.4
Elin Electronics Ltd	4,381.0	4,943.0	8,285.5	7,855.8
Kaynes Technology India Pvt Ltd	2,935.2	3,849.2	3,664.5	3,700.9
Avalon Technologies Pvt Ltd	3,068.9	2,964.4	3,669.6	3,271.5
VVDN Technologies Pvt Ltd	769.2	1,526.5	2,721.0	3,254.6
Sanmina-SCI Technology India Pvt Ltd	792.0	897.2	922.7	910.2

Source: Annual Reports of Companies published in RoC, MCA; Frost & Sullivan Analysis

### Comparative Analysis of Leading EMS companies in India - EBITDA & PAT

#### EBITDA Comparison of key EMS companies, India, Ratio in %, FY17-FY20

Name of the EMS Company	FY17	FY18	FY19	FY20
Syrma SGS Technology Pvt Ltd	7.7%	10.0%	12.6%	16.5%
Bharat FIH Pvt Ltd (prev. Rising Star Mobile India)	2.1%	0.7%	-0.04%	2.7%
Dixon Technologies India Ltd	3.7%	4.1%	4.7%	5.2%
Amber Enterprises India Ltd	7.9%	8.6%	7.8%	8.2%
SFO Technologies Pvt Ltd	9.2%	6.8%	7.8%	12.1%
Elin Electronics Ltd	8.1%	7.6%	7.0%	7.2%
Kaynes Technology India Pvt Ltd	9.0%	11.0%	10.2%	11.5%
Avalon Technologies Pvt Ltd	12.5%	11.2%	9.8%	9.7%
VVDN Technologies Pvt Ltd	11.1%	12.0%	13.2%	-1.1%
Sanmina-SCI Technology India Pvt Ltd	26.5%	32.3%	31.0%	30.3%

Source: Annual Reports of Companies published in RoC, MCA; Frost & Sullivan Analysis

#### PAT Comparison of key EMS companies, India, Ratio in %, FY17-FY20

Name of the EMS Company	FY17	FY18	FY19	FY20
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Syrma SGS Technology Pvt Ltd	3.5%	4.5%	6.6%	10.4%
Bharat FIH Pvt Ltd (prev. Rising Star Mobile India)	1.6%	0.3%	-0.6%	1.5%
Dixon Technologies India Ltd	1.9%	2.1%	2.1%	2.7%
Amber Enterprises India Ltd	1.3%	2.9%	3.4%	4.1%
SFO Technologies Pvt Ltd	3.3%	1.5%	1.7%	4.2%
Elin Electronics Ltd	2.9%	2.7%	3.6%	3.4%
Kaynes Technology India Pvt Ltd	2.5%	4.1%	2.6%	3.0%
Avalon Technologies Pvt Ltd	3.2%	1.8%	1.3%	1.7%
VVDN Technologies Pvt Ltd	4.8%	6.8%	5.7%	-5.1%
Sanmina-SCI Technology India Pvt Ltd	15.4%	20.8%	18.9%	19.7%

### ***Comparative Analysis of Leading EMS companies in India – Export Sales & RoCE***

*Export Sales Comparison of key EMS companies, India, Ratio in %, FY17-FY20*

<b>Name of the EMS Company</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>
Syrma SGS Technology Pvt Ltd	47.3%	51.4%	56.0%	60.0%
Bharat FIH Pvt Ltd (prev. Rising Star Mobile India)	0.0%	0.0%	0.0%	0.0%
Dixon Technologies India Ltd	2.4%	2.6%	0.9%	0.1%
Amber Enterprises India Ltd	0.2%	0.2%	0.2%	0.9%
SFO Technologies Pvt Ltd	61.1%	64.7%	62.7%	57.4%
Elin Electronics Ltd	0.4%	0.5%	1.1%	1.0%
Kaynes Technology India Pvt Ltd	24.0%	35.5%	15.6%	20.4%
Avalon Technologies Pvt Ltd	64.7%	55.2%	63.5%	53.8%
VVDN Technologies Pvt Ltd	81.3%	80.2%	16.6%	51.5%
Sanmina-SCI Technology India Pvt Ltd	81.3%	75.7%	76.2%	78.7%

*Source: Annual Reports of Companies published in RoC, MCA; Frost & Sullivan Analysis*

*RoCE Comparison of key EMS companies, India, Ratio in %, FY17-FY20*

<b>Name of the EMS Company</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>
Syrma SGS Technology Pvt Ltd	8.9%	14.5%	21.0%	26.6%
Bharat FIH Pvt Ltd (prev. Rising Star Mobile India)	42.3%	8.4%	-9.4%	18.4%
Dixon Technologies India Ltd	36.1%	30.5%	21.1%	28.9%
Amber Enterprises India Ltd	16.6%	14.3%	13.1%	16.0%
SFO Technologies Pvt Ltd	18.0%	9.1%	15.5%	25.3%
Elin Electronics Ltd	15.8%	14.7%	17.7%	14.5%
Kaynes Technology India Pvt Ltd	24.6%	33.7%	24.1%	28.7%
Avalon Technologies Pvt Ltd	20.0%	15.5%	16.9%	13.6%
VVDN Technologies Pvt Ltd	19.5%	33.2%	31.0%	-5.9%
Sanmina-SCI Technology India Pvt Ltd	11.6%	15.7%	15.6%	13.0%

*Source: Annual Reports of Companies published in RoC, MCA; Frost & Sullivan Analysis*

## FUTURE OPPORTUNITIES IN EMS MARKET IN INDIA

### Electric Mobility Market (Chargers both Carry and static, Controllers and Battery Management Systems) Industry Overview

Automotive industry is rapidly evolving in terms of technology as well as tackling environmental issues. Electric vehicles have been introduced as a clean energy initiative, as they have low or zero emissions and have come a long way to become an integral part of OEM's business strategies. Automakers are creating separate EV business units to be prepared for the expected EV boom in the future.

India is expected to aggressively push itself toward electrification, especially in the automotive and transportation sector. OEMs can partner with charging infrastructure operators, aggregators, and manufacturers to set up networks of normal and fast chargers across the country.

#### Key Drivers

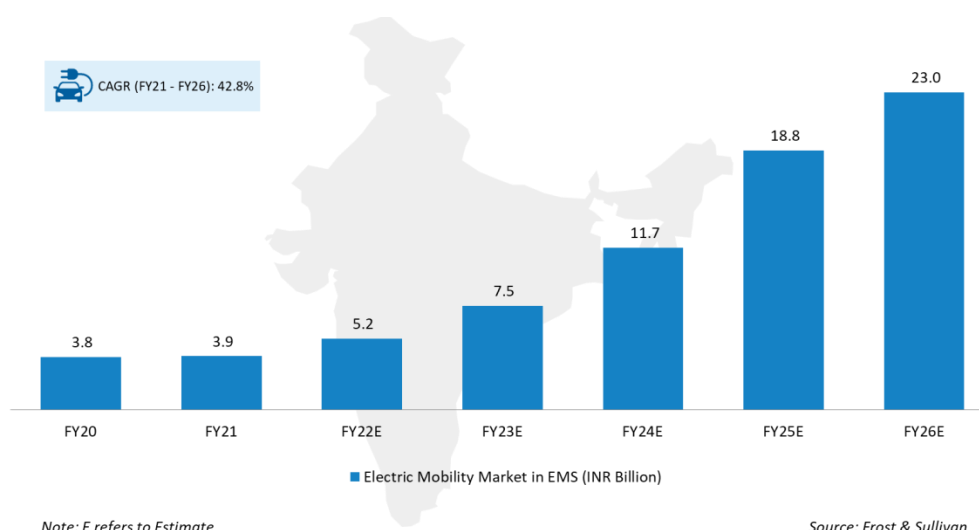
- **Incentives and Subsidies:** As part of the Make in India initiative, the government is providing incentive schemes and subsidies (FAME I and II) for domestic companies
- **Reducing carbon emission:** Increase in fuel cost will be a key factor to drive higher adoption of electric vehicles, starting from ₹2Ws in India. The electric vehicle with its zero-emission assurance is the future of the transportation. India is prepared to branch out into a new sustainable mode of transportation through the means of an electric vehicle.
- **Emission norms:** Stringent emission norms to improve the air quality and reduce carbon emissions are mainly forcing OEMs to launch more electric vehicles. The higher cost of compliance for BS VI emission norms will dent the demand for IC engines in the Indian market and provide scope for electrification, primarily in the 2W and 3W segments.

#### Market Trends

- The installation of EV public charging stations may reduce concern among users about achieving comparable performance to IC engine vehicles.
- Across India, high-level rapid charging stations are being installed.
- Innovations like light EV charge points, streetlight charger and other low-cost Electric Vehicle Supply Equipment solutions are providing inexpensive solutions for the charging infrastructure in India.

#### Market Size

*Electric Mobility (Chargers both Carry and static, Controllers and Battery Management Systems) Market Estimates in EMS, Value in ₹ Billion, India, FY20-FY26E*



The EV market was worth ₹ 3.9 Billion in FY21, and it is expected to grow at a 42.8% CAGR to ₹ 23.0 Billion in FY26. The Department of Heavy Industry has plans to incentivize 1,000 charging stations with



6,000+ chargers under 3 incentive categories. Incentives will be distributed in three instalments: 20% as an advance at the time of approval, 40% after charging station commissioning, and 40% after 6 months of successful commercial operation.

### ***Competition***

Some of the key OEMs / Auto makers in EV market include Maruti Suzuki India Limited (MSIL) and Mahindra & Mahindra (M&M), which hold approximately 67 % of India's total EV market share. Mahindra & Mahindra focuses on battery electric vehicles, while Maruti Suzuki India Limited focuses on plug-in hybrid electric vehicles and hybrid electric vehicles. OEMs such as Hyundai and Tata Motors are expected to join the bandwagon as volumes increase.

India is on a continuous growth path in the EMS market in the EV / Electric mobility segment. All leading companies are looking for India as an option. There are also Indian companies who are into this segment. Tesla has planned to start a manufacturing unit in India. Sanmina, Solectron, Flextronics, our Company and Frontline are some of the most prominent players in the EMS market in the E mobility category.

### ***Future Opportunities***

Growth in charging infrastructure is a must for the growth of electric passenger cars in India. Localization of EV components will lead to a decrease in the cost of vehicles, improving the demand from drivers in the country. Most of the growth is in the e2W segment, eRickshaws, and electric auto rickshaws. e4Ws are picking up pace and are expected to occupy a significant share by 2025.

## **Automotive (Lighting Control, Infotainment, Engine Control Unit)**

### ***Industry Overview***

Due to its low penetration, India's automobile electronics market offers huge growth potential. Regulatory norms, comfort, and personalization are the three key trends in the Indian automotive sector, which is expected to have a significant impact on electronic industry in India. Electronics for vehicles such as body electronics, safety, and entertainment and driver assistance are all contributing to the fast expansion of the automotive electronics industry. Bluetooth, Wi-Fi connectivity, interactive speech recognition services, live media streaming, and smart technologies for mobile integration are all possible with advanced infotainment systems, which is widely preferred by tech-savvy customers.

### ***Key Drivers***

- *Norms and regulations:* Growth in Automotive segment is driven majorly by the BS VI and safety norms.
- *Income levels:* One of the major factors driving the rise of automotive electronics is rising income levels and increasing customer preference for digital in-vehicle experiences.
- *Automotive technologies:* Automotive electronics development is linked to automotive technologies in the creation of solutions that improve safety, fuel efficiency, consumer comfort, infotainment, and related applications.
- *Government Standards:* Requirements for automotive electronics components are being driven by government standards and the move to electric vehicles (EVs).
- *Cloud based infotainment:* Cloud adoption enables in-car infotainment systems to play content on-demand from cloud-based sources.

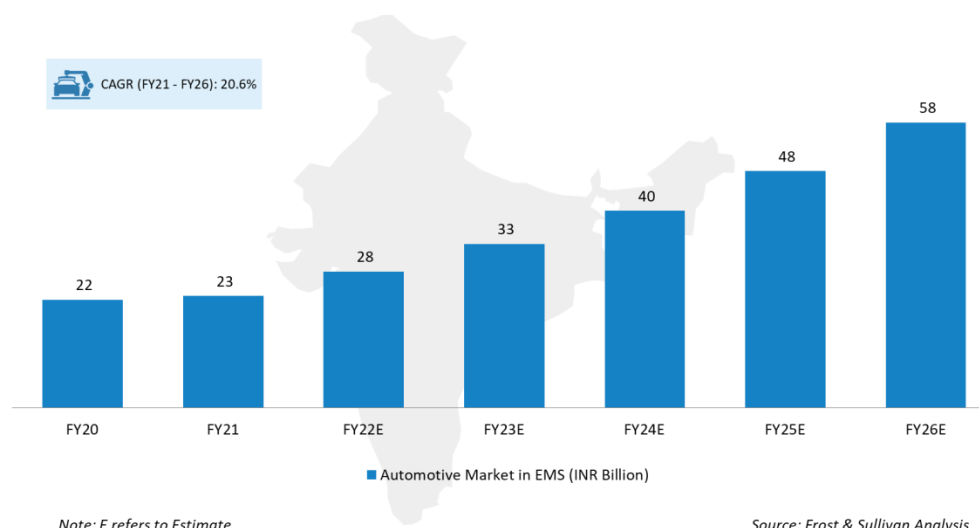
### ***Market Trends***

- Electrification will penetrate cars and last-mile connectivity modes like 2W by 2030. Frost & Sullivan expects more electrification in the fleet segment due to a combination of lower ownership costs and regulatory intervention.
- Stringent regulations like Corporate Average Fuel Efficiency II (CAFE II) and Bharat Stage-VI (BS-VI) are also among the key drivers for rising electronic content in a car.
- Establishing a Circular Value Chain: A new vision for the production and consumption of electronic products is necessary in terms of recycling and scrappage policies.

### ***Market Size***

The Automotive electronics market is estimated to be at ₹ 23 Billion in FY21 and is expected to grow at 20.6% CAGR to reach ₹ 58 Billion in FY26. Engine Control Unit has a major contribution in the overall Automotive Electronics. The growing concern among end-users about vehicle performance and fuel consumption are the primary drivers of Engine Control Unit. As end-users prefer comfort and additional features, Infotainment is receiving more popularity and acceptance.

*Automotive (Lighting Control, Infotainment, Engine Control Unit) Market Estimates in EMS, Value in ₹ Billion, India, FY20-FY26E*



### Competition

With presence of key players such as Bosch and Continental manufacturing Engine Control Unit in India, the market is expected to show a rapid progress in the future. Jabil, Sanmina, Kaynes, our Company are some of the key players providing EMS services to the Automotive sector in India.

### Future Opportunities

Due to the use of telematics and other innovative technologies such as on-board diagnostics, the electronics market in the commercial vehicle segment is expected to reach ₹ 15.2 Billion by FY26.

### Telecom (GPON, IP PBX, Media Gateway, Modem, Router)

#### Industry Overview

India is currently the world's second largest telecommunications market. Over the next five years, increased mobile phone penetration and reduced data prices will add 500 million additional internet users in India. When considering the key sub-products of the Indian telecom sector, GPON is a critical product and it is of a moderate cost and it is easy-to-maintain equipment.

#### Key Drivers

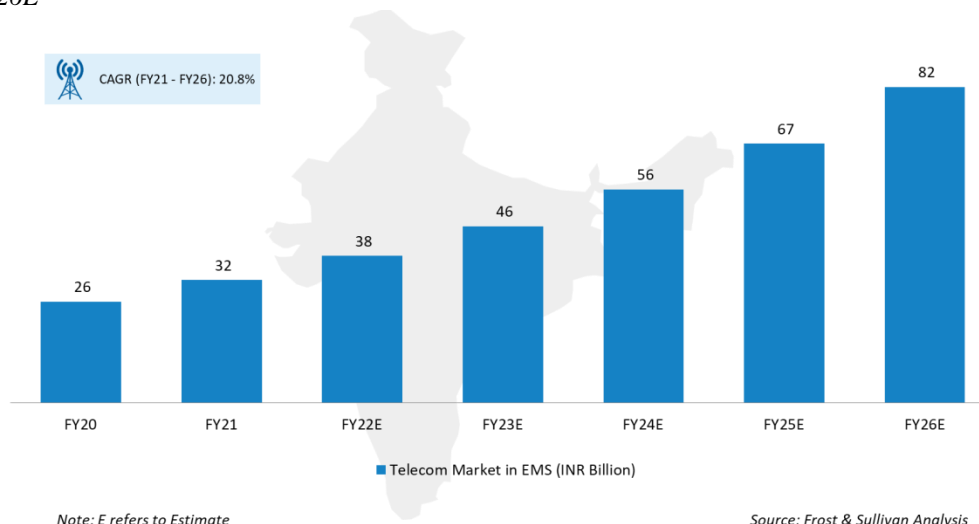
- **Removal of duty exemption on imported products:** In line with the 'Make in India' initiative, exemption from the basic customs duty, special additional duty and countervailing duty has been removed on chargers, battery, adapters, wired headsets and the speakers for the mobile phones.
- **Capex Optimization:** Spend on Capex in the telecom industry is very high. Nearly 40 % to 60 % of the Capex is being utilized for setting up and managing the telecom infrastructure. By sharing the infrastructure, operators can actually optimize their capex, and focus more on providing new and advanced services to their subscribers.
- **4G and 5G Infrastructure in India:** While Airtel, Vodafone and Jio have concluded the roll out of its 4G services on pan-India basis, service providers are gearing up for 5G roll out in India, which will boost the customer utilization of high-end data products. The business opportunity for 5G in India is huge and it will encourage investors to participate, manufacture, sell and export to the global market.

### Market Trends

- India's current market penetration in optical fiber connectivity is not more than 30 per cent of the mobile towers and 7 % of households. Significant fiberisation and infrastructural improvements are required to bring in 5G and high-speed connection, and this will be a key focus area in 2021 and beyond.
- Industrial Internet of Things (IIoT), smart homes, connected mobility and autonomous appliances and gadgets are all deeply reliant on the hyper connectivity.
- 2021 and beyond, can be seen as an era of hyper connectivity (anything, anywhere and at any time). This is going to create

### Market Size

*Telecom (GPON, IP PBX, Media Gateway, Modem, Router) Market Estimates in EMS, Value in ₹ Billion, India, FY20-FY26E*



A lot of growth potential exists for telecom electronics products like GPON, IP PBX and Media Gateway as well as Router and Modems. The market was valued at ₹ 32 Billion in FY21 and is expected to grow at a 20.8% CAGR to reach ₹ 82.0 Billion in FY26. Routers, GPONs, and modems are going to remain key revenue contributors within the telecom business in the forecast period.

### Competition

Key players in Telecom companies and EMS players include Syrotech, Netlink, Alcatel – Lucent, our Company, Tejas Networks, Speech & Software Technologies, and Alphion India.

### Future Opportunities

The Indian telecom market, home to more than 900 million mobile subscribers, has witnessed a relentless growth during the past decade. As coverage and capacity become increasingly important, telecom infrastructure service providers have increased opportunities to help the Telco's. From the roll-out of new networks to network benchmarking and optimization, the services are becoming critical.

### BLDC for Fans

#### Industry Overview

BLDC fan refers to usage of BLDC motor in the ceiling fan compared to the induction motor in the normal ceiling fan. With the use of the BLDC motor in the ceiling fan 60% electricity can be saved in the ceiling fan. Stator, rotor and shaft are the other key components of BLDC fan.

BLDC fan life expectancy is more than that of a normal ceiling fan because there is no heat being generated in the BLDC Motor. The use of the new BLDC motor technology in fans can save its user up to ₹1000-1500 per year per fan.

### Key Drivers

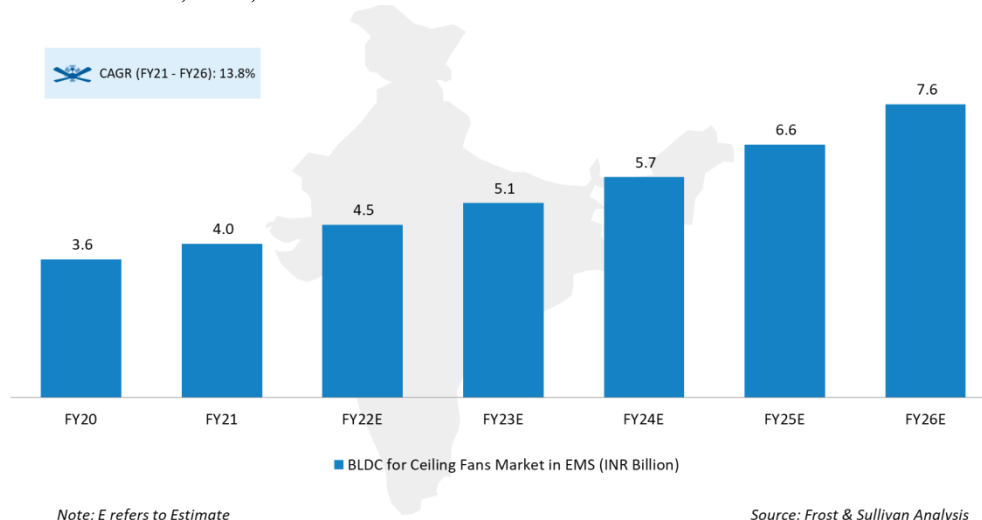
- Under the Saubhagya scheme, the Indian government has energized almost 23.0 Million households. In FY18, a total of 1.4 Million houses were sanctioned under Pradhan Mantri Awas Yojana (PMAY) program. On the other hand, the Indian real estate market also saw good growth in last couple of years. The demand for flats increased 7.0% during 2018 to nearly 0.215 Million units. This in turn is expected to drive the fans market.

### Market Trends

- Significant increase in discretionary income have led to shortened product replacement cycles and evolving lifestyles where consumer durables are being replaced faster than usual. About 5 years ago, the replacement cycle was around 8-9 years. Due to premiumisation of ceiling and TPW fans, the urban replacement cycle has shortened to 5-6 years.
- Driven by an aspiration to upgrade lifestyle and décor, the premium segment in fans is fast growing, and is expected to grow substantially by 15.0-20.0% in the next 3-5 years, with innovations in product aesthetics. The impact of this particular market trend on demand is expected to be medium throughout the forecast period.

### Market Size

*BLDC for Fans (Chargers both Carry and static, Controllers and Battery Management Systems) Market Estimates in EMS, Value in ₹ Billion, India, FY20-FY26E*



The BLDC fans has got a very good growth potential going ahead because of its features like longer life span and electricity saving. The market was valued at ₹ 4.0 Billion in FY21 and is expected to grow at 13.8% CAGR to reach ₹ 7.6 Billion in FY26. Precise speed control, cooler operation and less acoustics are the key factors that will increase the adaptability of BLDC fans going ahead.

### Competition

The market is highly concentrated with top 5 to 6 players having majority market share and the rest is been divided among small and mid-sized player. The key players in the market are Orient, Versa Drive, Jupiter, Atomberg, Crompton, and Havells among others. Aggressive and Elin are the key EMS players in BLDC fans segment.

### Future Opportunities

Given the increase in rural electrification, expansion of distribution network to tier 3 cities, towns and rural areas is a big growth opportunity going ahead.

### Consumer Appliances

### Industry Overview

A growing Indian economy, rising purchasing power of consumers and better access to quality products at affordable prices has revolutionized the appliances and consumer electronics (ACE) industry in India. Household penetration of room ACs in India is slightly higher than 5%, implying that there is considerable scope for growth. Penetration of refrigerators in India is currently around 33%, hence there is sufficient head room for growth. The penetration of television in India is around 65% which makes it the highest penetrated category among those covered in this study. Penetration of washing machines in India is currently 12% implying high scope for growth. Semi-automatic (SA) Washing Machines is the more popular category in India occupying 60% in terms of volume when compared to Fully-automatic (FA) machines. The most dominant type of water purifier in India is ultraviolet (UV) water purifier, having more than 30 % of the market and this is being followed by RO water purifier. Current penetration of water purifiers is around 10% in India. The penetration of microwave oven is around 5 % currently in Indian market. The solo oven segment is expected to maintain very fast growth in next 5 years.

### Key Drivers

Demand for the consumer electronics in India has been growing depending on the rising income of consumers, a growing middle class, increasing urbanization and changing lifestyles aid the demand growth in the sector. Internet transactions in consumer electronics and home appliances have grown tremendously over the past couple of years. Advancement in the technology and the higher competition are driving the price reductions across numerous consumer appliances product segments like television, refrigerators, washing machine and RACs.

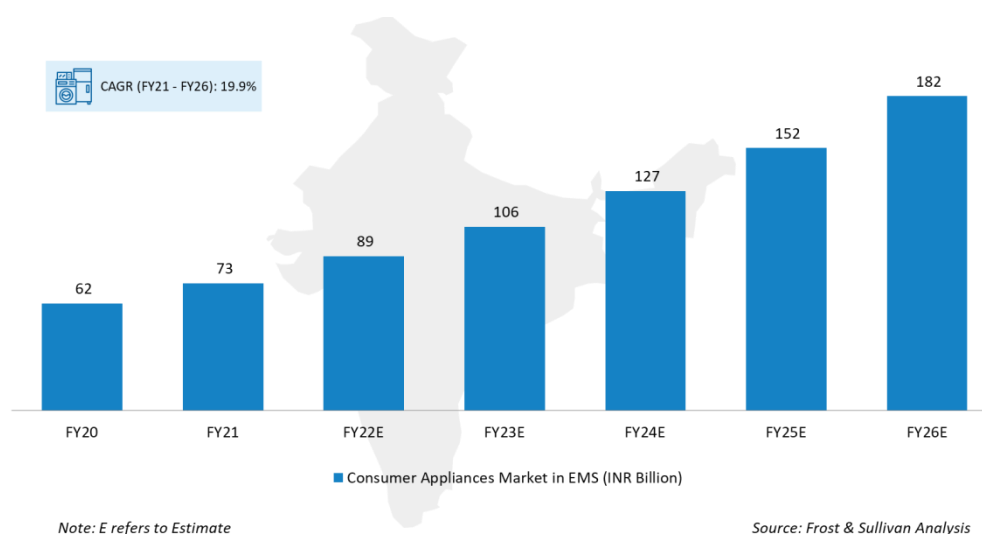
### Market Trends

Modern technology has paved the gateway for the multi-functional devices like the smart watch and the smartphone. Computers are much faster, more portable, and higher-powered than it was ever before. With all of these uprisings, technology has also made our lives easier, better, faster and more fun. The Indian consumer electronics sector has attracted numerous significant investments in the form of mergers and acquisitions by key global competitive companies, as well as other FDI inflows. Some of the key essential factors for the consumer market include the government of India's policies and regulatory frameworks, such as the easing of license restrictions and the permission of 51 % FDI in multi-brand retail and 100 % FDI in single-brand retail.

The advent of IoT and artificial intelligence (AI) in the consumer appliances segment opens a wide array of possibilities, given the massive size of the market in India.

### Market Size

*Consumer Appliances (PCB and Box-build for Washing Machines, RACs, Water Purifier, Owens, Refrigerators, Television) Market Estimates in EMS, Value in ₹ Billion, India, FY20-FY26E*



The appliances electronics market specific to products such as RAC, water purifier, washing machine and microwave ovens has a very strong growth potential going ahead due to large untapped market in India across the regions. The market was valued at ₹ 73 Billion in FY21 and is expected to grow at 19.9% CAGR to reach ₹ 182.0 Billion in FY26.

## Competition

Key players in the consumer electronics and appliances EMS category are Dixon, Jabil, and Flextronics to name a few.

## Future Opportunities

Low penetration levels of most Consumer Electronics and Appliances categories leaves large headroom for the industry to grow, pronounced in large semi-urban and rural markets of India. Designing and making products that meet the aspirations of today's consumers is what is the order of the day.

## Smart Metering

### Industry Overview

After China and the United States, India is the world's third largest power producer. Through advanced metering systems and custom-made technologies, India's utility sector is beginning on a new path. Smart metering has been in use in India for more than two years, although it is still in its infancy.

The Smart Meter National Program (SMNP) is being implemented across the country to deploy smart metres. Energy Efficiency Services Limited (EESL), a joint venture of PSUs under the Ministry of Power, is implementing the plan. The aim of the plan is to replace 250 million traditional metres with smart variants. India has a significant energy metre manufacturing capabilities, with certain companies exporting extensively to the global market.

### Key Drivers

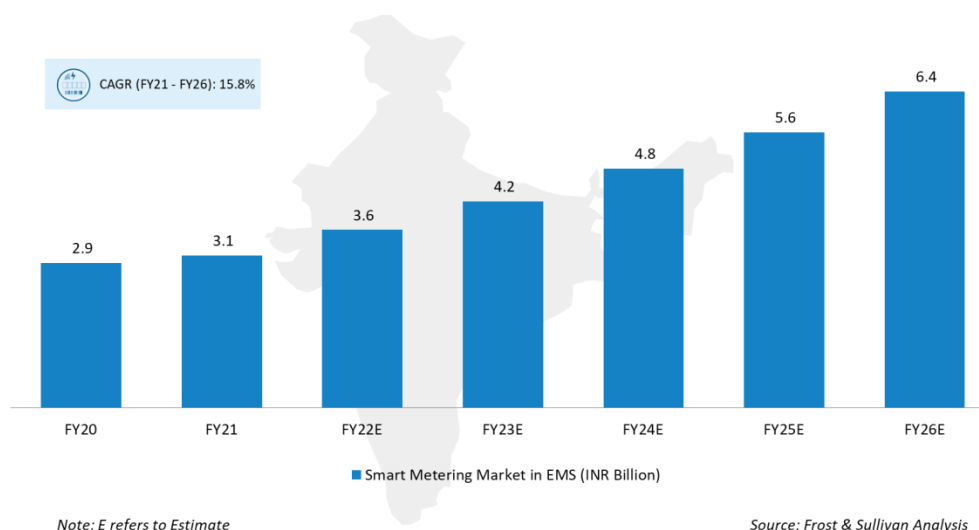
- **Government initiatives:** The smart metre industry is expected to be strengthened by government programmes such as the Deen Dayal Upadhaya Gram Jyoti Yojna and the Integrated Power Development Scheme. The Ministry of Power has launched the Ujwal DISCOM Assurance Yojna, which is expected to boost the power sector's growth.
- **Development in Infrastructure and Construction industry:** In the next five years, projects such as the development of 100 smart cities and 500 cities under AMRUT (Atal Mission for Rejuvenation and Urban Transformation) are anticipated to draw investments of ₹ 2,000 Billion, which bodes well for the industry.

### Market Trends

- Smart metres are often promoted as the next big thing to solve the problems of the power industry, although their primary purpose is to benefit DISCOMs as well as consumers.
- DISCOMs and customers can also benefit from prepaid smart metres.

### Market Size

*Smart Metering Market Estimates in EMS, Value in ₹ Billion, India, FY20-FY26E*



The Smart meter market in India is estimated at ₹ 3.1 Billion in FY21 and is expected to grow at a CARG of 15.8% to reach ₹ 6.4 Million in FY26.

### ***Competition***

HPL is the largest player followed by Genus power and L&T. Other major companies include Itron India Pvt Ltd, Schneider Electric India Pvt Ltd, Secure Meters Ltd, Superior Products Industries and Towa Engineering Works among others.

### ***Future Opportunities***

Smart energy metres will continue to be deployed mostly due to government regulations. In order to attract investment from utilities who lack the financial means to undertake a CAPEX-led rollout, the smart metering-as-a-service model will acquire more momentum. To prepare for the smart grid's future, we're building cutting-edge facilities for customers and DISCOMs alike.

### **Other Key Segments**

#### ***Lighting***

##### *Lighting: Market size and future outlook*

After a century of dominance by incandescent bulbs, halogen and CFL lights, LED lights have become the norm in the Indian lighting industry. Energy Efficiency Services Limited (EESL) efforts such as UJALA and SLNP provide vendors with pricing leverage with component suppliers, allowing them to drastically reduce product costs. Street lighting segment will be the biggest application for the next few years. Pure-play LED lighting companies are a dominant force in Indian market.

EMS is essential for LED lighting industry since many manufacturers outsource their LED lighting manufacturing to EMS companies. In the forecast period, the EMS market has a significant growth potential. Contribution from EMS market in the total manufacturing was around ₹ 47 Billion in FY21 and is expected to reach ₹ 344 Billion in FY26, at a CAGR of around 49.2% %.

##### *Lighting: Competition Overview*

Major LED lighting EMS player present in the Indian market are Dixon, Elin and RK Lighting which combined hold a market share of around 91%.

#### ***Medical Electronics***

##### *Medical Electronics: Market size and future outlook*

The EMS market for the Medical devices business was around ₹ 14 Billion in FY21 and is expected to reach ₹ 82 Billion in FY26, at a CAGR of around 42.8%.

##### *Medical Electronics: Competition Overview*

Large multinationals and small and medium businesses (SMEs) exist in India's medical device industry, which is expanding at an unprecedented rate. Around 65% of Indian manufacturers are domestic operators in the consumables sector, catering mostly to domestic consumption with little exports.

#### ***IT and Hardware***

##### *IT: Market size and future outlook*

Government's digitization programs like Digital India will continue to drive this segment. Key products in the IT segment include Notebooks, Servers, Storage Devices and Tablets. These top products occupy majority of the market in terms of volume.

AI printed circuit board designs & engineering processes bring further flexibility and create a new generation of products, like the connected objects, smart home devices, IoT devices. Printed Circuit Boards (PCB) for the connected devices which have been reinvented in order to add the AI aspects.

The EMS market for the IT business was around ₹ 21 Billion in FY21 and is expected to reach ₹ 109 Billion in FY26, at a CAGR of around 39.1%.

### ***Aerospace & Defense (A&D)***

#### ***A&D: Market size and future outlook***

India is the 7th largest Aerospace and Defence market globally. India needs to reduce its dependence on the imports and also modernize its Aerospace & Defence capital equipment base.

As the Aerospace & Defence industry advances, the crucial impact is in terms of the greater capability in the platforms a substantial portion of this comes from the electronics. Hence electronics in the Indian Aerospace & Defense industrial plan is the crucial centre-piece that needs to be addressed.

#### ***A&D: Competition Overview***

Some of the leading players in A&D electronics space are Amphenol Interconnect India Pvt Ltd., Hical Technologies, System Controls Technology Solutions, Tata Advanced Systems among others. Kaynes Technology and Sanmina are the two leading EMS players in A&D space.



## OUR BUSINESS

*Some of the information in this section, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read “Forward-Looking Statements” on page 19 for a discussion of the risks and uncertainties related to those statements and also “Risk Factors”, “Restated Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Significant Factors Affecting our Results of Operations” beginning on pages 30, 244 and 561, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.*

*Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on or derived from our Restated Standalone Financial Information included in this Draft Red Herring Prospectus. For further information, see “Restated Financial Information” beginning on page 244. We acquired SGS Teknics in September 2021 and Perfect ID in October 2021, and we have included proforma condensed combined financial information for Fiscals 2019, 2020 and 2021 and the three months ended June 30, 2021 to illustrate the impact of the acquisitions as if the acquisitions had taken place on April 1, 2018 under “Proforma Financial Information” on page 409. In this regard, please also see “Risk Factors – The Proforma Condensed Combined Financial Information included in this Draft Red Herring Prospectus may not accurately reflect our future financial condition, results of operations, cash flows and business.” on page 52.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report “Assessment of Electronics Manufacturing Services (EMS) Industry in India” dated December 13, 2021 (the “F&S Report”) prepared and released by F&S and commissioned by us. Unless otherwise indicated, all financial, operational, industry and other related information derived from F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

### Overview

We are a technology-focussed engineering and design company engaged in turnkey electronics manufacturing services (“**EMS**”), specialising in precision manufacturing for diverse end-use industries, including industrial appliances, automotive, healthcare, consumer products and IT industries. According to the F&S Report, among the large bouquet of EMS players in India, we are one of the fastest growing Indian-headquartered ESDM companies. (Source: F&S Report) Our Company has a track record of technical innovation which involves working with the engineering teams of our marquee customers, and over the years, we have evolved to provide integrated services and solutions to OEMs, from the initial product concept stage to volume production through concept co-creation and product realization. Our manufacturing infrastructure enables us to undertake a high mix of products with flexible production volume requirements. We are leaders in high mix low volume product management and are present in most industrial verticals. (Source: F&S Report) Further, we are one of the leading PCBA manufacturers in India, supplying to various OEMs and assemblers in the market. (Source: F&S Report) Our Company is also amongst the top key global manufacturers of custom RFID tags (Source: F&S Report).

Our current product portfolio may be categorised as follows:

- Printed circuit board assemblies (“**PCBA**”): Our PCBAs are used in products manufactured in the automotive, medical, industrial, IT and consumer products industries, and shall include box-build products;
- Radio frequency identification (“**RFID**”) products: Our RFID products are used in products manufactured in the shipping, healthcare, manufacturing, retail and fintech industries;
- Electromagnetic and electromechanical parts, which include magnetic products like chokes, inductors, magnetic filters, transformer as well as high volume manufacturing assemblies: Our electromagnetic and electromechanical parts are used in products manufactured in the automotive, industrial appliances, consumer appliances and healthcare industries, among others; and
- Other products, which include motherboards, DRAM modules, solid state drives, USB drives and other memory products.

We leverage our various strengths such as global sourcing capabilities and long-standing relationship with our vendors to consolidate and bring down the cost of raw materials and components, and explore alternative components, vendors, materials and processes to reduce product cost and bring products faster to market. Our concept co-creation initiative enables us to design products for our customers from the ideation / concept phase that they initiate and give them the preliminary prototypes for their testing and trials. This may also involve

collaboration with the engineering team of our customers. Once the design and quality are approved, we help them to seamlessly transition to volume manufacturing at our high-speed fully integrated manufacturing facilities. We have continuously diversified our product portfolio to keep pace with developments in technology. In addition, our continued focus on technology innovation and our design infrastructure have also enabled to undertake services for our customers over time.

We endeavour to identify and understand the key market trends and address our customers' evolving needs proactively and on a timely basis. For instance, in response to the requirements of the IT industry, we manufactured high precision coils for hard disk drives starting in 2005 and USB drives in 2008. Similarly, to address the requirements of home entertainment industry, we manufactured set top boxes from 2008. In respect of the telecom industry, pursuant to the advent of 3G technology in India, we forayed into manufacturing of GSM antennae from 2008 to 2012. Subsequently, pursuant to advancements to 4G technology, we proceeded to manufacture 4G and LTE antennae in 2016. We are currently undertaking manufacture of modules for 5G technology infrastructure. We began to cater to the automotive end-use industry with the manufacture of hall sensor PCBAs in 2007. Since then, we have progressed to manufacturing of vehicle tracking systems and toll management systems in 2009, beacons for vehicles in 2012 and 4W lighting system boards in 2021. Considering the advancement of electric vehicles, we have also commenced manufacturing of controllers of the EV battery management systems in 2020. Similarly, recognising the requirements of the consumer products industries, we commenced manufacturing of automatic dimmers for homes in 2010, and since then, have proceeded to manufacturing of induction cooktop components in 2016, boiler management PCBA units in 2013, energy-efficient electronic inverters and home appliance control PCBAs in 2014 and controller units for air conditioners in 2015. In connection with the healthcare industry, we designed and manufactured direct digital dental X-ray FPGA controllers in 2007. Since then, we have progressed to manufacturing of PCBAs for X-ray machines in 2014, PCBAs for smart canes for visually challenged people in 2015, augmented reality equipment for ophthalmological applications in 2018 and PCBAs for baby case CPAP ventilators in 2020.

We currently operate through eleven strategically located manufacturing facilities in north India (i.e. Himachal Pradesh, Haryana and Uttar Pradesh) and south India (i.e. Tamil Nadu and Karnataka). Our presence in these states enables us to efficiently cater to the requirements of our customers in north and south India. Our manufacturing facilities in Tamil Nadu are located in a special economic zone and our manufacturing facility in Haryana has been set up under the Electronic Hardware Technology Park scheme, which allow us to avail certain tax and other benefits in respect of the products manufactured out of these facilities. In addition, our manufacturing facilities are strategically located in Tamil Nadu, Karnataka and Haryana, which allow us to cater to our export requirements (in light of the proximity of these facilities to the respective city airports and Chennai port). In addition to our existing manufacturing, and engineering and design services offerings, we have also started our '*Zone of Autonomous Creation*' in 2018 in Chennai, Tamil Nadu pursuant to which we provide quick prototyping services where a design concept is provided to us by our customers and we help create an early form of the final product. It has a dedicated line for PCB assembly with an autonomous team that has procurement, process, quality, and new product introduction (NPI) engineers independent of our manufacturing facilities.

Our Company is focused on technological innovation through our R&D capabilities. We have three dedicated R&D facilities, two of which are located in India at Chennai, Tamil Nadu and Gurgaon, Haryana respectively, and one is located in Stuttgart, Germany. Our R&D facilities are equipped with state-of-the-art research and development infrastructure. We are also supported by a team specifically earmarked for R&D comprising of 77 full time employees, as on September 30, 2021. For further details, see "*- Research and Development*" on page 197. While we provide our design and engineering services and original design manufacturing services across all the end-use industries we serve, these services have been primarily focussed on the healthcare, industrial and automotive industries end-use industries in the last three Fiscals.

During the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, ₹ 2,559.60 million, ₹ 2,804.30 million, ₹ 1,931.30 million and ₹ 469.70 million, which accounted for 71.20%, 69.99%, 43.90%, and 35.27%, respectively of our revenue from operations, was attributable to our original design manufacturing services. Based on our Proforma Condensed Combined Financial Information, during the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, ₹ 3,109.00 million, ₹ 3,675.00 million, ₹ 2,598.70 million and ₹ 625.20 million, which accounted for 39.12%, 42.45%, 29.28%, and 25.49%, respectively of our proforma revenue from operations, was attributable to our original design manufacturing services. In addition, during the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, ₹ 15.16 million, ₹ 26.84 million, ₹ 27.36 million and ₹ 14.29 million, which accounted for 0.43%, 0.68%, 0.62%, and 1.07%, respectively of our revenue from operations, was attributable to our design and engineering services. Further, based on our Proforma Condensed Combined Financial Information, during the Fiscals 2019, 2020, and 2021 and the three months ended June 30,

2021, ₹ 15.16 million, ₹ 42.98 million, ₹ 52.46 million and ₹ 14.29 million, which accounted for 0.19%, 0.50%, 0.59%, and 0.58% respectively of our proforma revenue from operations, was attributable to our design and engineering services.

We also consider our quality control procedures to be a cornerstone of our business operations. This is undertaken by an independent quality control department in our Company which is responsible for ensuring quality in respect of all aspects of our operations, including vendor quality, incoming supply quality control, process quality and outgoing (finished product) quality. Each of these aspects are supervised by professional personnel who are well-experienced in these aspects. As on date, our manufacturing facilities have accreditations including the ISO 9001:2015, IATF 16949:2016, ISO 13485: 2016, AS 9100D, ISO 14001:2015, ANSI/ESD S20.20-2014 and ISO 45001:2018 certifications for quality management, environment and health & safety system.

We have a wide product portfolio with applications across diverse end-use industries. Our products are primarily focussed toward ODMs and OEMs serving end-use industries including the automotive, healthcare, IT, industrial appliances, energy management, water purification, power supply and consumer products industries. In Fiscals 2019, 2020 and 2021 and the three months ended June 30, 2021, based on the Proforma Condensed Combined Financial Information, our proforma revenue from operations attributable to our customers in each of the relevant end-use industries have been set out below:

Industry	Revenue				As a % of revenue from operations			
	Fiscal 2019	Fiscal 2020	Fiscal 2021	Three months ended June 30, 2021	Fiscal 2019	Fiscal 2020	Fiscal 2021	Three months ended June 30, 2021
Automotive	1,358.01	1,332.07	1,302.92	403.76	17.09%	15.39%	14.68%	16.46%
Consumer	1,621.22	1,944.95	2,084.60	330.81	20.40%	22.47%	23.49%	13.49%
Healthcare	1,905.12	2,067.13	1,243.79	356.78	23.97%	23.88%	14.02%	14.55%
Industrial	3,059.84	3,288.22	3,929.04	1,083.00	38.50%	37.99%	44.28%	44.15%
IT	3.18	15.28	205.04	242.33	0.04%	0.18%	2.31%	9.88%
Railways	-	8.90	108.56	36.09	-	0.10%	1.22%	1.47%
<b>Grand Total</b>	<b>7,947.38</b>	<b>8,656.54</b>	<b>8,873.94</b>	<b>2,452.77</b>				

During the three months ended June 30, 2021, we catered to over 200 customers of which 16 customers have been associated with us for over a period of 10 years contributing 28.67%, 26.04%, and 21.43% of our proforma revenue from operations for Fiscals 2019, 2020 and 2021. Our marquee customers include TVS Motor Company Limited, A. O. Smith India Water Products Pvt. Ltd., Robert Bosch Engineering and Business Solution Pvt Ltd, Eureka Forbes Ltd Limited, CyanConnote Limited, Atomberg Technologies Private Limited and Total Power Europe B.V. Our products are sold in over 19 countries (apart from India), including the USA, Germany, Austria, and UK. During the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, ₹ 2,673.35 million, ₹ 3,320.94 million, ₹ 3,069.71 million and ₹ 752.79 million, which accounted for 75.52%, 83.63%, 70.04%, and 56.52%, respectively of our revenue from operations, was attributable to exports. Based on our Proforma Condensed Combined Financial Information, during the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, ₹ 4,440.62 million, ₹ 4,983.50 million, ₹ 4,731.68 million and ₹ 1,237.50 million, which accounted for 55.88%, 57.57%, 53.32%, and 49.04%, respectively of our proforma revenue from operations, was attributable to exports.

We are backed by a robust supplier network. In the three months ended June 30, 2021, we purchased raw materials and components from 851 suppliers. Our suppliers are spread across 19 countries (apart from India), including USA, Singapore and China. During the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, ₹ 1,490.72 million, ₹ 1,563.89 million, ₹ 1,911.54 million and ₹ 734.93 million, which accounted for 75.90%, 69.92%, 71.06%, and 81.39%, respectively of our cost of raw materials and components purchased, was attributable to imports. Based on our Proforma Condensed Combined Financial Information, during the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, ₹ 3,199.58 million, ₹ 3,011.16 million, ₹ 3,408.12 million and ₹ 1,257.33 million, which accounted for 61.38%, 56.24%, 57.08%, and 64.57%, respectively of our proforma cost of raw materials and components consumed, was attributable to imports. All our major suppliers are separately audited and verified by our supplier quality engineers. We leverage our global sourcing capabilities to optimize our costs while maintaining the quality of our products resulting in lower lead time to the market.

As part of our business strategy to expand our market share in the EMS sector and to widen our geographical

footprint in the national market, we acquired SGS Teknics in September 2021 and Perfect ID in October 2021. The acquisition of SGS Teknics provided ample headroom for growth as there was almost no overlap of customers and the geographies being serviced by our Company and SGS Teknics. Pursuant to this acquisition, we increased our manufacturing capacities and in-house R&D capabilities, in addition to expanding our existing supplier network. It also helped consolidate our component purchases, which account for a majority of our expenditure on raw materials, thus which may allow us to improve our procurement costs as well. This acquisition has opened opportunities for cross selling our RFID and magnetic products to existing customers of SGS Teknics. We have also augmented our senior management talent pool through this acquisition. We also acquired Perfect ID in October 2021, pursuant to which we acquired the infrastructure and know-how for the manufacture of RFID label tags and passive inlay tags, which was in addition to our existing capabilities for the manufacture of RFID hard tags, thus expanding our RFID products portfolio.

Our Promoter and Executive Chairman, Sandeep Tandon, has approximately 18 years of experience in this industry and provides valuable guidance on all strategic matters. In addition, our Promoter and Managing Director, Jasbir Singh Gujral, has in-depth industry knowledge and extensive managerial experience in the EMS sector, with over 30 years of experience in the EMS sector. We are led by a well-qualified and experienced management team, which has demonstrated its ability to manage and grow our operations. The knowledge and experience of our management team provides us with a significant competitive advantage as we seek to grow our business. We are also guided by our Company's philosophy of *"creating an edge for leading brands as a trusted partner delivering excellence in electronic design and manufacturing"*.

In the Fiscals 2019, 2020, 2021 and the three months ended June 30, 2021, our total income was ₹ 3,573.95 million, ₹ 4,048.82 million, ₹ 4,444.80 million and ₹ 1,352.72 million, respectively. In the Fiscals 2019, 2020, 2021 and the three months ended June 30, 2021, our restated profit before tax was ₹ 272.97 million, ₹ 522.31 million, ₹ 363.36 million and ₹ 86.14 million, respectively. Our EBITDA has grown to ₹ 529.34 million for Fiscal 2021 from ₹ 430.76 million for Fiscal 2019. Our restated profit for the year in Fiscal 2021 was ₹ 286.15 million. We have been able to increase our total revenue and our profit after tax from Fiscal 2019 to Fiscal 2021 at a CAGR of 11.52% and 16.82% respectively. Further, in the Fiscals ended 2019, 2020, 2021 and the three months ended June 30, 2021, our ROCE was 36.66%, 50.46%, 25.87%, and 20.32% (Annualised), respectively. Further, in the Fiscals ended 2019, 2020, 2021 and the three months ended June 30, 2021, our ROE was 45.45%, 55.81%, 16.92%, and 9.25% (Annualised), respectively. In the Fiscals ended 2019, 2020, 2021 and the three months ended June 30, 2021, our gross margins were 38.15%, 42.76%, 35.64%, and 29.92% respectively.

In addition, based on our Proforma Condensed Combined Financial Information (which assumes the acquisition of SGS Teknics and Perfect ID as on April 1, 2018) in the Fiscals 2019, 2020, 2021 and the three months ended June 30, 2021, our total proforma income was ₹ 8,062.38 million, ₹ 8,799.54 million, ₹ 9,042.91 million and ₹ 2,497.02 million, respectively. Our proforma EBITDA has grown to ₹ 1,168.06 million for Fiscal 2021 from ₹ 1,018.64 million for Fiscal 2019. Our proforma profit for the year in Fiscal 2021 was ₹ 655.44 million. We have been able to increase our total proforma revenue and our proforma profit after tax from Fiscal 2019 to Fiscal 2021 at a CAGR of 5.90% and 11.33% respectively. Further, in the Fiscals ended 2019, 2020, 2021 and the three months ended June 30, 2021, our proforma ROCE was 17.29%, 23.53%, 15.69%, and 13.94% (annualised), respectively. Further, in the Fiscals ended 2019, 2020, 2021 and the three months ended June 30, 2021, our proforma ROE was 15.88%, 21.64%, 12.93%, and 11.11% (annualised), respectively. In the Fiscals ended 2019, 2020, 2021 and the three months ended June 30, 2021, our proforma gross margins were 31.61%, 35.99%, 32.61%, and 29.62% respectively.

### **Our Competitive Strengths**

We believe that the following competitive strengths have contributed to our business growth and will continue to drive our success.

***One of the leading design and electronic manufacturing services companies in terms of revenue in Fiscal 2021, driven by our focus on quality and customer relationships***

We are a technology-focussed engineering and design company engaged in turnkey electronics manufacturing services ("EMS"), specialising in precision manufacturing for diverse end-use industries, including industrial appliances, automotive, healthcare, consumer products and IT industries. According to the F&S Report, among the large bouquet of EMS players in India, we are one of the fastest growing Indian-headquartered ESDM companies. (Source: F&S Report) Further, we are leaders in high mix low volume product management and are present in most industrial verticals. (Source: F&S Report) We are one of the leading PCBA manufacturers in India,

supplying to various OEMs and assemblers in the market. (Source: F&S Report) Our Company is also amongst the top key global manufacturers of custom RFID tags (Source: F&S Report).

According to the F&S Report, electronics is one of the fastest growing industries in the country. The total electronics market (which includes domestic electronics production and imports of electronic products) in India is valued at ₹ 6,711 billion (USD 91 billion) in FY21, which is expected to grow at a CAGR of 25.5% to reach ₹ 20,873 billion (USD 282 billion) in FY26. The domestic production of electronics is around 74% of the total electronics market in FY21, which is expected to reach around 96% by FY26, with the help of various government initiatives and development of electronic ecosystem in India. Also, the global landscape of electronic design and manufacturing is changing significantly, and revised cost structures have shifted the attention of multinational companies to India. At present, the Indian government is attempting to enhance manufacturing capabilities across multiple electronics sectors and to establish the missing links in order to make the Indian electronics sector globally competitive. India is positioned not only as a low-cost alternative, but also as a destination for high-quality design work. Many multinational corporations have established or expanded captive centres in India. The electronics production market is widely defined as Consumer electronics, Industrial electronics, Computer hardware, Mobile Phones, Strategic electronics, Electronic components, and LED goods, according to MeitY (Ministry of Electronics and Information Technology). (Source: F&S Report)

Our leading position in the market is driven by our focus on quality and customer relationships nurtured through prompt responsiveness and ensuring reliability. Specifically, for the purposes of the monitoring and maintenance of quality of our products, we have a team of 185 employees who are dedicated to quality assurance and quality control, as on September 30, 2021. For further details, see “ – *Quality Control and Services*” on page 198. This has helped ensure that there has been no recall of our products by our customers in the last five years. In addition, there have been no instances in the last five years where our customers have initiated any legal proceedings and / or claimed any damages in respect of our products.

Further, given our long experience in the EMS sector, and our well-experienced leadership, we have been in a position to take early advantage of technological developments in the EMS sector, allowing us to promptly address evolving needs of our customers. This has enabled consistent growth in our revenue and profitability. As is evident from the above, our revenue from operations attributable to industrial appliances industry, consumer products industry, IT industry and other industries grew at a CAGR of 13.27%, 10.13%, 702.36%, and 1,119.96%, respectively from Fiscal 2019 to Fiscal 2021.

### ***Consistent track record of financial performance***

We have demonstrated consistent growth in terms of revenue and profitability. We have set out below some of our key performance indicators, as of and for the periods mentioned below:

Particulars	Fiscal 2019	Fiscal 2020	Fiscal 2021	Three months ended June 30, 2021
Total Income (₹ in million)	3,573.95	4,048.82	4,444.80	1,352.72
Revenue from operations (₹ in million)	3,539.97	3,970.76	4,383.03	1,331.90
EBITDA (₹ in million) <sup>(1)</sup>	430.76	699.00	529.34	121.81
EBITDA Margin (%) <sup>(2)</sup>	12.17%	17.60%	12.08%	9.15%
Restated profit for the period/year (₹ in million)	209.67	438.80	286.15	55.57
PAT Margin (%) <sup>(3)</sup>	5.92%	11.05%	6.53%	4.17%
ROE (%) <sup>(4)</sup>	45.45	55.81	16.92	9.25
ROCE (%) <sup>(5)</sup>	36.66	50.46	25.87	20.32
Net Debt <sup>(6)</sup>	801.19	486.37	259.15	238.26
Debt / Equity Ratio <sup>(7)</sup>	1.65	0.82	0.24	0.21
Asset turnover <sup>(8)</sup>	4.68	5.07	5.84	7.23
OCF to EBITDA <sup>(9)</sup>	23.31%	101.33%	45.06%	28.05%

(1) EBITDA = Earning before interest, tax, depreciation and amortization

(2) EBITDA Margin = EBITDA / Revenue from operations

(3) PAT Margin = Profit / Revenue from Operations

(4) ROE = PAT / Net worth

(5) ROCE = EBIT / Capital employed

(6) Net Debt = Gross debt – Cash & cash equivalents, including liquid investments

(7) Debt / Equity Ratio = Gross debt / Shareholders fund

(8) Asset Turnover = Total income/ Property, plant & equipment

(9) OCF to EBITDA = Net cash flow from operating activities / EBITDA

We have also set out below the same key performance indicators, based on our Proforma Condensed Combined Financial Information (which assumes the acquisition of SGS Tekniks and Perfect ID as on April 1, 2018):

Particulars	Fiscal 2019	Fiscal 2020	Fiscal 2021	Three months ended June 30, 2021
Total proforma income (₹ in million)	8,062.38	8,799.54	9,042.91	2,497.02
Proforma revenue from operation (₹ in million)	7,947.40	8,656.50	8,873.99	2,452.77
Proforma EBITDA <sup>(1)</sup>	1,018.64	1,452.68	1,168.06	272.34
Proforma EBITDA Margin (%) <sup>(2)</sup>	12.82%	16.78%	13.16%	11.10%
Proforma profit for the period/year (₹ in million)	528.86	915.03	655.44	144.90
Proforma PAT Margin (%) <sup>(3)</sup>	6.65%	10.57%	7.39%	5.91%
Proforma ROE (%) <sup>(4)</sup>	16.10%	21.64%	12.93%	11.11%
Proforma ROCE (%) <sup>(5)</sup>	17.45%	23.53%	15.69%	13.94%
Proforma Net Debt <sup>(6)</sup>	1,017.49	54.38	-(198.32)	20.71
Proforma debt / equity Ratio <sup>(7)</sup>	0.47	0.27	0.18	0.19
Proforma asset turnover <sup>(8)</sup>	4.89	4.91	5.11	5.72
Proforma OCF to Proforma EBITDA <sup>(9)</sup>	22.63%	107.25%	31.77%	(75.70)%

(1) EBITDA = Earning before interest, tax, depreciation and amortization

(2) EBITDA Margin = EBITDA / Revenue from operations

(3) PAT Margin = Profit / Revenue from operations

(4) ROE = PAT / Net worth

(5) ROCE = EBIT / Capital employed

(6) Net Debt = Gross debt – Cash & cash equivalents, including liquid investments

(7) Debt / Equity Ratio = Gross debt / Shareholders fund

(8) Asset Turnover = Total income / Property, plant & equipment

(9) OCF to EBITDA = Operating cash flow / EBITDA

We have been able to increase our total revenue, revenue from operations and our profit after tax from Fiscal 2019 to Fiscal 2021 at a CAGR of 5.90%, 5.67% and 11.33% respectively. Our financial position as mentioned above, illustrates not only the growth of our operations over the years, but also the effectiveness of the administrative and cost management protocols that we have implemented. Among other things, our strong financial position and results of operations have enabled us to further our inorganic growth initiatives.

***Diversified and continuously evolving and expanding product portfolio and service offerings catering to customers across various industries, backed by strong R&D capabilities***

We have, over the years, diversified and expanded our product portfolio, and evolved our operations to provide design and engineering services and original design manufacturing services, that cater to various industries, including automotive, healthcare, IT, industrial appliances, energy management, water purification, power supply, and consumer products industries. For details of the industries that our current products portfolio cater to, see “-Our Products” on page 192.

Following are the details of the revenue generated, gross margin and certain other details based on our Proforma Condensed Combined Financial Information, with respect to the end-use industries that we cater to, in the Fiscals ended 2019, 2020, 2021, and in the three months ended June 30, 2021:

		Automotive	Consumer	Healthcare	Industrial	IT	Railways
Fiscal 2019	Proforma revenue generated (₹ in million)	1,358.01	1,621.22	1,905.12	3,059.84	3.18	-
	As a % of proforma revenue from operations	17.09%	20.40%	23.97%	38.50%	0.04%	0.00%
	Proforma Gross Margin <sup>(1)</sup>	211.06	675.91	553.37	979.98	0.27	-
	Proforma Gross Margin (%) <sup>(2)</sup>	15.54%	41.69%	29.05%	32.03%	8.40%	0.00%
	% of proforma revenue attributable to exports	13.68%	54.89%	99.02%	48.22%	100.00%	0.00%

		Automotive	Consumer	Healthcare	Industrial	IT	Railways
Fiscal 2020	Proforma revenue generated (₹ in million)	1,332.07	1,944.95	2,067.13	3,288.22	15.28	8.90
	As a % of proforma revenue from operations	15.39%	22.47%	23.88%	37.99%	0.18%	0.10%
	Proforma Gross Margin <sup>(1)</sup>	245.63	1,031.66	800.43	1,160.65	1.27	2.26
	Proforma Gross Margin (%) <sup>(2)</sup>	18.44%	53.04%	38.72%	35.30%	8.33%	25.44%
	% of proforma revenue attributable to exports	8.39%	44.89%	99.18%	58.80%	97.79%	0.00%
Fiscal 2021	Proforma revenue generated (₹ in million)	1,302.92	2,084.60	1,243.79	3,929.04	205.04	108.56
	As a % of proforma revenue from operations	14.68%	23.49%	14.02%	44.28%	2.31%	1.22%
	Proforma Gross Margin <sup>(1)</sup>	163.33	873.46	463.14	1,200.93	2.05	22.01
	Proforma Gross Margin (%) <sup>(2)</sup>	12.54%	41.90%	37.24%	30.57%	1.00%	20.27%
	% of proforma revenue attributable to exports	10.21%	50.58%	98.96%	58.88%	0.00%	0.00%
Three months ended June 30, 2021	Proforma revenue generated (₹ in million)	403.76	330.81	356.78	1,083.00	242.33	36.09
	As a % of proforma revenue from operations	16.46%	13.49%	14.55%	44.15%	9.88%	1.47%
	Proforma Gross Margin <sup>(1)</sup>	50.26	135.18	141.44	500.60	2.46	7.90
	Proforma Gross Margin (%) <sup>(2)</sup>	12.45%	40.86%	39.64%	46.22%	1.02%	21.88%
	% of proforma revenue attributable to exports	9.59%	37.97%	97.56%	63.75%	0.00%	0.00%

(1) Gross Margin = operating revenue – cost of raw materials consumed

(2) Gross Margin % = gross margin/ operating revenue

The diversification and expansion of our product portfolio is primarily driven by the continuously evolving needs of our customers and technological advancements in the industry. Our continuously evolving product portfolio has helped accelerate our growth and in innovating the manner we cater to and thus retain both new and existing customers. In addition, we have also evolved our operations to include design and engineering services and original design manufacturing services as part of our service offerings, which have helped increase our wallet share with our existing customers, in addition to bringing in new customers. This has also helped hedge our operations against the potential risk of our offerings becoming obsolete.

The evolution of our product portfolio and service offerings have been driven by our R&D capabilities. We have three dedicated R&D facilities, two of which are located in India at Chennai, Tamil Nadu and Gurgaon, Haryana respectively, and one is located in Stuttgart, Germany. Our R&D efforts are focused on (i) development of new products and improvement of the quality of our existing products; and (ii) driving the design and engineering capabilities and original design manufacturing capabilities of our Company. We are also supported by a team specifically earmarked for R&D comprising of 77 full time employees, as on September 30, 2021. Our R&D capabilities enable us to explore technological innovations and developments which may give us a competitive edge in future. During the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, ₹ 2,559.60 million, ₹ 2,804.30 million, ₹ 1,931.30 million and ₹ 469.70 million, which accounted for 71.20%, 69.99%, 43.90%, and 35.27%, respectively of our revenue from operations, was attributable to our original design manufacturing services. Based on our Proforma Condensed Combined Financial Information, during the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, ₹ 3,109.00 million, ₹ 3,675.00 million, ₹ 2,598.70

million and ₹ 625.20 million, which accounted for 39.12%, 42.45%, 29.28%, and 25.49%, respectively of our proforma revenue from operations, was attributable to our original design manufacturing services. Our strong focus on R&D has helped us increase our wallet share by helping us widen our product offerings to the same customer, and cross selling these products to other customers.

Our R&D team also aims to provide solutions to improve of our existing manufacturing processes, including by adoption of advanced manufacturing technology, improve manufacturing efficiency on our existing products and reduce manufacturing costs. This helps us produce high quality products consistently and also enables us to maintain a cost advantage over our competitors.

#### ***Established relationships with marquee customers across various countries***

Our product portfolio has helped us forge strong relationships with our major clients. We have established and will continue to focus on strengthening long-standing relationships with well-known customers across the end-use industries that we cater to. The varied applications of our products have helped us build a wide customer base across many end-use industries. It has also helped build on existing relationships by enabling us to provide multiple product-oriented solutions for the varying requirements of our existing customers. Several global brands are our customers both in India and overseas. Certain of our marquee customers across the end-use industries that we cater to, include TVS Motor Company Limited, A. O. Smith India Water Products Pvt. Ltd., Robert Bosch Engineering and Business Solution Pvt Ltd, Eureka Forbes Ltd Limited, CyanConnode Limited, Atomberg Technologies Private Limited and Total Power Europe B.V. Our wide customer base across various sectors reduces our dependence on any one end-use industry and provides a natural hedge against market instability in a particular end-use industry.

We have a history of strong customer retention. During the three months ended June 30, 2021, we catered to over 200 customers of which 16 customers have been associated with us for over a period of 10 years. Further, in Fiscals 2019, 2020 and 2021, and in the three months ended June 30, 2021, 75.87%, 75.31%, 64.76% and 62.29% of our revenue from operations, respectively, was contributed by our customers who have been associated with us for over three years. Further, we acquired 27, 48 and 42 new customers in Fiscal 2019, 2020 and 2021 respectively. In addition, 66 of our 200 customers have been our customer for over three years, as on June 30, 2021. We have also increased the product portfolio provided to our clients over periods of time.

Our products are distributed in India and overseas, in over 19 countries, including the USA, Germany, Austria, and UK. During the Fiscals 2019, 2020, and 2021 and in the three months ended June 30, 2021, ₹ 2,673.35 million, ₹ 3,320.94 million, ₹ 3,069.71 million and ₹ 752.79 million, which accounted for 75.52%, 83.63%, 70.04%, and 56.52%, respectively of our revenue from operations, was attributable to exports. We also have a subsidiary in Germany, to facilitate our overseas operations. Our exports help provide a natural hedge against losses arising out of exchange rate fluctuations in connection with our import of raw materials and components.

Our strong customer base has not only been instrumental in our success to date, but also will be a strong driver of our future growth and help expand our market share, develop new products and enter newer markets. Our customer-focussed approach to our operations ensures that any issues raised by our customers are immediately addressed by a dedicated team of customer-specific program managers, with the average turnaround time for such responses being around 24 hours. We consider feedback from our OEM and ODM customers critical to our operations, as this allows us to anticipate and address our customer requirements in the future as well.

#### ***State-of-the-art manufacturing capabilities supported by a global supplier network, with a focus on vertical integration***

We currently operate through eleven manufacturing facilities spread across five states namely Tamil Nadu, Karnataka, Himachal Pradesh, Haryana and Uttar Pradesh, that are supported by 697 permanent employees and 3,361 persons employed as contract labour / temporary employees and retainership employees (as on June 30, 2021). Our presence in these states enables us to efficiently cater to the requirements of our customers in north and south India. Our manufacturing facilities in Tamil Nadu are located in a special economic zone and our manufacturing facility in Haryana has been set up under the Electronic Hardware Technology Park scheme, which allow us to avail certain tax and other benefits in respect of the products manufactured out of these facilities. In addition, our manufacturing facilities are strategically located in Tamil Nadu, Karnataka and Haryana, which allow us to cater to our export requirements (in light of the proximity of these facilities to the respective city airports and Chennai port). The common manufacturing capabilities across our facilities gives us the flexibility to seamlessly migrate production between different facilities in case of emergencies. We are also migrating our ERP platforms



to the Hana S4 platform which will result in common centralised databases for components, vendors, quality and supply chain, which will lead to productivity improvements and efficient working capital management. We are eligible for incentives under the '*Production Linked Incentive Scheme (PLI) for Telecom and Networking Products*' notified by the Ministry of Communications, Department of Telecommunications on June 3, 2021. These product linked incentives make us eligible to manufacture products in categories like access & customer premise equipment (CPE), IOT access devices and other wireless and enterprise equipment. In addition, we have been provisionally selected as beneficiaries for the incentives being granted under the '*PLI for White Goods (Air Conditioners & LED Lights)*' notified by the Ministry of Commerce & Industry on June 4, 2021 notified by the Ministry of Electronics and Information Technology on April 1, 2020. This will make us eligible to make control assemblies for indoor units or outdoor units or remotes for air conditioners and LEDs. For details of the tax benefits available to our Company, see "*Statement of Special Tax Benefits*" on page 125.

For the manufacturing of our PCBA products, our manufacturing facilities are equipped with modern and high speed equipment that can handle surface mount components and through hole components. These machines can also handle special shaped components. These equipment are fitted with cameras which are used to inspect and place components on the PCB. These are high rate of accuracy and the defect rates are less than 50 parts per million. These machines are also capable of 'package on package' (PoP). These also have automated optical inspection (3D AOI) that are used to inspect after the PCBAs are assembled. All of these capabilities of our machinery allow us to reduce manual intervention in the manufacturing process, thereby improving the product quality.

In addition to the above, we also have in-circuit testers (ICT) and flying probe testers (FPT), which have been customised for our requirements. These testers ensure that each and every component on the PCBA are tested effectively and ensure high reliability. As a part of our continuous process improvement plan, we also have 3D X-ray machines that are used for debugging / failure analysis. These equipment help us identify and correct any defects that may happen in the manufacturing process.

Further, our RFID products require specialised equipment for winding high and low frequency coils. For this purpose, we have automated, high speed, high accuracy winding machines, wherein all the winding parameters like the number of turns, temperature and bonding quality can be programmed into the machinery. We also have high accuracy epoxy dispensing machinery for potting / encapsulation. We also have invested into a fully automated line for the manufacture of our RFID products, which require minimal manual intervention and has the capacity to produce 100,000 tags a day or 2.5 million tags a month.

Our cost competitive approach along with our engineering expertise enable us to meet the stringent requirements of our customers. We make use of technology and manufacturing execution systems such as Mentor Graphics for New Product Introduction (NPI) to enhance our workflows and manufacture quality and reliable products. In addition, our ability to rapidly implement design or manufacturing process improvements grants us the flexibility to optimize the use of our manufacturing facilities. Our in-house design capabilities that comprise a dedicated design team, also contribute to our efficiency and stringent quality control. Our manufacturing capabilities also enable effective control over quality, manufacturing costs and product development, further empowering us to service customer requests in an efficient manner, while better managing our manufacturing and administrative costs. As on date, our manufacturing facilities have accreditations including the ISO 9001:2015, IATF 16949 (First Edition 2016-10-01) and EN ISO 13485:2016 certifications for quality management.

We are also focussed on vertical integration in our manufacturing process. As part of our product portfolio, we manufacture various electromagnetic components parts such as transformers and chokes, which are required for the manufacture of our PCBA products. This helps us increase our efficiency in terms of cost as well as time as it helps eliminate the lead time typically required for procurement of these components (which may range up to 80 days). In addition, with respect to the manufacturing of our RFID products, we are not limited to the manufacture of the RFID sensors and are able to leverage our state-of-the-art injection moulding equipment to manufacture customised tags and other products where these RFID sensors may be incorporated.

In addition, we have a robust supplier network which included over suppliers in India and overseas, in over 19 countries, including USA, Singapore and China. In the three months ended June 30, 2021, we purchased raw materials and components from 851 suppliers. Some of our major suppliers include, AdvanIDe Holdings Pte Ltd, Elektronika Sales Private Limited Regd., Kingford, Kinji (QM) Electronics Limited, Le Champ (South East Asia) Pte Ltd, My Own Produktentwicklung & Vertriebs GmbH, Permanent Magnets Limited, Prodigy Electronics Limited, Supreme Components International Pte. Ltd. and SPEL Semiconductor Limited. All our major suppliers are separately audited and verified by our supplier quality engineers. We are not reliant on any single supplier for

any of our raw materials and components, and are able to leverage our wide and diverse network of suppliers to ensure that our supply chain remains unaffected, regardless of any one or more of our suppliers being unable or refusing to supply to us. This also allows us prompt and relatively faster access to suppliers for development of moulds/tools required for the manufacture of various of our products, which eliminates the extensive capital investment otherwise required for the development of such moulds or tools.

#### ***Experienced promoters supported with senior management team with proven track record of performance***

We are led by a management team with extensive experience in the EMS sector with a proven track record of performance. Our Board comprises eminent individuals with significant experience across various industries and functions. Our Promoter and Executive Chairman, Sandeep Tandon, has approximately 18 years of experience in this industry and provides valuable guidance on all strategic matters. In addition, our Promoter and Managing Director, Jasbir Singh Gujral, has in-depth industry knowledge and extensive managerial experience in the EMS sector, with over 30 years of experience in the EMS sector. In addition, members of our management team, which comprises a mix of homegrown talent and lateral talent from leading multinational companies and firms, possess complementary skills and have extensive experience and knowledge of our business.

Our management team has developed strong working relationships with our employees, which adds to our stability and long-term growth. Our highly experienced and dedicated management team also enables us to capture market opportunities, formulate and execute business strategies, manage client expectations as well as proactively manage changes in market conditions.

We have remained focused towards development of human resources by carefully planning and executing recruitment, training and retention of a highly skilled employee base. As of June 30, 2021, we had 697 full-time employees which includes graduates, engineers and diploma holders. Of this, we have a total of 49 sales and marketing personnel as of June 30, 2021, which allows us to effectively engage with suppliers. For details of the training initiatives and other programs undertaken by our Company for our employees, see “ – Employees” on page 200.

#### **Our Business Strategies**

##### ***Solidify and strengthen our core competitiveness of technology innovation***

We intend to continue to invest in technology infrastructure to enable further technical innovation, improve our operational efficiencies, increase customer satisfaction and improve our sales and profitability. We intend to further develop our technological infrastructure and technical know-how, to improve on our existing design and engineering service and original design manufacturing capabilities.

In addition, we will focus on optimizing and automating our manufacturing processes to improve returns in a rapidly changing technological environment. We constantly endeavour to reduce the costs of our operations while ensuring the quality of our products. We intend to focus on adopting strategies to establish a standardised platform across our business units for our processes, hardware and software infrastructure and workforce. We also intend to enhance our research and development, and design capabilities which provide us with a competitive advantage with respect to quality, product development and cost, as well as to continuously explore sustainable cost improvement initiatives for our operations. We aim to identify opportunities to implement production improvements and will dedicate R&D resources to enhance our production processes. We intend to identify and adopt new-age technologies for our process and product development to improve our productivity, quality and cost effectiveness. For instance, we are in the process of developing various IoT based products that cater to the energy management, lighting, medical and consumer appliances industries

We will continue to expand our R&D capabilities to capitalize on the latest trends. During the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, we have incurred research and development expenditure aggregating to ₹ 28.68 million, ₹ 32.57 million, ₹ 37.45 million, and ₹ 12.68 million, respectively. We intend to further develop our research and development capabilities in order to enhance our product portfolio. We believe that investment in R&D and expansion of our R&D team, provides us a long-term growth opportunity, and helps us align ourselves with the projected demand our product segments and market, and better position ourselves to meet the evolving requirements of our customers.

In addition, we intend to undertake the following:

- *Increase investments in new infrastructure:* In order to maintain our competitive position in the industry, we plan to continue developing or purchasing new equipment which, we believe can improve our production efficiency as well as support our developing new products to satisfy consumer demand. We also plan to upgrade our existing manufacturing equipment tailored to different production requirements of different products so as to increase our production efficiency.
- Build a new dedicated design services facility that includes design services, quick prototype services and infrastructure for developing enclosures and other mechanical elements to provide an end to end design services solution and experience for our customers.

As a part of this strategy, we are also in the process of setting up manufacturing facilities and expanding certain of our existing manufacturing facilities. For further details, see “*Objects of the Offer*” on page 95.

### ***Pursue inorganic growth through strategic acquisitions***

We have continuously sought to diversify our product portfolio which could cater to customers across various end-use industries and geographies. Accordingly, while we seek to continue to strengthen our existing product portfolio, we also intend to further diversify into products with prospects for increased growth and profitability by leveraging our R&D capabilities. We also plan to continue to increase offerings in our current business segments as well as diversify into new products by tapping into segments which in the view of our management have attractive growth prospects.

In conjunction to our organic growth strategies, we have in the past, and going forward, intend to continue pursuing strategic acquisitions by selectively evaluating targets or partners for strategic acquisitions and investments. We have expanded our business and operations through acquisitions and integrating these businesses into our operations, and we intend to continue our strategic expansion plans through inorganic growth opportunities in geographies that complement our existing operations. Our acquisitions include the acquisition of Tovya Automation in December 2014, the merger of 3G Communication Private Limited effective from April 2016, and most recently, our acquisition of SGS Teknics in September 2021 and Perfect ID in October 2021. Our acquisition of Tovya Automation and merger with 3G Wireless Communication Private Limited provided us access to various technical know-how that will allowed us to expand our IoT-related product offerings, and allowed us to meet the pre-qualification criteria applicable to certain government tenders. Pursuant to our acquisition of SGS Teknics, we expanded both our manufacturing facilities footprint across India and our in-house R&D capabilities in Germany. It also helped consolidate our component purchases, which account for a majority of our expenditure on raw materials, thus which may allow us to improve our procurement costs as well. This acquisition has also opened opportunities for cross selling our RFID and magnetic products to existing customers of SGS Teknics. Pursuant to our acquisition of Perfect ID, we acquired the infrastructure and know-how for the manufacture of RFID label tags and passive inlay tags, which was in addition to our existing capabilities for the manufacture of RFID hard tags, thus expanding our RFID products portfolio.

We may pursue similar opportunities to undertake acquisitions (i) that allow us to enhance our scale and market position; (ii) that allow us to strengthen our range of product offerings and customer base; and (iii) that enable access to new clients and enter high-growth geographies in a cost effective manner and provide us with a platform to extend our reach to new geographic markets within India; and (iv) that add new products to our portfolio or that allow us to enter strategic businesses to capture additional revenue opportunities from our existing customer base. We believe that our experience, track record and conservative approach of identifying and implementing our inorganic growth strategy will enable us to acquire and successfully integrate new businesses.

### ***Expand our customer base and geographic reach***

We have, in the past, continuously focused on increasing our customer base by enhancing our reach with dedicated resources, diversified product and service offerings and wide geographical presence. We have increased our customer base in the past through new products and segments, strategic acquisitions and through expanded services offerings which include prototyping services, tester development, and repair and rework services. The number of OEMs and ODMs we catered to have grown to 275 during Fiscal 2021 from 207 during Fiscal 2019, on a proforma basis. We are a focussed supplier to OEMs and ODMs and believe that there are several avenues of growth within this segment. Historically, we have established profitable relationships with OEMs and ODMs, and are confident that we can continue to do so. We are working towards tying up with the top three market leaders in each end-use industry that we intend to cater to, and have their largest wallet share. We intend to continue focusing on increasing our customer base by marketing our existing products and services to new customers across

countries, together with developing new products.

### ***Increase our wallet share from existing customers***

We intend to continue focussing on increasing our contributions per customer and to work closely with them to develop a broader portfolio of products, which meet their requirements. We believe our continuing R&D endeavours and our reputation for responsiveness and reliability in respect of our engineering capabilities, quality and timely delivery will help increase our wallet share and product portfolio with existing customers. We have built long-standing relationships with some of our customers, which we intend to leverage by capitalizing on the cross-selling and upselling opportunities that our diversified product portfolio offers. We intend to achieve this by marketing, and thereby expanding the sale of each of our existing products to new or existing customers. We see significant potential to increase the wallet share of our existing customers on an ongoing basis. Our aggregated wallet share of our top 10 and top 20 customers increased by CAGR of 31.88% and 34.38% respectively, from Fiscal 2019 to Fiscal 2021.

Further, we plan on utilizing our expanded geographical footprint to address the sourcing requirements of our existing multinational customers as and when they enter new markets, thereby consolidating our position as a preferred supplier across geographies. As the Chinese electronics contract manufacturing cost structure continues to be on the rise, so has the OEM customer's interest been amplified in moving the electronics production to other countries having similar prices, quality, and receptiveness. (Source: F&S Report) There is a new urgency now to examine practical alternatives to manufacturing in China given the tariff conflicts and the COVID 19 pandemic. (Source: F&S Report) We believe we offer customers with a reliable option to satisfy their design and manufacturing requirements.

### ***Cater to more end-use industries***

Some of the end-use industries that we currently cater to include automotive, healthcare, IT and telecom hardware, industrial products, household appliances, energy management and consumer industries. We have historically tried to focus on what we consider high margin and flexible volume businesses and we will continue to do so going forward.

The market size and future outlook of few of the end-use industries that we intend to focus on going forward, is highlighted below:

- **Lighting:** Energy-efficiency initiatives are gaining momentum in India currently. As local demand rises, LED lighting manufacturers are strengthening their capabilities across several activity streams. Energy Efficiency Services Limited (EESL) efforts such as UJALA and SLNP provide vendors with pricing leverage with component suppliers, allowing them to drastically reduce product costs. Street lighting segment will be the biggest application for the next few years. Pure-play LED lighting companies are a dominant force in Indian market. EMS is essential for LED lighting industry since many manufacturers outsource their LED lighting manufacturing to EMS companies. In the forecast period, the EMS market has a significant growth potential. Contribution from EMS market in the total manufacturing was around ₹ 47 Billion in FY21 and is expected to reach ₹ 344 Billion in FY26, at a CAGR of around 49.2%. (Source: F&S Report)
- **Medical electronics:** The Indian medical devices market is experiencing dynamic changes with the emergence of advanced technologies, evolving clinical and administrative needs, and the introduction of new policies and regulations, which is forcing industry participants to innovate to maintain their competitive edge. The EMS market for the medical devices business was around ₹ 14 Billion in FY21 and is expected to reach ₹ 82 Billion in FY26, at a CAGR of around 42.8%. (Source: F&S Report)
- **Aerospace and defence:** India is the 7<sup>th</sup> largest aerospace and defence market globally. India needs to reduce its dependence on the imports and also modernize its aerospace and defence capital equipment base. The indigenous manufacturing base, historically built around the defence public sector undertakings and the ordnance factories is only now growing with the private sector players focusing on setting up meaningfully sized and proficient facilities. As the aerospace and defence industry advances, the crucial impact is in terms of the greater capability in the platforms, a substantial portion of this comes from the electronics. Hence electronics in the Indian aerospace and defence industrial plan is the crucial centre-piece that needs to be addressed. (Source: F&S Report)

We intend to evolve our product and service offerings and accordingly grow our business, by leveraging on the

growth and technological requirements of any industry (including but not limited to those set out above), that we believe can effectively utilise our manufacturing and in-house R&D capabilities.

### ***Description of our business***

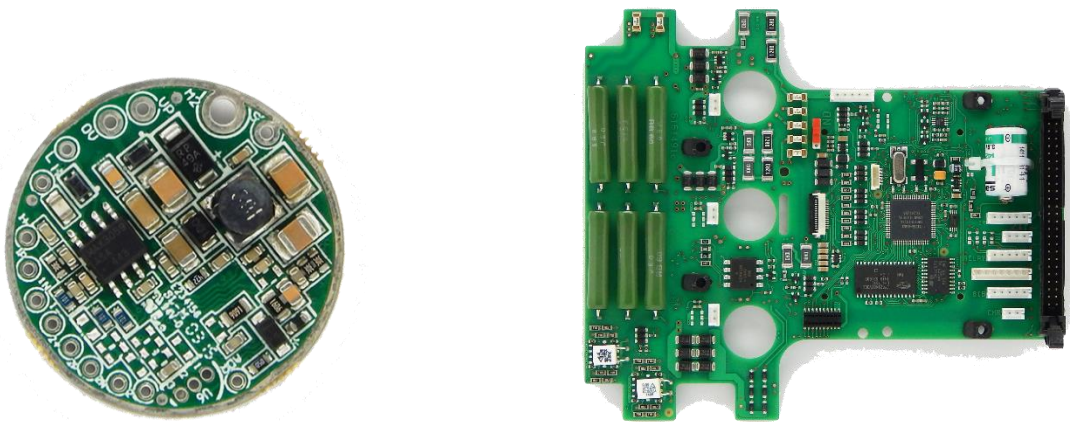
We offer high value-added and integrated design and manufacturing solutions for internationally recognized OEMs. Unlike the traditional OEM or ODM business model, which only focuses on certain stages of the production process, our business model starts from the product concept design and navigates the entire value chain (prototyping, sample batch and series production) and lifecycle management and support. We are closely involved in value engineering, tool designing, mould development, test set up conceptualisation and development. Through this, we get integrated in the supply chain of the customer. By having an edge on developing and integrating innovative technologies, equipment and materials across multiple industries, our business model constantly endeavours for in breakthroughs in product technology, structure and functional design so as to provide innovative products that meet our customers' needs and lead the development of the industry. We believe that our business model gives us a competitive advantage at the front-end of the industry value chain which makes us a value-creator and enables us to become a driving force for developing new products and break-through technologies.

We typically enter into framework agreements with our customers. These agreements outline the role and responsibilities of both the parties. The agreements detail out modalities for compensating foreign exchange fluctuations, abnormal variation in commodity prices etc. We also enter into detailed manufacturing service agreements with our major customers. These contain details regarding manufacturing terms, purchase order, pricing, payment and delivery terms, quality assurance obligations, defective product representations and warranties.

### ***Our Products***

The products currently manufactured by us are provided below:

#### **PCBA**



A circuit board prior to assembly of electronic components is known as printed circuit board (“PCB”), and following the soldering of electric components onto it, the board is called a printed circuit board assembly (“PCBA”). The PCB assembly process is a step-by-step guided process consisting of several automated and manual steps. Depending on the specific type of PCB assembly, such as ‘through-hole’ and ‘surface mount’, the steps involved may vary slightly. We have capability of manufacturing various types of PCB, ranging from flexible PCBs to 28-layer PCB. This process commonly applicable to most PCB assembly processes are set out below:

#### ***- Solder Paste Stencilling:***

The solder paste stencilling is the foundation step of PCB assembly. Irrespective of the types of PCB assembly, this step remains the same. The Solder paste is the mixture of small metallic balls called solder and the flux. Solder is the powder or tiny balls of mixture comprising of silver (3%), tin (96.5%), and copper (0.5%). This mixture is applied as a settling glue on the PCB. Thereafter, a stencil made of a thin metallic sheet is placed over the board. It ensures that the solder paste is only applied to the area where the components are to be mounted. Pressure and speed of the squeegee, along with separation speed and separation distance

are critical parameters for ensuring defect-free paste disposition. The paste, which is stored under controlled temperatures, is normalised to room temperature and homogenously mixed before application. After the application of solder paste, the stencil is taken off the board. After solder paste disposition, the PCB board goes through an automatic solder paste inspection process.

- *Pick and Place Components Mounting:*

The component mounting is a pick and place activity which can be performed manually or mechanically by an automated system. In the through-hole PCB assembly, the component mounting is performed manually or through automatic axial / radial insertion machines. In surface-mount PCB assembly, it is performed by an automated machine. Automatic component mounting ensures quick, precise and error-free process. We have capability of placing BOSA, 02/01 components and 20 mil. BGA.

- *Soldering:*

Soldering is performed to join components on the PCB. In the through-hole assembly, wave soldering is performed wherein the PCB with mounted components travels over a hot wave solder liquid. However, in the surface mount PCB assembly, the reflow soldering is performed. In this, the PCB is passed through an oven heated to a temperature of 260°C. The solder paste melts and on cooling settles with the components. Setting the profile of the oven is very critical to the quality of the soldering joint. We also employ other soldering techniques, including selective soldering and robotic soldering. These soldering techniques are used where wave soldering and reflow soldering have limitations.

- *Inspection:*

Inspection and quality testing are performed at every stage of the manufacturing process, and comprise a mix of automated optical inspection and manual inspections. It involves three different methods for inspection, which are described below:

- **Visual/Manual Inspection:** In most cases, a template is used for manual inspection to inspect the soldered connections. This method is only suitable for small batches of PCBs.
- **Automatic Optical Inspection (AOI) 2d & 3d:** The AOI machine features high-resolution cameras that can be aligned in different angles to test PCBs. This type of inspection is suitable for single or double-sized PCBs. This is placed in line with the other SMT machines.
- **X-ray Inspection:** X-ray inspection is performed on intricate PCB designs with multi-layer component mounting. Such complex PCBs are hard to inspect manually.

- *Post Assembly Inspection And Functional Testing:*

Once the assembly is done, the PCBs are inspected again and are tested for functionality. The functionality tests like a micro-sectioning test, contamination test and solderability test, are performed to conclude the process. In addition, 'out-of-box' testing is performed immediately prior to shipment of the PCBA.

*Industry applications:* Our PCBAs are used in products manufactured in the automotive, medical, industrial, IT and consumer products industries. These include cars, tractors, X-ray machines, computers and laptops, telecommunication, networking, power supply, electric mobility, among others.

## **RFID**



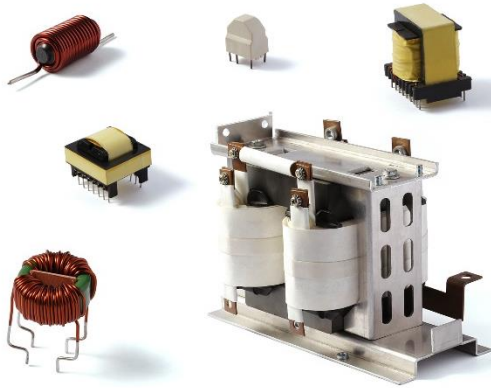
Radio Frequency Identification (RFID) is a form of wireless communication that incorporates the use of electromagnetic or electrostatic coupling in the radio frequency portion of the electromagnetic spectrum to uniquely identify an object, animal or person. Their main applications are in asset tracking and authentication procedures. Pursuant to recent developments, its application has extended to include near field communication for proximity sensing for tracking and authentication. There is also an emerging trend towards hybrid tags that combine two of the above capabilities for improving the performance. Each RFID type can be either active (powered), passive (un-powered) or semi-passive (battery-assisted). They are also categorised based on their frequency, i.e. low-frequency (LF) RFID tags (30 KHz to 300 KHz), high-frequency (HF) RFID tags (3 to 30 MHz), and ultra-high-frequency (UHF) RFID tags (300 MHz to 3GHz).

RFID tags comprise of one of two types of transponders. The first type has a ferrite core, and the second type has an air coil. For the low frequency tags, copper wire is wound on a ferrite rod. Two ends of the wire is soldered on a memory chip. The chip is then attached to the ferrite core. The core, wire and chip form a transponder. When transponder is brought near an electromagnetic field, it reads the information in the memory chip. Similarly, for high frequency tags, self-bonding wire is used to hold the wire together. Both ends of the wire are soldered to a memory chip. Winding is done using automated winders where the number of turns can be controlled accurately. Once the transponder is made, it is either over moulded using injection moulding process or it is potted with special epoxy for encapsulation.

RFID Tags comprise of an antenna and a semiconductor chip. The antenna can be etched or a copper wire antenna in the form of an air coil can be wound over ferrite. The integrated circuit is attached to the antenna through a soldering process. The tag responds once it is brought near the reader antenna. The secondary packaging is done based on the application and it can be a fabric, paper, epoxy encapsulation or overmolded and suited, as appropriate for the end application

*Industry applications:* Our RFID products are used in products manufactured in the shipping, healthcare, manufacturing, retail and fintech industries. It has various applications, including pet and livestock tracking, inventory management, asset tracking and equipment tracking, inventory control, cargo and supply chain logistics, vehicle tracking, customer service and loss control, and access control in security protocol requirements.

#### **Electromagnetic and electromechanical parts**



We manufacture standard electromagnetic components like chokes, inductors, magnetic filters, transformer as well as high volume manufacturing assemblies.

The manufacturing process involves winding a copper wire on a core or bobbin. The winding is done manually or through machines. Once the winding is done, the leads are trimmed, varnish is applied and the product is tested. Additional high voltage testing is also conducted to check test for breakdown of the insulation. The magnetic components are checked for a variety of parameters like inductance at different frequencies, leakage inductance and inductance at different DC bias. We also manufacture through-hole and SMT transformers.

*Industry applications:* Our electromagnetic and electromechanical parts are used in products manufactured in the automotive, industrial appliances, consumer appliances and healthcare industries, among others and are used in power supply products, DC converters, chargers etc. In addition, this forms part of the components required for our PCBA products.

#### **Other products**



We manufacture a various of information technology related products, including motherboards, DRAM modules, SSD and USB drives. The manufacturing processes for these products are similar to the processes undertaken for the PCBA described above. In addition, these products undergo extensive testing, which include stress tests, burn-in test and reliability / compatibility tests. We also have software that have been developed in-house for failure diagnostics in respect of these products.

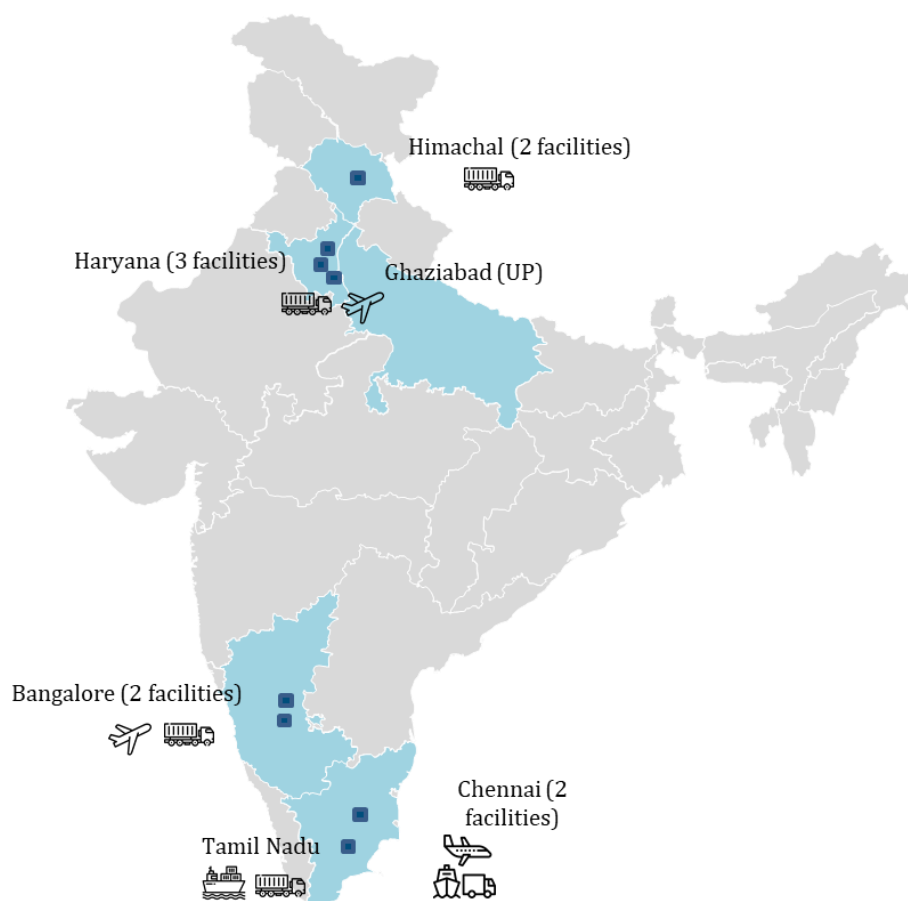
*Industry applications:* These products are used in manufacture of computers, laptops, video games and data storage devices.

#### ***Our Manufacturing Facilities***

We have eleven manufacturing facilities spread across five states namely Tamil Nadu, Karnataka, Himachal Pradesh, Haryana and Uttar Pradesh. In addition, we are raising proceeds from this Offer towards setting up certain manufacturing facilities. For further details, see “*Objects of the Offer*” on page 95.

Set out below are the locations of our manufacturing facilities:





Our manufacturing processes are monitored and controlled through our manufacturing execution systems, which allows for the product and process traceability through barcodes. This enables us to capture data in real time, thus empowering our personnel to have a 360° degree view of shop floor inventory, process efficiency and process quality which results in an overall improvement in productivity.

#### *Manufacturing capacity*

The details of our product-wise installed capacity and capacity utilised in the last three fiscals, and the three months ended June 30, 2021 are set out below:

S. No.	Products	Aggregate annual installed capacity as on June 30, 2021	Capacity utilised (as a % of total installed capacity)			
			Fiscal 2021	Fiscal 2020	Fiscal 2019	Three months ended June 30, 2021
1.	PCBA	10,120 million components per annum (CPA), and 3.60 million assemblies	85%	65%	75%	85%
2.	RFID	300 million tags	85%	65%	85%	80%
3.	Magnetics	6.00 million coils	80%	65%	85%	80%
4.	IT products	7.20 million modules	80%	65%	30%	70%
5.	Zone of autonomous creation	180.00 million components per	75%	50%	30%	70%

		annum				
6.	RFID label tags	1,500,000 tags per month	55%	35%	25%	55%

S. No.	Manufacturing Facility	Aggregate annual installed capacity as on June 30, 2021	Capacity utilised (as a % of total installed capacity)			
			Fiscal 2021	Fiscal 2020	Fiscal 2019	Three months ended June 30, 2021
1.	Chennai – Unit 1	180.00 million tags	75%	65%	75%	70%
2.	Chennai – Unit 2	1,800 million components per annum and 7.20 million modules	70%	65%	70%	70%
3.	Bargur	120.00 million tags and 6.00 million coils	75%	65%	75%	80%
4.	Bawal	1,800.00 million components per annum	70%	50%	50%	65%
5.	Manesar	3,000.00 million components per annum	75%	65%	70%	70%
6.	Gurgaon	2,200.00 million components per annum	75%	65%	70%	70%
7.	Bengaluru – Unit 1	1,500.00 million components per annum	70%	60%	75%	75%
8.	Bengaluru – Unit 2					
9.	Baddi – Unit 1	3.60 million assemblies	75%	50%	80%	75%
10.	Baddi – Unit 2					
11.	Ghaziabad	1,500,000 tags per month	55%	35%	25%	55%

### Utilities

As part of our manufacturing operations, we require a steady and abundant supply of power. Our power requirements are met through the local state power grid. We also use harmonic filters to purify the power for distortions. In addition, we also maintain UPS systems and diesel generator sets at our manufacturing facilities, as a precaution against any disruption in power supply. In Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, utility charges accounted for 1.2 %, 1.4 %, and 1.0 % respectively, of our total expenses in such periods.

### Research and Development

We have three dedicated R&D facilities, two of which are located in India at Chennai, Tamil Nadu and Gurgaon, Haryana respectively, and one is located in Stuttgart, Germany. Our R&D facilities are equipped with state-of-the-art research and development infrastructure. We have a dedicated team for R&D comprising of 77 full time employees, including 25 experienced engineering graduates and two doctorate holders.

Our R&D facilities responsibilities include, among others, (i) collaborative design from concept to completion, (ii) evaluating suitable technologies, (iii) benchmarking similar products in the market, (iv) preparing specifications, (v) research on suitable materials and components, (vi) innovation with new approaches and processes, (vii) design of product architecture, (viii) failure mode analysis, (ix) development of firmware, hardware and software, as required, (x) design simulation, (xi) prototype sampling (xii) design validation, (xiii) regulatory compliance testing, (xiv) product certification, (xv) safe launch pilot build and market readiness testing.

As part of our R&D initiatives, we endeavour to:

- Optimise our current product offerings by improving cost efficiencies and making value additions through inclusion of additional or improved features; and
- Taking early advantage of technological advancements in the industry and analysing industry requirements and creating products that address such requirements that may not have been previously addressed.

### ***Additional services***

In addition to our existing manufacturing, and engineering and design services offerings, we also provide the following services:

- *Prototyping services:* We started our ‘*zone of autonomous creation*’ in 2018 pursuant to which we provide quick prototyping services where a design concept is provided to us by our customers and we help create an early form of the final product. It has a dedicated line for PCB assembly with an autonomous team that has procurement, process, quality, and NPI (new product introduction) engineers independent of our manufacturing facilities. It also has dedicated resources and stores for components management.
- *Tester development:* On the tester development, we engage with our customer right at the initial stages itself. We develop both functional and parametric testers based on our customer requirement. In certain cases, we assisted our customers to arrive at a test specification and a test philosophy. The testers we develop are customised to our customers test specifications. We develop fully automated testers which require very little or no manual intervention.
- *Repair and rework services:* As part of our repair & rework services, we trouble shoot, repair and provide solutions for permanent fixes on products (most of which are not manufactured by us). These services include (i) repair analysis and repair of PCBA, embedded firmware, and components and re-testing to ensure sure return to original out-of-the-box functionality; (ii) rework of PCB manufacture and rework, including BGA; (iii) refurbishment of internal machinery or cosmetic replacements, such as adding or replacing circuits, and swapping mechanical components and outer casings; and (iv) comprehensive board modification services, including circuit modification of outer and inner layers, drill, etch, fill, and re-drill of tooling holes.

### ***Quality Control and Services***

We have a robust quality control department which separately oversees supplier quality control, incoming supply quality control, process quality control and outgoing (finished product) quality control, each of which are headed by professional personnel that are well-experienced in these aspects. We have a team of 185 employees who are dedicated to quality assurance and quality control, as on September 30, 2021. We have documented quality control processes in place which cover the entire life cycle of a product

- *Supplier quality department:* This department is responsible for visiting our key suppliers and conducting audits on them on a periodic basis. They also maintain a vendor/supplier ratings tracker to evaluate the vendors / suppliers.
- *Incoming supply quality department:* This department ensures that the parts received from our suppliers are as per the drawings and requirements of our customers.
- *Process quality control department:* This department is responsible for making sure that our products are built as per the control plans finalised by our customers.
- *Outgoing quality control department:* This department ensures that the final product meets all the requirements of our customer specifications.

We have a mature and documented quality control processes in place which cover the entire life cycle of a product. We have capacity and competence assessment protocols for all new RFQs. In addition, we undertake the NPI (New Product Introduction) process through *Mentor Graphics* software platform. Apart from this, we also have process – based quality systems in place for the entire production cycle, including in respect of procurement, receipt and incoming inspection, storage and packaging, and stage wise quality checks on the production line. There has been no recall of our products by our customers in the last five years. In addition, there have been no instances in the last five years where our customers have initiated any legal proceedings and / or claimed any

damages in respect of our products.

We have obtained ISO 9001:2015, IATF 16949:2016, ISO 13485: 2016, AS 9100D, ISO 14001:2015, ANSI/ESD S20.20-2014 and ISO 45001:2018 certifications for quality management, environment and health & safety system.

### ***Raw Materials and Suppliers***

Our raw materials and components may be broadly categorized as follows:

- (i) *Electronic Components (micro controllers, IC, resistors, capacitors, LED, PCB and other semiconductors):* We procure these components directly from overseas manufacturers or their authorized distributors.
- (ii) *Wound Components:* Wound components or magnetic components are either manufactured in-house, sourced from approved vendors. Periodic and non-periodic audits are conducted to ensure quality.
- (iii) *Wiring harness:* These are critical for long-term quality of our products since these carry actual electrical load in our products. Wiring harness for export products are manufactured in - house while those required for domestic markets are procured from approved vendors. Drawings of wiring harness specifying the gauge of wires, number of strands in each wire, insulation strength, make and material of crimping pins, and the make and specification of the insulation tape are detailed in the drawings provided by us. Periodic and non-periodic audits are conducted to ensure quality.
- (iv) *Plastic parts:* These are procured from dedicated plastic moulding companies. The drawings and specifications for the moulds are provided by us, and the moulds for these parts are owned by us. Strict quality control procedures, including third party testing, are carried out to ensure compliance with our quality specifications.
- (v) *Sheet metal parts:* These are made based on our drawings and tools which are owned by the Company.
- (vi) *Process consumables:* These are sourced from various third-party manufacturers. We rely on certified and recognized laboratories to verify the quality of these components.

We have a robust supplier network which included suppliers, in India and overseas, in over 19 countries, including USA, Singapore and China. In the three months ended June 30, 2021, we purchased raw materials and components from 851 suppliers. During the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, ₹ 1,490.72 million, ₹ 1,563.89 million, ₹ 1,911.54 million and ₹ 734.93 million, which accounted for 75.90%, 69.92%, 71.06%, and 81.39%, respectively of our cost of raw materials and components purchased, was attributable to imports. Based on our Proforma Condensed Combined Financial Information, during the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, ₹ 3,199.58 million, ₹ 3,011.16 million, ₹ 3,408.12 million and ₹ 1,257.33 million, which accounted for 61.38%, 56.24%, 57.08%, and 64.57%, respectively of our proforma cost of raw materials and components consumed, was attributable to imports. All our major suppliers are separately audited and verified by our supplier quality engineers. We have comprehensive documented procedures for vendor selection and certification. We also conduct periodic audits to ensure compliance with our quality standards and specifications.

### ***Sales and Marketing***

The prospecting/generation of leads is done through a mix of digital marketing and cold-calling. We also participate in various domestic and international industry specific exhibitions and advertise in industry magazines, weekly and daily publications in India. We actively participate in events such as *Electronica India* and *Strategic Electronics Summit*. We have pre-defined internal processes for demand generation, quote process and order procurement, NPI, and program management. Our senior management oversee and conduct regular reviews of, new business development and new product development initiatives of our Company. Our sales and marketing team comprise of 49 permanent employees and contractual workmen.

### ***Information Technology***

We have implemented various IT solutions and/or enterprise resource planning software solutions to cover key areas of our operations. We intensively use technology in relation to 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. We are also migrating our ERP platforms to the SAP S4 Hana platform which will result in common centralised databases for components, vendors, quality and supply chain, which will lead to productivity improvements and efficient working capital management. We have also implemented execution systems covering the entire production cycle starting from the receipt of raw materials and despatch of finished goods, which provides product and process traceability.

### **Logistics**

Most of our manufacturing facilities are strategically located in proximity to the respective city airports. We transport our raw materials and our finished products by road, air and sea. We outsource the transport of our raw materials and finished goods to third-party logistics companies for our transportation and logistics requirements. We predominantly sell our products on a cost, insurance and freight basis.

### **Health, Safety and Environment**

We continually aim to comply with the applicable health and safety regulations and other requirements in our business operations. This is further driven by our ESG focussed practices within our organisation. To this end, we have accreditations such as the ISO 45001:2018. We implement work safety measures to ensure a safe working environment including general guidelines for health and safety at our offices and branches, as well as our customer locations, accident reporting, wearing safety equipment and maintaining clean and orderly work locations. To ensure workplace safety, we also provide Personal protective equipment to our employees, which include safety shoes, goggles, protective nitrile gloves and aprons. We also ensure that the relevant personnel undertake ‘mapping’ of unsafe places and practices through daily safety inspections in all our manufacturing facilities and daily reports on steps to be taken for risk mitigation.

### **Employees**

As on June 30, 2021, we have 697 permanent employees and 3,361 persons employed as contract labour / temporary employees and retainership employees. We undertake selective and need-based recruitment every year to maintain the size of our workforce, which may otherwise decline as a result of attrition and retirement of employees. The following table provides information about our full-time employees, as on June 30, 2021:

<b>Department</b>	<b>No. of employees</b>
Engineering and R&D	77
Facility	43
Finance	45
Human resources and administration	113
IT	19
Manufacturing	17
Quality	185
Sales and marketing	49
Sourcing and supply	149
<b>Total</b>	<b>697</b>

Our personnel policies are aimed towards recruiting the talent that we need, facilitating the integration of our employees into the Company and encouraging the development of skills in order to support our performance and the growth of our operations. We have also been certified as a ‘Great Place To Work’ by the Great Place to Work Institute, India in 2020. We have also successfully implemented initiatives towards women empowerment, pursuant to which 69.12% of our employee base are women, as on September 30, 2021.

Our focus has been on talent development initiatives such as creating a strong leadership pipeline, creating learning opportunities, and engagement and performance management. Our exclusive skill development centre across all our facilities and offices play a crucial role in developing and retaining talent.

Our flagship programme known as ‘Graduate Engineer Trainee’ programme is exclusively set up for creating a strong leadership pipeline and succession planning. Presently we have over 47 graduate engineer trainees in the

organisation. We also have initiated a ‘Grow from Within’ (GFW) scheme through which we have elevated 54 machinery operators to junior management positions. In addition, over 12 committees including the 6S team, cross functional team, core team, young leaders committee, canteen committee, ERT committee, SHE Care team, POSH Committee and Works committee, have been constituted to address various aspects in respect of our employee welfare and development. These committees anchor our people initiatives.

### ***Insurance***

Our Company maintains insurance policies which are renewable every year. We maintain insurance cover for our assets to cover all normal risks associated with operations of our business, including fire and accidents. We typically maintain standard fire and special perils, burglary policy for our offices and manufacturing facilities. Our Company also maintains mediclaim insurance for our employees, director and officers’ liability insurance and cybersecurity insurance. Our insurance policies are subject to customary exclusions and deductibles.

### ***Property***

Our registered and corporate office is situated at Unit No. 601, 6th Floor, Floral Deck Plaza, MIDC, Andheri (East), Mumbai, Maharashtra 400 093, India and is held by our Company on a leasehold basis. The land on which our manufacturing facilities are situated at, are held by us on a leasehold basis. For details of the location of each of our manufacturing facilities, see “- *Our Manufacturing Facilities*” on page 195.

### ***Competition***

Indian EMS market comprises of different tiers of companies including the global EMS companies with operations in India, large Indian EMS companies and mid/small Indian EMS companies. The competition concentration is moderate as the top three companies account for 28.5 % of the market. Major players, apart from our Company, are Flextronics, Jabil, Dixon, SFO, Resolute, Elin, NTL, Cyient and Foxconn. (*Source: F&S Report*)

## KEY REGULATIONS AND POLICIES

*The following description is a summary of certain key laws, guidelines and regulations in India which are applicable to our Company and the business undertaken by our Company. The information detailed in this chapter is based on the current provisions of statutes, bills, regulations, notifications, memorandums, circulars and policies which are subject to amendments, changes and/or modifications. Such information has been obtained from sources available in the public domain. The regulations and their descriptions set out below may not be exhaustive and are only intended to provide general information to prospective investors. Further, they are neither designed nor intended to be a substitute for professional legal advice. For details of the government approvals obtained by our Company, see “Government and Other Approvals” on page 605.*

### **Laws in relation to our business**

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

The BIS Act establishes the Bureau of Indian Standards as a national standards body to promote, monitor and manage the quality of goods, articles, processes, systems and services to protect the interests of consumers and various other stakeholders. The Bureau of Indian Standards has the power to carry out market surveillance, promote quality and safety in connection with any goods, articles, processes, systems or services, and establish and notify Indian Standards in relation to any goods, articles, processes, systems or services. Pursuant to the BIS Act, any person may apply for a certificate of conformity or grant of license to use a Standard Mark for goods, articles, processes, systems or services conforming to an Indian Standard. The BIS Act confers the Central Government with the power to notify essential requirements to which a good, article, process, system or service must conform, for public interest or the protection of human, animal or plant health, safety of the environment, prevention of unfair trade practices, or national security. Companies committing offences under the BIS Act are liable to be punished in the manner provided for.

#### ***Electronics and Information Technology Goods (Requirements for Compulsory Registration) Order, 2021 (“Compulsory Registration Order”)***

The Compulsory Registration Order was introduced by the Ministry of Electronics and Information Technology in exercise of the powers conferred to the Central Government under the BIS Act. The Compulsory Registration Order requires goods or articles specified thereunder to conform with the relevant Indian Standard and bear a standard mark under a license from the Bureau of Indian Standards.

#### ***Electrical Wires, Cables, Appliances and Protection Devices and Accessories (Quality Control) Order, 2003 (“Quality Control Order”)***

The Quality Control Order prohibits any person from manufacturing or storing for sale, selling, or distributing any electrical wires, cables, appliances, protection devices and accessories which do not conform to the specified standards and do not bear the standard mark of the Bureau of Indian Standards on obtaining a certification marks license. The Quality Control Order also requires any such person to provide information when requested by the appropriate authority, or furnish samples of electrical wires, cables, appliances, protection devices and accessories, or any components thereof.

#### ***Production Linked Incentive Scheme for Large Scale Electronics Manufacturing, 2020 (“PLI Scheme”)***

The PLI Scheme was introduced by the Ministry of Electronics and Information Technology to boost domestic manufacturing and attract large investments in mobile phone manufacturing and specified electronic components. The PLI Scheme extends an incentive of 4% to 6% on incremental sales of goods manufactured in India and covered under target segments to eligible companies. Approvals under the PLI Scheme are granted to a certain number of eligible applicants pursuant to applications made in each round of the PLI Scheme. Applicants are selected on the basis of having the highest consolidated global manufacturing revenue in the target segment. The target segment for the second round of the PLI scheme, for which applications were accepted in 2021, is specified electronic components, including printed circuit boards, micro/nano-electronic components, passive components for electronic applications, and discrete semiconductor devices.

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

The Legal Metrology Act establishes and enforces standards of weights and measures, and regulates trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. The Legal Metrology Act prohibits quoting prices or charges, issuing or exhibiting any price list, invoice, cash memo or other document, publishing any advertisement, or indicating the net quantity of a pre-packaged commodity, otherwise than in accordance with the standard units of weight, measure or numeration. Manufacturers are required to maintain records and registers, and make declarations on pre-packaged commodities, in the manner prescribed under the Legal Metrology Act. Penalties and punishments are prescribed for numerous offences under the Legal Metrology Act, including selling or delivering commodities, articles or things by means other than the standard weight, measure or number, or using non-standard weights, measures or numeration.

The Legal Metrology (Packaged Commodities) Rules, 2011, were introduced under the Legal Metrology Act, and prescribe requirements as to the pre-packing of any commodity for sale, distribution or delivery.

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

The Factories Act pertains to the regulation of labour in factories. The term ‘factory’ is defined as any premises where 10 or more workers are working, or were working on any day in the preceding 12 months, and in any part of which a manufacturing process is ordinarily carried on with the aid of power, or where 20 more workers are working, or were working on any day in the preceding 12 months, and in any part of which a manufacturing process is ordinarily carried on without the aid of power. The state governments are empowered to make rules requiring the registration or licensing of factories or any class of factories. The Factories Act requires the occupier of the factory to ensure, as far as is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory. The occupier is required to ensure: (i) that the plants and systems of work at the factory are safe and without risks to health; (ii) safety and absence of risks to health in connection with the use, handling, storage and transport of articles and substances; (iii) the provision of such information, instruction, training and supervision as are necessary to ensure the health and safety of all workers at work, and; (iv) the maintenance of safe working conditions and working environment.

### ***Special Economic Zones Act, 2005 (“SEZ Act”) and Special Economic Zones Rules, 2006 (“SEZ Rules”)***

The SEZ Act provides for the establishment, development and management of special economic zones for the promotion of exports. The SEZ Act constitutes a Board of Approval to whom any person wishing to establish a special economic zone may make a proposal. The Central Government has the power to notify specially identified areas as special economic zones, based on communications received from the Board of Approval regarding such a proposal and the fulfilment of certain requirements by the person making such a proposal. The SEZ Act empowers the Central Government to appoint a development commissioner to ensure the speedy development of a special economic zone and the promotion of exports therefrom. Any person intending to set up a unit for carrying on authorised operations in a special economic zone may submit a proposal to the development commissioner. Any goods or services exported out of, or imported into, or procured from the rest of India excluding special economic zones, by a unit in a special economic zone or a developer of a special economic zone, shall, subject to the terms and conditions prescribed, be exempt from the payment of taxes, duties or cess under the specified enactments.

The SEZ Rules prescribe the procedure for the establishment of a special economic zone, the procedure for the establishment of a unit within a special economic zone, and the terms and conditions for the grant of permission to operate within a special economic zone by the development commissioner.

### ***Foreign Trade (Development and Regulation) Act, 1992 (“FTDRA”) and the Foreign Trade (Regulation) Rules, 1993 (“FTRR”)***

The FTDRA provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India. The FTDRA empowers the Central Government to formulate and amend the foreign trade policy. The FTDRA prohibits any person from making an import or export except under an Importer-exporter Code Number (“IEC”) granted by the director general or any other authorised person in accordance with the specified procedure. The IEC may be suspended or cancelled if the person who has been granted such IEC contravenes, amongst others, any of the provisions of the FTDRA, or any rules or orders made thereunder, or the foreign policy or any other law pertaining to central excise or customs or foreign exchange. The FTDRA also prescribes the imposition of penalties on any person violating its provisions.



The FTRR prescribes the procedure to make an application for grant of a license to import or export goods in accordance with the foreign trade policy, the conditions of such license, and the grounds for refusal of a license.

### ***Foreign Trade Policy***

The FTDR empowers the Central Government to, from time to time, formulate and announce the foreign trade policy. The Foreign Trade Policy 2015-2020 came into effect in 2017. The Foreign Trade Policy requires all importers and exporters to obtain an Importer-Exporter Code. Further, pursuant to the policy, the Director General of Foreign Trade may impose prohibitions or restrictions on the import or export of certain goods, for reasons including the protection of public morals, protection of human, animal or plant life or health, and the conservation of national resources. The Foreign Trade Policy also prescribes restrictions on imports or exports in relation to specific countries, organisations, groups, individuals or products. The Foreign Trade Policy also provides for various schemes, including the export promotions capital goods scheme and duty exemption/remission schemes.

### ***Customs Act, 1962 (“Customs Act”)***

The Customs Act empowers the Central Government to prohibit the export or import of goods for reasons including the maintenance of public order, the maintenance of the security of India, the prevention of smuggling and the prevention of shortage of goods. The Customs Act also governs the detection of illegally imported goods, the detection of illegal export of goods, the valuation of imported and exported goods, the determination of rate of duty and tariff, and the refund of export or import duties in certain cases. The Customs Act prescribes the imposition of penalties or the confiscation of goods in specified circumstances, including the improper export of goods, and empowers any authorised officer of customs to arrest any person who has committed a punishable offence under the Customs Act.

### **Environmental Laws**

#### ***Environment (Protection) Act, 1986 (“EPA”)***

The EPA provides for the protection and improvement of the environment. The EPA empowers the Central Government to take all such measures as it deems necessary or expedient for the purpose of protecting and improving the quality of the environment and preventing, controlling and abating environmental pollution. The EPA prohibits any person carrying on any industry, operation or process from discharging, emitting or permitting to be discharged or emitted any environmental pollutant in excess of prescribed standards. Further, it requires persons handling hazardous substances to do so in accordance with such procedure, and in compliance with such safeguards, as may be prescribed.

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

The Water Act provides for the prevention and control of water pollution and the maintaining or restoring of the wholesomeness of water, and envisions the establishment of a central pollution control board and state pollution control boards for this purpose. Any person establishing or taking steps to establish any industry, operation or process, or any treatment and disposal system or extension or addition thereto, which is likely to discharge sewage or trade effluent into a stream, well, sewer or on land is required to obtain the previous consent of the concerned state pollution control board.

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

The Air Act provides for the prevention, control and abatement of air pollution. The Air Act requires any person establishing or operating any industrial plant in an air pollution control area to obtain previous consent from the concerned state pollution control board. Further, it prohibits any person operating any industrial plant in an air pollution control area from causing or permitting to be discharged the emission of any air pollutant in excess of prescribed standards.

#### ***Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 (“Hazardous Wastes Rules”)***

The Hazardous Wastes Rules pertain to the management, import, export, treatment, storage and disposal of hazardous and other wastes. The Hazardous Wastes Rules impose on occupiers the responsibility to manage hazardous and other wastes in a safe and environmentally sound manner. Authorisation must be obtained from the concerned state pollution control board by occupiers of any facility undertaking activities including the handling, generation, collection, storage, transport, use, transfer or disposal of hazardous and other wastes.

## **Labour related legislations**

The employment of workers, depending on the nature of the activity, is currently regulated by a wide variety of generally applicable labour legislations, including the Industrial Disputes Act, 1947, the Contract Labour (Regulation and Abolition) Act, 1970, the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Employees' State Insurance Act, 1948, the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Trade Unions Act, 1926, the Payment of Bonus Act, 1965, the Equal Remuneration Act, 1976, the Maternity Benefit Act, 1961, the Payment of Gratuity Act, 1972, the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Workmen's Compensation Act, 1923, and the shops and establishments legislations in various states, among others.

In order to rationalise and reform labour laws in India, the Government has enacted the following codes:

- Code on Wages, 2019, which regulates, inter alia, the minimum wages payable to employees, the manner of payment and calculation of wages and the payment of bonus to employees. It subsumes four existing laws, namely the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, and the Equal Remuneration Act, 1976.
- Industrial Relations Code, 2020, which consolidates and amends laws relating to trade unions, the conditions of employment in industrial establishments and undertakings, and the investigation and settlement of industrial disputes. It subsumes the Trade Unions Act, 1926, the Industrial Employment (Standing Orders) Act, 1946 and the Industrial Disputes Act, 1947.
- Code on Social Security, 2020, which amends and consolidates laws relating to social security. It governs the constitution and functioning of social security organisations such as the employees' provident fund and the employees' state insurance corporation, regulates the payment of gratuity, the provision of maternity benefits, and compensation in the event of accidents to employees, among others. It subsumes various 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, and the Payment of Gratuity Act, 1972.
- Occupational Safety, Health and Working Conditions Code, 2020, amends and consolidates laws regarding the occupational safety, health and working conditions of persons employed in an establishment. It subsumes various legislations including the Factories Act, 1948, and the Contract Labour (Regulation and Abolition) Act, 1970.

Certain portions of the Code on Wages, 2019, have come into force upon notification by the Ministry of Labour and Employment. The remainder of these codes shall come into force on the day that the Government shall notify for this purpose.

## **Intellectual property laws**

### ***Trade Marks Act, 1999 ("Trade Marks Act")***

The Trade Marks Act provides for the registration and better protection of trade marks for goods and services and for the prevention of the use of fraudulent marks. The registration of a trade mark under the Trade Marks Act confers on the proprietor the exclusive right to the use of the trade mark, and the right to obtain relief in respect of infringement of the trade mark. The registration of a trade mark shall be for a period of ten years, but may be renewed from time to time as prescribed under the Trade Marks Act. The Trade Marks Act also prescribes penalties for the falsification or false application of trade marks.

### ***Designs Act, 2000 ("Designs Act")***

The Designs Act offers protection to designs, defined as the features of shape, configuration, pattern, ornament or composition of lines or colours applied to any article whether in two dimensional or three dimensional or in both forms, by any industrial process or means. It enables the registration of any new or original design not previously published in any country and which is not contrary to public order or morality. A design may be registered in respect of any article of manufacture.

### ***Patents Act, 1970 ("Patents Act")***

The Patents Act entitles persons claiming to be the true and first inventor of any invention to file an application for a patent with the patent office. A patent granted under the Patents Act confers upon the patentee rights including the exclusive right to prevent third parties from the act of making, selling, using, offering for sale, selling or importing the patented product or using the patented process, as the case may be, without the patentee's consent. The term of a patent under the Patents Act is twenty years from the date of filing an application for the patent.

**Other laws**

In addition to the above, our Company is also required to comply with the provisions of the Companies Act and rules framed thereunder, relevant central and state tax laws, including the Income Tax Act, 1961, and the relevant goods and services tax legislations, the Competition Act, 2002, the Consumer Protection Act, 2019, the Information Technology Act, 2000, foreign exchange and investment laws, foreign trade laws, and other applicable statutes promulgated by the relevant Central and State Governments.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

Our Company was incorporated as 'Syrma Technology Private Limited' pursuant to a certificate of incorporation dated August 23, 2004, issued by the RoC. Thereafter, following the acquisition of SGS Teknics Manufacturing Private Limited, pursuant to a resolution passed by our Shareholders in the extraordinary general meeting held on August 28, 2021, the name of our Company was changed from 'Syrma Technology Private Limited' to 'Syrma SGS Technology Private Limited', and consequently, a fresh certificate of incorporation dated September 14, 2021, was issued by the RoC to our Company. Thereafter, our Company was converted from a private limited company to a public limited company, pursuant to a resolution passed in the extraordinary general meeting of our Shareholders held on October 6, 2021, and the name of our Company was changed to Syрма SGS Technology Limited, and a fresh certificate of incorporation dated October 20, 2021, was issued to our Company by the RoC.

### Change in registered office of our Company

Except as disclosed below, our Company has not changed its registered office since its incorporation:

Date of Change	Details of change	Reasons for change
July 17, 2012	The registered office of our Company was changed from C-1, Udyog Sadan 3 MIDC Central Road, Andheri (East), Mumbai, Maharashtra 400 093 to Unit No. 601, 6th Floor, Floral Deck Plaza, MIDC, Andheri (East), Mumbai, Maharashtra 400 093	Administrative convenience

### Main Objects of our Company

The main objects contained in the Memorandum of Association of our Company are as mentioned below:

- To carry on the business of designers and manufacturers, buyers, sellers, assemblers, exporters, importers, distributors, agents and dealers in Memory Chips, Memory Modules, PCB assemblies and other computer hardware and peripherals including floppy disc drives, hard disk drives and other storage products, printers, readers magnetic or otherwise, CRT displays and terminals and all other electronic and communication equipments and parts, components, assemblies and subassemblies to be used in the computer and electronic industry including Voice Coils, Voice Coil Actuator Assembly, antenna coils, Smart cards and Radio Frequency Identification Devices.*
- To carry on the business of designers and manufacturers, buyers, sellers, assemblers, exporters, importers, distributors, agents, Consultants and dealers of all kinds of hardware in Computers and electronics including recording heads, components such as resistors, capacitors and all kinds of semi-conductor devices, engineering services and components and peripherals of mini and micro Computer Systems.*

### Amendments to our Memorandum of Association

Set out below are the amendments to our Memorandum of Association in the ten years preceding the date of this Draft Red Herring Prospectus:

Date of Shareholders' resolution	Nature of Amendment
August 28, 2021	<p>Clause I of our Memorandum of Association was amended to reflect the change in name of our Company to 'Syrma SGS Technology Private Limited'.</p> <p>Clause V of our Memorandum of Association was amended to reflect the increase in the authorised share capital of our Company from ₹ 175,500,000 divided into 5,550,000 equity shares of ₹ 10 each and 1,200,000 preference shares of ₹ 100 each to ₹ 1,620,000,000 divided into 150,000,000 equity shares of face value ₹ 10 each and 1,200,000 preference shares of face value ₹ 100 each.</p>
October 6, 2021	Clause I of our Memorandum of Association was amended to reflect the change in name of our Company from 'Syrma SGS Technology Private Limited' to 'Syrma SGS Technology Limited', pursuant to the conversion of our Company to a public limited company.
October 19, 2021	Clause V of our Memorandum of Association was amended to reflect the change in the authorised share capital of our Company from ₹ 1,620,000,000 divided into 150,000,000 equity shares of ₹ 10 each and 1,200,000 preference shares of ₹ 100 each to ₹ 2,120,000,000 divided

Date of Shareholders' resolution	Nature of Amendment
	into 200,000,000 equity shares of ₹ 10 each and 1,200,000 preference shares of ₹ 100 each.

### Major events and milestones of our Company

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

Calendar Year	Particulars
2006	Set up our manufacturing unit in the MEPZ-SEZ, Chennai
2010	Set up our manufacturing facility in Bargur
2012	Commenced manufacturing beacons for vehicles
2014	Set up our first research & development department in India
2016	Commenced manufacturing RFID tags
2018	Set up our manufacturing facility in Bawal
2018	Set up our 'zone of autonomous creation' to support the provision of rapid prototyping services
2018	Set up another manufacturing unit in the MEPZ-SEZ, Chennai
2019	Commenced offering repair and rework services
2020	Commenced the manufacture of controllers of the EV battery management systems
2020	Investment in our Company by South Asia Growth Fund II Holdings LLC and South Asia EBT Trust
2021	Acquired SGS Teknics Manufacturing Private Limited
2021	Acquired 75% of the issued and paid up share capital of Perfect ID India Private Limited

The table below sets forth the key events in the history of our Subsidiary, SGS Teknics Manufacturing Private Limited:

Calendar Year	Particulars
2014	Set up a manufacturing facility at Manesar
2016	Set up a manufacturing facility at Bangalore
2016	Awarded Outstanding EMS Company with a Global Outlook at the ELCINA awards in 2016
2018	Awarded the electric & electronic goods (mid-corporate) award at the Dun & Bradstreet SME Business Excellence Awards 2018
2020	Awarded 1 <sup>st</sup> Prize for excellence in research & development (large) at the 45 <sup>th</sup> ELCINA awards for the year 2019-20
2020	Set up another manufacturing facility at Bangalore
2020	Awarded 2 <sup>nd</sup> prize for excellence in quality (large) at the 45 <sup>th</sup> ELCINA awards for the year 2019-20
2021	Awarded 2 <sup>nd</sup> prize in quality (large scale) for the year 2020-21 at the 46 <sup>th</sup> ELCINA awards
2021	Awarded 2 <sup>nd</sup> prize in exports (large scale) for the year 2020-21 at the 46 <sup>th</sup> ELCINA awards

### Key awards, accreditations or recognitions

The following are the key awards, accreditations and recognitions received by our Company:

Calendar Year	Particulars
2013	Best SEZ (MSME: Computer Hardware) by Export Promotion Council for EOUs & SEZs at the EPCES Export Awards for 2010-11
2016	Third place in medium scale process under supervisor category at the 11 <sup>th</sup> edition of CII Southern Region Kaizen Competition 2016
2018	First place in manufacturing sector medium scale in the 3 <sup>rd</sup> edition of CII Southern Region Poka Yoke Competition 2018
2021	Certificate of merit in environment management (SME) for the year 2020-21 at the ELCINA awards
2021	2 <sup>nd</sup> prize in quality (SME) for the year 2020-21 at the 46 <sup>th</sup> ELCINA awards
2021	1 <sup>st</sup> prize in business excellence (SME) for the year 2020-21 at the 46 <sup>th</sup> ELCINA awards
2021	Certificate of appreciation for outstanding contribution in promotion of electronics (manufacturing IOT devices) awarded by the Ministry of Electronics and Information Technology

### Launch of key products or services, entry or exit in new geographies

For details of launch of key products or services, entry in new geographies or exit from existing markets, capacity or facility creation and the location of plants see “– *Major Events and Milestones of our Company*” and “*Our Business*” on pages 208 and 180 respectively.

#### **Financial or strategic partners**

Our Company does not have any financial or strategic partners as on the date of filing this Draft Red Herring Prospectus.

#### **Time or cost overruns**

There have been no time or cost overruns pertaining in the setting up of projects by our Company since incorporation.

#### **Defaults or rescheduling/restructuring of borrowings with financial institutions/banks**

Our Company has not defaulted on repayment of any loan availed from any banks or financial institutions. The tenure of repayment of any loan availed by our Company from banks or financial institutions has not been rescheduled or restructured.

#### **Revaluation of assets**

Our Company has not revalued its assets in the 10 years preceding the date of this Draft Red Herring Prospectus.

#### **Our holding company**

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

#### **Details regarding acquisition or divestment of business or undertakings**

Except as disclosed below, there have been no material acquisitions or divestments of business or undertakings by our Company in the last 10 years:

##### ***Acquisition of Perfect ID India Private Limited (“Perfect ID”) pursuant to the investment agreement dated October 11, 2021, entered into between Perfect ID, Perfect ID USA Inc., Sakun Ahuja and our Company***

Our Company entered into an investment agreement dated October 11, 2021, with Perfect ID, Perfect ID USA Inc., and Sakun Ahuja (the “**Investment Agreement**”), pursuant to which our Company acquired 1,690,913 equity shares of Perfect ID, amounting to 75% of the issued and paid up share capital of Perfect ID, from Perfect ID USA Inc. and Sakun Ahuja, for a consideration of ₹ 341.50 million. Pursuant to the Investment Agreement and subject to the fulfilment of certain conditions specified therein, our Company will further acquire 225,455 equity shares of Perfect ID from Sakun Ahuja, and then further acquire 338,182 equity shares of Perfect ID from Sakun Ahuja, each for sale considerations determined in the manner described in the Investment Agreement, such that our Company will hold 100% of the issued and paid up share capital of Perfect ID.

##### ***Acquisition of SGS Teknics Manufacturing Private Limited (“SGS Teknics”) pursuant to the share sale and purchase and shareholders’ agreement dated October 23, 2020, entered into between SGS Teknics, Sanjiv Narayan, Jasbir Singh Gujral, Krishna Kumar Pant, Ranjeet Singh Lonial, Sandeep Tandon, Tandon Electronics Private Limited, Veena Kumari Tandon and our Company (the “2020 SSPSA”) and the share sale and purchase and shareholders’ agreement dated September 16, 2021, entered into between SGS Teknics Manufacturing Private Limited (“SGS Teknics”), Sanjiv Narayan, Jasbir Singh Gujral, Krishna Kumar Pant, Ranjeet Singh Lonial and our Company ( the “2021 SSPSA”)***

Our Company entered into the 2020 SSPSA, pursuant to which our Company purchased 322,557 shares of SGS Teknics, amounting to 20% of the total issued, subscribed and paid up share capital of SGS Teknics, from Sanjiv Narayan, Jasbir Singh Gujral, Krishna Kumar Pant and Ranjeet Singh Lonial (together, the “**SGS Promoters**”), and each of their promoter families, as defined under the 2020 SSPSA, for a consideration of ₹ 887.41 million. Our Company subsequently entered into the 2021 SSPSA, pursuant to which our Company purchased 1,290,228 shares of SGS Teknics, amounting to 80% of the total issued, subscribed and paid up share capital of SGS Teknics,

from the SGS Promoters, and each of their promoter families, as defined under the 2021 SSPSA, for a consideration of ₹ 2,771.41 million. Pursuant to the 2021 SSPSA, SGS Tekniks became a wholly owned subsidiary of our Company.

Pursuant to the 2020 SSPSA, Sandeep Tandon, Tancom Electronics Private Limited and the SGS Promoters undertook to ensure that our Company and SGS Tekniks shall lodge a scheme of amalgamation for the proposed merger of SGS Tekniks into our Company. In the event that the effective date of such merger does not happen before September 30, 2022, our Company may require SGS Tekniks to undertake a buyback of all securities of SGS Tekniks held by our Company, in the manner set out in the 2020 SSPSA (the “**Non-Merger Buy Back Right**”). Pursuant to the waiver dated September 16, 2021, and due to the agreement of the Parties not to proceed with the proposed merger, our Company waived our Non-Merger Buy Back Right.

#### ***Transfer of business of Tovya Automation Private Limited (“TAPL”)***

Our Company entered into a business transfer agreement dated December 4, 2014, with TAPL (“**Business Transfer Agreement**”). TAPL was engaged in the business of design, development and automation, quality control, test engineering and mechanical engineering, and tracking systems. Pursuant to the Business Transfer Agreement, the business of TAPL, including its assets, present and future liabilities, licenses, subsidies, grants, quality certifications, approvals and product registrations, books and records, and all existing contracts for the supply of finished goods, purchase of raw materials, and validation services, was transferred as a going concern on a slump sale basis to our Company for a consideration of ₹ 0.50 million with effect from December 1, 2014.

#### **Mergers or amalgamations**

Except as disclosed below, our Company has not been party to any merger or amalgamation in the 10 years preceding the date of this Draft Red Herring Prospectus:

#### ***Scheme of amalgamation of Syrma Services and Solutions Private Limited and 3G Wireless Communications Private Limited with our Company***

Our Company filed a scheme of amalgamation and arrangement under Sections 391 to 394 of the Companies Act, 1956, and Sections 230 to 240 of the Companies Act, 2013, before the NCLT, Mumbai (the “**Scheme**”). Pursuant to the Scheme, the operations of Syrma Services and Solutions Private Limited (“**SSSPL**”) and 3G Wireless Communications Private Limited (“**3GWCPL**”) were consolidated with our Company and SSSPL and 3GWCPL were automatically dissolved. The Scheme was implemented to realise the commercial benefits of consolidating companies within our group, thereby reducing intra-group transactions, compliance requirements under various laws, and operating and compliance costs, and achieving administrative, operative and management efficiencies. The appointed date for the Scheme to become effective was April 1, 2016. The Scheme was approved by an order of the NCLT, Mumbai dated June 22, 2017.

#### **Shareholders’ agreements**

Details of subsisting shareholder’s agreements among our shareholders *vis-a-vis* our Company, which our Company is aware of, as on the date of this Draft Red Herring Prospectus, are provided below:

***Amended and restated shareholders’ agreement dated September 16, 2021, entered into between South Asia Growth Fund II Holdings LLC (the “Investor Fund”), South Asia EBT Trust (together with the Investor Fund, the “Investors”), Sandeep Tandon, Tancom Electronics Private Limited, Veena Kumari Tandon (together with Sandeep Tandon and Tancom Electronics Private Limited, the “Syrma Promoters”), Sanjiv Narayan, Jasbir Singh Gujral, Krishna Kumar Pant, Ranjeet Singh Lonial (together with Sanjiv Narayan, Jasbir Singh Gujral and Krishna Kumar Pant, the “SGS Shareholders”) and our Company (all collectively, the “Parties”, and such agreement, the “SHA”), as amended by the amendment agreement dated November 25, 2021, entered into amongst the Parties (“Amendment Agreement”)***

Our Company entered into the SHA to set out the agreement and relationship between the Parties, including in relation to the shareholding of our Company and other matters in connection therewith.

Pursuant to the SHA, the Investor Fund is entitled to appoint and maintain in office up to one director on our Board and the SGS Shareholders are entitled to appoint and maintain in office up to two directors on our Board. Further, Tancom Electronics Private Limited is entitled to appoint and maintain in office up to four directors on our Board,

one of whom shall be the chairman of our Company or of any meeting of our Board. The Investor Fund and the SGS Shareholders are also entitled to each appoint an individual as an observer to the Board and the committees of our Company, and such observers shall have the right to receive all information as shall be provided to the Directors of our Company.

Pursuant to the SHA, no action or decision may be taken in respect of certain specified matters, including alterations to our share capital, amendments to our constitutional documents, the declaration of dividends and changes in the composition of our Board, unless our Company obtains consent from the Investors and/or the SGS Shareholders, as the case may be. The Investors and the SGS Shareholders are entitled to receive information and documents with respect to our Company, as specified in the SHA, including a copy of our audited financial statements as at the end of each financial year, the management accounts of our Company and all the minutes of the meetings of our Board, committees thereof and our Shareholders. Further, the Investor Fund and the SGS Shareholders are entitled to inspection and visitation rights in respect of our Company, in the manner specified under the SHA. The SHA further constitutes an integration and operational matters committee, which shall be a committee of the SGS Shareholders and the Syrma Promoters, to enable the smooth and uninterrupted transition, integration and continuation of the business of the Company and to provide overall support and guidance to the management of the Company, which shall include two representatives of the Syrma Promoters and two representatives of the SGS Shareholders.

If our Company seeks further investment through the issue of additional convertible securities or equity shares, or if the Syrma Promoters propose to invest in such securities of our Company (except for any issuance pursuant to an employee stock option plan of our Company), the Investors and the SGS Shareholders shall have a pre-emptive right to subscribe to such further issue, for up to the proportion of their respective shareholding in our Company. We are required to provide written notice to the Investors and the SGS Shareholders setting out the terms of such further issue. The SHA further provides for anti-dilution rights of the Investors, such that our Company shall not issue any equity shares at a price which is lower than the highest effective price of the preference shares held by the Investors without their consent, and if any equity shares are issued at such lower price, then the Investors' investment in our Company shall be deemed to be at such lower valuation and we, the Syrma Promoters and the SGS Shareholders shall ensure that the Investors' shareholding in our Company shall be adjusted accordingly.

Pursuant to the SHA, no person shall be granted rights which are more favourable than those accorded to the Investor Fund and the SGS Shareholders under the SHA, or which would affect the ability of the Parties to exercise any of their rights, or perform their obligations, as the case may be, under the transaction documents, as specified in the SHA.

In the event that the aggregate shareholding of the Investors and their affiliates, as defined under the SHA, falls below 5% of the share capital of our Company, certain specified rights of the Investors, including the right to appoint a director and an observer to our Board and rights in relation to specified matters any action in respect of which requires the consent of the Investors, will automatically terminate. Similarly, if the aggregate shareholding of the SGS Shareholders and their affiliates, as defined under the SHA, falls below 7.5% of the share capital of our Company, certain specified rights of the SGS Shareholders, including the right to appoint a director and an observer to our Board and rights in relation to specified matters any action in respect of which requires the consent of the SGS Shareholders, will automatically terminate.

The SHA sets out the circumstances and conditions under which the Parties may exercise rights, including the Investors' and SGS Shareholders' rights of first refusal in respect of transfers of securities by the Syrma Promoters, the Investors' and Syrma Promoters' rights of first refusal in respect of transfers of securities by the SGS Shareholders, the Syrma Promoters' rights of first offer on transfers of securities by the Investors and the SGS Shareholders during the specified lock-in periods, the Syrma Promoters' rights of first refusal in respect of transfers of securities by the Investors and the SGS Shareholders to a competitor, and the Investors' and SGS Shareholders' tag along rights in respect of transfers of securities by any of the Syrma Promoters and/or any of the SGS Shareholders. The SHA also set outs remedies that the Investors may exercise if any events of default, as described under the SHA, remain continuing and unremedied after the expiry of the periods specified in the SHA. The Investors and the SGS Promoters are also entitled to be provided with the ability to sell their securities in our Company on terms acceptable to them in the manner set out in the SHA.

Pursuant to the Amendment Agreement, the SHA and the rights and obligations of the Parties thereunder will terminate upon admission to listing and trading of the Equity Shares of our Company on the Stock Exchanges, other than the clause appointing Jasbir Singh Gujral as a Promoter of our Company. Further, pursuant to the Amendment Agreement, the Parties have agreed to waive certain of their respective rights under the SHA with



effect from the date of the Amendment Agreement, including, amongst others, the right of the SGS Shareholders to appoint directors to the Board, the right of the Investor Fund and the SGS Shareholders to appoint observers to the Board and the committees of our Company, the information rights of the Investors and the SGS Shareholders, the pre-emptive rights of the Investors and the SGS Shareholders, the anti-dilution rights of the Investors, the Investors', Syrma Promoters' and SGS Shareholders' rights of first refusal as set out in the SHA, and the Investors' and SGS Shareholders' tag along rights, to the extent provided for in the Amendment Agreement. In the event that the Equity Shares are not listed on the Stock Exchanges by June 30, 2022, the Amendment Agreement will stand terminated with immediate effect.

#### **Agreements with Key Managerial Personnel, Director, Promoter or any other employee**

Neither our Promoters, nor any of the Key Managerial Personnel, Directors or employees of our Company have entered into an agreement, either by themselves or on behalf of any other person, with any Shareholder or any other third party with regard to compensation or profit sharing in connection with the dealings of the securities of our Company.

#### **Guarantees given by our Promoter Selling Shareholder**

Other than as disclosed below, as on the date of this Draft Red Herring Prospectus, the Promoter Selling Shareholder has not given any guarantees to third parties:

<b>S. No.</b>	<b>Guarantee issued by</b>	<b>Guarantee issued in favour of</b>	<b>Borrower</b>	<b>Guarantee amount (in ₹ million)*</b>	<b>Type of facility</b>
1.	Veena Kumari Tandon	RBL Bank Limited	Infinx Services Private Limited	174.70	Fund and non-fund based facilities
2.	Veena Kumari Tandon	State Bank of India	Company	245.35	Fund and non-fund based facilities
3.	Veena Kumari Tandon	RBL Bank Limited	Company	81.37	Fund and non-fund based facilities
4.	Veena Kumari Tandon	DBS Bank India Limited	Company	249.00	Fund-based facilities
5.	Veena Kumari Tandon	Citibank, N.A.	Company	179.05	Fund-based facilities

\* as on June 30, 2021

The abovementioned guarantees have been issued in connection with loans availed by our Company. Pursuant to the terms of the guarantees, the obligations of Veena Kumari Tandon include repayment of the guaranteed sum in case of default by the respective borrowers. The financial implications in case of default by the borrower are that the lender would be entitled to invoke the guarantees to the extent of the outstanding loan amount, together with any interests, costs or charges due to the respective lenders. The guarantees are effective for a period until the underlying loan is to be repaid by the respective borrower.

#### **Other agreements**

Except as disclosed in this Draft Red Herring Prospectus, our Company has not entered into any other subsisting material agreement, including with strategic partners, joint venture partners and/or financial partners, other than in the ordinary course of business.

## OUR SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

### Subsidiaries

As on the date of this Draft Red Herring Prospectus, our Company has the following Subsidiaries:

- (i) SGS Teknics Manufacturing Private Limited;
- (ii) Perfect ID India Private Limited;
- (iii) SGS Infosystems Private Limited; and
- (iv) SGS Solutions GmbH.

### Associates

As on the date of this Draft Red Herring Prospectus, our Company does not have any associate companies.

### Joint Ventures

As on the date of this Draft Red Herring Prospectus, our Company does not have any joint ventures.

Unless stated otherwise, the details in relation to our Subsidiaries provided below are as on the date of this Draft Red Herring Prospectus.

### Details of our Subsidiaries

#### 1. SGS Teknics Manufacturing Private Limited (“SGS Teknics”)

##### *Corporate Information*

SGS Teknics was incorporated as ‘SGS Teknics Private Limited’ as a private limited company under the Companies Act, 1956, pursuant to the certificate of incorporation issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana dated April 27, 2011. Subsequently its name was changed to ‘SGS Teknics Manufacturing Private Limited’ and a fresh certificate of incorporation dated November 12, 2012 by the Registrar of Companies, National Capital Territory of Delhi and Haryana. It bears the corporate identification number U31501HR2011PTC044475. Its registered office is located at A-3 Infocity, Sector-34, Gurgaon, Haryana, India - 122001.

##### *Nature of Business*

SGS Teknics is engaged in the business of providing electronic design and manufacturing good and related services.

##### *Capital Structure*

As on the date of this Draft Red Herring Prospectus, the authorised share capital of SGS Teknics is ₹ 31,100,000 divided into 3,010,000 equity shares of ₹ 10 each and 100,000 10% redeemable preference shares of ₹10 each. The issued, subscribed and paid-up share capital of SGS Teknics is ₹16,127,850 divided into 1,612,785 equity shares of ₹10 each.

##### *Shareholding pattern*

The shareholding pattern of SGS Teknics as on the date of this Draft Red Herring Prospectus is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Syrma SGS Technology Limited	1,612,785	100.00
Tiruvankara Rajesh Chari	1	0.00
<b>Total</b>	<b>1,612,785</b>	<b>100.00</b>

## 2. Perfect ID India Private Limited (“Perfect ID”)

### *Corporate Information*

Perfect ID was incorporated as a private limited company, under the Companies Act, 2013, pursuant to the certificate of incorporation issued by the Registrar of Companies, Tamil Nadu at Chennai, on November 12, 2015. It bears the corporate identification number U32109TN2015PTC102955. Its registered office is situated at Ground Floor, Center Block 188, Poonamallee High Road, Kilpauk, Chennai – 600010, Tamil Nadu, India.

### *Nature of business*

Perfect ID is engaged in the business of manufacturing fully automated radio frequency identification tags and ultra-high frequency radio frequency identification inlays and tags.

### *Capital Structure*

As on the date of this Draft Red Herring Prospectus, the authorised share capital of Perfect ID is ₹ 60,000,000 divided into 6,000,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up equity share capital of Perfect ID is ₹ 22,545,500 divided into 2,254,550 equity shares of ₹ 10 each.

### *Shareholding pattern*

The shareholding pattern of Perfect ID as on the date of this Draft Red Herring Prospectus is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Syrma SGS Technology Limited	1,690,913	75.00
Sakun Ahuja	563,637	25.00
<b>Total</b>	<b>2,254,550</b>	<b>100.00</b>

## 3. SGS Infosystems Private Limited (“SGS Infosystems”)

### *Corporate Information*

SGS Infosystems was incorporated on June 25, 2012, as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the Registrar of Companies, National Capital Territory of Delhi & Haryana. It bears the corporate identification number U74900HR2012PTC052142. The registered office of SGS Infosystems is A-3, Infocity, Sector-34, Gurgaon, Haryana, India - 122001.

### *Nature of business*

SGS Infosystems is currently not engaged in any business activity.

### *Capital Structure*

As on the date of this Draft Red Herring Prospectus, the authorised share capital of SGS Infosystems is ₹ 120,000,000 divided into 12,000,000 equity shares of ₹ 10 each. The issued, subscribed and paid-up equity share capital of SGS Infosystems is ₹ 120,000,000 divided into 12,000,000 equity shares of ₹ 10 each.

### *Shareholding pattern*

The shareholding pattern of SGS Infosystems as on the date of this Draft Red Herring Prospectus is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
SGS Teknics Manufacturing Private Limited	11,960,000	99.68
Ranjeet Singh Lonial	10,000	0.08

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
Jasbir Singh Gujral	10,000	0.08
Sanjiv Narayan	10,000	0.08
Krishna Kumar Pant	10,000	0.08
<b>Total</b>	<b>12,000,000</b>	<b>100.00</b>

#### 4. SGS Solutions GmbH (“SGS Solutions”)

##### *Corporate Information*

SGS Solutions GmbH was incorporated as a company with limited liability under the laws of Germany and received its certificate for commencement of business on September 24, 2009. Its registered office is situated at Friedrich-list Strabeg 71264 Winnden Stuttgart, Germany.

##### *Nature of Business*

SGS Solutions is engaged in the business of design and engineering services.

##### *Capital Structure*

As on the date of this Draft Red Herring Prospectus, the authorised share capital of SGS Solution is Euro 25,000 divided into 25,000 equity shares of Euro 1 each. The issued, subscribed and paid-up equity share capital of SGS Solutions is Euro 25,000 divided into 25,000 equity shares of Euro 1 each.

##### *Shareholding Pattern*

The shareholding pattern of SGS Solutions as on the date of this Draft Red Herring Prospectus is as provided below:

Name of the shareholder	Number of equity shares	Percentage of the issued and paid-up share capital (%)
SGS Tekniks Manufacturing Private Limited	16,500	66.00
Michael Lange	8,500	34.00
<b>Total</b>	<b>25,000</b>	<b>100.00</b>

#### **Accumulated profits or losses**

There are no accumulated profits or losses of any of our Subsidiaries that have not been accounted for by our Company in the Restated Consolidated Financial Information as per applicable accounting standards.

#### **Business interest in our Company**

Other than as mentioned in this section, and in “Other Financial Information - Related Party Transactions” on page 555, our Subsidiaries have no business interests in our Company.

#### **Common Pursuits**

Except as disclosed below, none of our Subsidiaries are engaged in a business similar to the business of our Company:

Perfect ID India Private Limited, SGS Tekniks Manufacturing Private Limited and SGS Solutions GmbH are engaged in a business similar to the business of our Company. Our Company will ensure necessary procedures and practices as permitted by laws and regulatory guidelines to address situations of conflict of interest as and when they arise.

#### **Confirmations**

None of our Subsidiaries are listed on any stock exchange in India or abroad.

Further, any of the securities of our Subsidiaries have not been refused listing by any stock exchange in India or abroad, nor have any of our Subsidiaries failed to meet the listing requirements of any stock exchange in India or abroad, to the extent applicable.

## OUR MANAGEMENT

### Board of Directors

The Articles of Association require that our Board shall comprise of not less than three Directors and not more than 15 Directors. As on the date of filing this Draft Red Herring Prospectus, we have 10 Directors on our Board, of whom two are Executive Directors, three are Non-Executive Directors and five are Independent Directors including one woman Independent Director. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013, in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth the details of our Board as on the date of this Draft Red Herring Prospectus:

Name, designation, date of birth, address, occupation, current term, date of appointment and DIN	Age (years)	Other directorships
<b>Sandeep Tandon</b>  <i>Designation:</i> Executive Chairman  <i>Date of birth:</i> May 17, 1969  <i>Address:</i> Tandon Beach House, Plot No 35-c/2 Cts No. 1069, Tps-2, Azad Road, Juhu Koliwada Santacruz- West, Mumbai, Juhu, Mumbai, Maharashtra 400049  <i>Occupation:</i> Business  <i>Current term:</i> 5 years with effect from October 1, 2021, and liable to retire by rotation  <i>Period of directorship:</i> Since December 29, 2004  <i>DIN:</i> 00054553	52	<i>Indian companies:</i> <ol style="list-style-type: none"> <li>1. Infix Services Private Limited</li> <li>2. Tancom Electronics Private Limited</li> <li>3. JT Holdings Private Limited</li> <li>4. Ebony Electronics Private Limited</li> <li>5. Welltime Gold and Investments Private Limited</li> <li>6. Dreamplug Technologies Private Limited</li> <li>7. Aavas Financiers Limited</li> <li>8. Radical Plastics Private Limited</li> </ol> <i>Foreign companies:</i> <ol style="list-style-type: none"> <li>1. Tulp Street Pte Ltd.</li> </ol>
<b>Jasbir Singh Gujral</b>  <i>Designation:</i> Managing Director  <i>Date of birth:</i> August 9, 1955  <i>Address:</i> House N K-165, South City 1, Gurgaon, Haryana 122001  <i>Occupation:</i> Business  <i>Current term:</i> 3 years with effect from October 1, 2021, and liable to retire by rotation  <i>Period of directorship:</i> Since September 27, 2021  <i>DIN:</i> 00198825	66	<i>Indian companies:</i> <ol style="list-style-type: none"> <li>1. Hamp Properties Private Limited</li> <li>2. SGS Infosystems Private Limited</li> <li>3. Eltek SGS Mechanics Private Limited</li> <li>4. SGS Manufacturing &amp; Trading Private Limited</li> </ol> <i>Foreign companies:</i>  Nil.

Name, designation, date of birth, address, occupation, current term, date of appointment and DIN	Age (years)	Other directorships
<b>Jaideep Tandon</b>  <i>Designation:</i> Non-Executive Director  <i>Date of birth:</i> December 8, 1973  <i>Address:</i> 15317 Sobey Road, Saratoga, CA 95070  <i>Occupation:</i> Business  <i>Current term:</i> Liable to retire by rotation  <i>Period of directorship:</i> Since November 9, 2020  <i>DIN:</i> 01693731	48	<i>Indian companies:</i>  Nil.  <i>Foreign companies:</i>  1. TIS International (USA), INC 2. Infinox Pharmacy Services, LLC 3. Enhanced Revenue Solutions, Inc. 4. Isharya Singapore Pte. Limited 5. Syrma Singapore Pte. Limited
<b>Jayesh Doshi</b>  <i>Designation:</i> Non-Executive Director  <i>Date of birth:</i> February 2, 1965  <i>Address:</i> 1/6, Shankar Bhavan, French Bridge, Grant Road, Mumbai, Maharashtra 400007  <i>Occupation:</i> Service  <i>Current term:</i> Liable to retire by rotation  <i>Period of directorship:</i> Since September 27, 2021  <i>DIN:</i> 00017963	56	<i>Indian companies:</i>  Nil.  <i>Foreign companies:</i>  Nil.
<b>Sridhar Narayan</b>  <i>Designation:</i> Non-Executive Director  <i>Date of birth:</i> October 30, 1971  <i>Address:</i> Flat 202 Tower D Raheja Vivarea, Sane Guruji Marg Jacob Circle, Mahalaxmi, Mumbai, Mumbai City, Maharashtra – 400011  <i>Occupation:</i> Private sector service  <i>Current term:</i> Liable to retire by rotation  <i>Period of directorship:</i> Since November 4, 2020  <i>DIN:</i> 00137243	40	<i>Indian companies:</i>  1. Seraphim Advisors India Private Limited 2. Seedworks International Private Limited 3. Premier Energies Limited  <i>Foreign companies:</i>  Nil.
<b>Kunal Shah</b>  <i>Designation:</i> Independent Director  <i>Date of birth:</i> May 30, 1979  <i>Address:</i> 404, Uphar 2 CHS Ltd, Plot No. 5, 7 Bungalows, Andheri West, Next to Sanjeev Enclave, Mumbai, Azad Nagar, Mumbai Suburban Maharashtra – 400053  <i>Occupation:</i> Business	42	<i>Indian companies:</i>  1. Grey House Construction Private Limited 2. Hip Bar Private Limited 3. Newtap Technologies Private Limited 4. Dreamplug AA Tech Solutions Private Limited 5. Dreamplug Paytech Solutions Private Limited 6. Dreamplug Advisory Solutions Private Limited 7. Dreamplug Technologies Private

Name, designation, date of birth, address, occupation, current term, date of appointment and DIN	Age (years)	Other directorships
<p><i>Current term:</i> 3 years from November 30, 2021, up to and including November 29, 2024</p> <p><i>Period of directorship:</i> Since November 29, 2021</p> <p><i>DIN:</i> 01653176</p>		<p>Limited</p> <p><i>Foreign companies:</i></p> <p>Nil.</p>
<p><b>Anil Nair</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> March 16, 1959</p> <p><i>Address:</i> A-201, Lodha Bellissimo, N.M. Joshi Marg, Mahalaxmi, Jacob Circle, Mumbai, Maharastra – 400011</p> <p><i>Occupation:</i> Consultant</p> <p><i>Current term:</i> 3 years from November 30, 2021, up to and including November 29, 2024</p> <p><i>Period of directorship:</i> Since November 29, 2021</p> <p><i>DIN:</i> 02655564</p>	62	<p><i>Indian companies:</i></p> <p>Nil.</p> <p><i>Foreign companies:</i></p> <p>Nil.</p>
<p><b>Hetal Gandhi</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> July 29, 1965</p> <p><i>Address:</i> B 2/1203 Vivarea, Sane Guruji Marg, Near Jacob Circle, Mahalaxmi, Mumbai, Jacob Circle, Maharashtra, 400011</p> <p><i>Occupation:</i> Service</p> <p><i>Current term:</i> 3 years from November 30, 2021, up to and including November 29, 2024</p> <p><i>Period of directorship:</i> Since November 29, 2021</p> <p><i>DIN:</i> 00106895</p>	56	<p><i>Indian companies:</i></p> <ol style="list-style-type: none"> <li>1. Chalet Hotels Limited</li> <li>2. Shilpa Medicare Limited</li> <li>3. Ami Organics Limited</li> <li>4. Tano India Advisors Private Limited</li> <li>5. SGS Tekniks Manufacturing Private Limited</li> </ol> <p><i>Foreign companies:</i></p> <ol style="list-style-type: none"> <li>1. Maia Pharmaceuticals, Inc.</li> </ol>
<p><b>Smita Jatia</b></p> <p><i>Designation:</i> Independent Director</p> <p><i>Date of birth:</i> May 20, 1970</p> <p><i>Address:</i> Avanti, 67-A, Bhulabhai Desai Road, Breach Candy, Cumballa Hill, Mumbai, Maharashtra – 400026</p> <p><i>Occupation:</i> Service</p> <p><i>Current term:</i> 3 years from November 30, 2021, up to and including November 29, 2024</p> <p><i>Period of directorship:</i> Since November 29, 2021</p> <p><i>DIN:</i> 03165703</p>	51	<p><i>Indian companies:</i></p> <ol style="list-style-type: none"> <li>1. Westlife Development Limited</li> <li>2. Achal Exim Private Limited</li> <li>3. Ronald McDonald House Charities Foundation India (RHMC India)</li> <li>4. Vistara Designs and Investments Private Limited</li> </ol> <p><i>Foreign companies:</i></p> <p>Nil</p>



Name, designation, date of birth, address, occupation, current term, date of appointment and DIN	Age (years)	Other directorships
<b>Bharat Anand</b>  <i>Designation:</i> Independent Director  <i>Date of birth:</i> July 13, 1976  <i>Address:</i> 2nd Floor, Jaipur Estate, Hazrat Nizamuddin, South Delhi, Delhi – 110013  <i>Occupation:</i> Lawyer in Service  <i>Current term:</i> 3 years from November 30, 2021, up to and including November 29, 2024  <i>Period of directorship:</i> Since November 29, 2021  <i>DIN:</i> 02806475	45	<i>Indian companies:</i> <ol style="list-style-type: none"> <li>1. Rockman Industries Limited</li> <li>2. Lifestar Pharma Private Limited</li> <li>3. Sandhar Technologies Limited</li> <li>4. Magnet Labs Private Limited</li> <li>5. Morae Services India Private Limited</li> <li>6. Mankind Pharma Limited</li> <li>7. Perfect ID India Private Limited</li> </ol> <i>Foreign companies:</i>  Nil

### Brief profiles of our Directors

**Sandeep Tandon** is the Executive Chairman of our Company. He holds a bachelor of science in electrical engineering from the Andrew and Erna Viterbi School of Engineering, University of Southern California. He has completed the YPO Presidents' Program from the Harvard Business School. He has approximately 18 years of experience in the electronics manufacturing sector. He has previously been associated with Celetronix Inc., USA.

**Jasbir Singh Gujral** is the Managing Director of our Company. He holds a bachelor of commerce (honours) from the University of Delhi. He is a fellow member of the Institute of Chartered Accountants of India. He is a director of SGS Teknics Manufacturing Private Limited.

**Jaideep Tandon** is a Non-Executive Director on the Board of our Company. He holds a master's degree in electrical engineering from Cornell University. Jaideep Tandon is a director of Infinx Services Private Limited.

**Jayesh Doshi** is a Non-Executive Director on the Board of our Company. He holds a bachelor of commerce from Jai Hind College, University of Bombay and a bachelor of laws (general) from Government Law College, University of Bombay. He is an associate of the Institute of Chartered Accountants of India. He has previously been associated with Dalmia Bharat Limited as a whole time director and chief financial officer.

**Sridhar Narayan** is a Non-Executive Director on the Board of our Company. He holds a bachelor of technology in mechanical engineering from the Banaras Hindu University, and a post graduate diploma in management from the Indian Institute of Management Bangalore. He is a director of Seraphim Advisors India Private Limited, Seedworks International Private Limited and Premier Energies Limited.

**Kunal Shah** is an Independent Director on the Board of our Company. He holds a bachelor of arts in philosophy from Wilson College, University of Mumbai. He is a co-founder of Dreamplug Technologies Private Limited, Newtap Technologies Private Limited, Dreamplug AA Tech Solutions Private Limited and Dreamplug Paytech Solutions Private Limited.

**Anil Nair** is an Independent Director on the Board of our Company. He holds a bachelor of science in physics, chemistry and mathematics from Bangalore University, and a postgraduate diploma in management from Xavier Institute of Management, Bhubaneswar. He has completed the ISB-Kellogg Global Advanced Management Programme, 2002, from the Indian School of Business and the Kellogg School of Management. He has approximately 25 years of experience in the information technology and consulting sectors. He has previously served as President – Aegis Consulting with Aegis Limited, the managing director & chief executive officer with AGC Networks Ltd., senior director at Cisco Systems (India) Private Limited and the managing director of Avyaya GlobalConnect Limited.

**Hetal Gandhi** is an Independent Director on the Board of our Company. He holds a bachelor of commerce from the University of Bombay. He is a member of the Institute of Chartered Accountants of India. He has

approximately 35 years of experience in the financial services and management consultancy sectors. He has previously served as the head – financial services of Infrastructure Leasing & Financial Services Limited, the chief executive officer of ORIX Auto and Business Solutions Limited, and is the independent director and chairperson of Chalet Hotels Limited. He is a co-founder of Tano India Advisors Private Limited.

**Smita Jatia** is an Independent Director on the Board of our Company. She holds a bachelor's degree in commerce from Sydenham College of Commerce and Economics, University of Bombay. She has completed the YPO-WPO Harvard spouse/partner program at Harvard Business School. She is a director of Westlife Development Limited, and the president of Hardcastle Restaurants Private Limited. She was named on Forbes' Asia's power businesswomen list in 2019.

**Bharat Anand** is an Independent Director on the Board of our Company. He holds a bachelor of arts (honours course) in economics from the University of Delhi. He is enrolled as an advocate of the Bar Council of Delhi. He has over 20 years of experience in corporate law, including in relation to mergers and acquisitions, joint ventures and private equity transactions. He is a partner at Khaitan & Co. and is responsible for the corporate and M&A practice of the firm in Delhi.

#### **Details of directorship in companies suspended or delisted**

None of our Directors is or was a director of any listed company, whose shares have been or were suspended from being traded on any stock exchanges, in the last five years prior to the date of this Draft Red Herring Prospectus, during the term of their directorship in such company.

Further, none of our Directors is, or was, a director of any listed company, which has been or was delisted from any stock exchange during the term of their directorship in such company.

#### **Relationships between our Directors and Key Managerial Personnel**

Except for Sandeep Tandon and Jaideep Tandon, being brothers, none of our Directors are related to each other or to any of our Key Managerial Personnel.

#### **Arrangement or understanding with major Shareholders, customers, suppliers or others**

None of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

#### **Service contracts with Directors**

Our Company has not entered into any service contracts with our Directors which provide for benefits upon the termination of their employment.

#### **Borrowing Powers**

In accordance with our Articles of Association and the applicable provisions of the Companies Act, and pursuant to a resolution of our Shareholders dated November 20, 2021, our Board is authorised to borrow any sum or sums of money which may exceed at any time, the aggregate of the paid-up capital of the Company and its free reserves, not exceeding ₹ 8,000.00 million.

#### **Terms of appointment of our Directors**

##### **a) Terms of employment of our Executive Directors**

###### **Sandeep Tandon, Executive Chairman**

Pursuant to the resolution passed by our Board on October 4, 2021, and the resolution passed by our Shareholders on October 7, 2021, Sandeep Tandon was appointed as the Executive Chairman of our Company for a period of 5 years with effect from October 1, 2021. Pursuant to a resolution passed by our Board on October 28, 2021, Sandeep Tandon receives a remuneration of up to ₹ 35.00 million per annum (including perquisites) from our Company.

### **Jasbir Singh Gujral, Managing Director**

Pursuant to the resolution passed by our Board on October 4, 2021, and the resolution passed by our Shareholders on October 7, 2021, Jasbir Singh Gujral was appointed as the Managing Director of our Company for a period of 3 years with effect from October 1, 2021, and receives a remuneration of up to ₹ 17.50 million per annum (including perquisites) from our Company.

#### **b) Sitting fees and commission to our Non-Executive Directors and Independent Directors**

None of our Non-Executive Directors are entitled to receive commission or sitting fees for attending meetings of our Board or the committees constituted of the Board.

Pursuant to a resolution of our Board dated November 29, 2021, our Independent Directors are entitled to receive sitting fees of ₹ 0.05 million and ₹ 0.04 million for attending each meeting of our Board and the committees constituted of the Board, respectively. Further, pursuant to a resolution of our Board dated November 29, 2021, and a resolution of our Shareholders dated November 30, 2021, our Independent Directors are entitled to receive remuneration by way of commission or otherwise of an amount not exceeding 0.30% of the net profits of our Company, over and above the sitting fees payable. Our Independent Directors may be reimbursed for expenses as permitted under the Companies Act and the SEBI Listing Regulations.

Except as disclosed above, our Company has not entered into any contract appointing or fixing the remuneration of a Director, whole-time director, or manager in the two years preceding the date of this Draft Red Herring Prospectus.

### **Payments or benefits to our Directors**

#### **a) Executive Directors**

The table below sets forth the details of the remuneration (including sitting fees, salaries, commission and perquisites, professional fee, consultancy fee, if any) paid to our Executive Directors for the Fiscal 2021:

<b>Sr. No.</b>	<b>Name of the Executive Director</b>	<b>Remuneration for Fiscal 2021 (in ₹ million)</b>
1.	Sandeep Tandon	31.56
2.	Jasbir Singh Gujral	Nil

#### **b) Non-Executive Directors**

None of our Non-Executive Directors, including our Independent Directors, were paid any remuneration (including sitting fees and commission) for Fiscal 2021.

### **Remuneration paid or payable to our Directors by our Subsidiaries:**

Except as disclosed below, no remuneration has been paid to our Directors by any of our Subsidiaries in Fiscal 2021:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Name of Subsidiary / Associate</b>	<b>Total remuneration (in ₹ million)</b>
1.	Jasbir Singh Gujral	SGS Teknics Manufacturing Private Limited	10.68

### **Contingent and deferred compensation payable to the Directors**

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation payable to the Directors, which does not form part of their remuneration.

### **Bonus or profit-sharing plan for our Directors**

Our Company does not have any performance linked bonus or a profit-sharing plan in which our Directors have participated.

## Shareholding of Directors in our Company

Our Articles of Association do not require our Directors to hold qualification shares.

The table below sets forth details of Equity Shares held by the Directors as on date of this Draft Red Herring Prospectus:

Name	No. of Equity Shares	Percentage of the pre- Offer paid up share capital (%)	Percentage of the post- Offer paid up share capital (%)*
Jasbir Singh Gujral	12,694,690	9.22	[●]

\* Subject to finalisation of Basis of Allotment.

## Interest of Directors

All our Directors may be deemed to be interested to the extent of fees and commission, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other remuneration, commission and reimbursement of expenses, if any, payable to them by our Company. For further details, see “*Other Financial Information – Related Party Transactions*” on page 555.

Our Directors may also be regarded as interested to the extent of the Equity Shares, if any, held by them and to the extent of any dividend payable to them and other distributions in respect of these Equity Shares. For further details regarding the shareholding of our Directors, see “– *Shareholding of Directors in our Company*” on page 223.

Some of our Directors may hold positions as directors on the board of directors of our Subsidiaries. In consideration for these services, they may be paid managerial remuneration in accordance with the provisions of the applicable law.

Further, some of our Directors are also directors on the boards, or are shareholders, kartas, trustees, proprietors, members or partners, of entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities. For further details, see “*Other Financial Information - Related Party Transactions*” on page 555.

There is no material existing or anticipated transaction whereby Directors will receive any portion of the proceeds from the Offer.

As on the date of this Draft Red Herring Prospectus, except for Sandeep Tandon and Jasbir Singh Gujral, who are the Promoters of our Company, none of our other Directors are interested in the promotion of our Company. For further details, see “*Our Promoters and Promoter Group*” on page 234.

Our Directors do not have any interest in any property acquired or proposed to be acquired by our Company.

Further, our Directors do not have any interest in any transaction by our Company for acquisition of land, construction of building or supply of machinery during the three years preceding the date of this Draft Red Herring Prospectus. However, it may be noted that the land and building which the manufacturing facility in Hyderabad is proposed to be set up, is proposed to be leased from JT Holdings Private Limited, wherein our Promoter and Executive Chairman, Sandeep Tandon is a director. For further details, see “*Objects of the Offer*” on page 95.

## Other confirmations

No consideration, either in cash or shares or in any other form have been paid or agreed to be paid to any of our Directors or to the firms, trusts or companies in which they have an interest in, by any person, either to induce any of our Directors to become or to help any of them qualify as a Director, or otherwise for services rendered by them or by the firm, trust or company in which they are interested, in connection with the promotion or formation of our Company.

## Changes to our Board in the last three years

Except as mentioned below, there have been no changes in our Directors in the last three years:

Name	Date of appointment / change in designation / cessation	Reason
Vikram Chopra	March 31, 2020	Change in designation from Whole Time Director to Non-Executive Director
Sridhar Narayan	November 4, 2020	Appointment as a Non-Executive Director
Jaideep Tandon	November 9, 2020	Appointment as a Non-Executive Director
Ramesh Saligame	July 9, 2021	Appointment as an additional Independent Director
Jayesh Doshi	September 27, 2021	Appointment as an additional Non-Executive Director
Jasbir Singh Gujral	September 27, 2021	Appointment as an additional Executive Director
Jasbir Singh Gujral	October 7, 2021	Change in designation from additional Executive Director to Managing Director
Sandeep Tandon	October 7, 2021	Change in designation to Executive Chairman
Ramesh Saligame	October 10, 2021	Cessation of directorship due to personal circumstances
Kunal Shah	November 29, 2021	Appointment as an additional Independent Director
Hetal Gandhi	November 29, 2021	Appointment as an additional Independent Director
Smita Jatia	November 29, 2021	Appointment as an additional Independent Director
Bharat Anand	November 29, 2021	Appointment as an additional Independent Director
Vikram Chopra	December 9, 2021	Cessation of directorship due to personal reasons

**Note:** This table does not include details of regularisations of additional Directors.

## Corporate Governance

The provisions of the Companies Act, 2013 along with the SEBI Listing Regulations, with respect to corporate governance, will be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of the applicable requirements for corporate governance in accordance with the SEBI Listing Regulations, and the Companies Act, 2013, including those pertaining to the constitution of the Board and committees thereof.

As on the date of filing this Draft Red Herring Prospectus, we have 10 Directors on our Board, of whom two are Executive Directors, three are Non-Executive Directors and five are Independent Directors including one woman Independent Director.

## Committees of our Board

In terms of the SEBI Listing Regulations and the provisions of the Companies Act, 2013, our Company has constituted the following Board committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee

For purposes of the Offer, our Board has also constituted an IPO Committee.

### (a) Audit Committee

The Audit Committee was constituted by a resolution of our Board dated November 29, 2021. It is in compliance with Section 177 of the Companies Act and Regulation 18 of the SEBI Listing Regulations. The current constitution of the Audit Committee is as follows:

Name of Director	Position in the Committee	Designation
Hetal Gandhi	Chairperson	Independent Director
Bharat Anand	Member	Independent Director
Jasbir Singh Gujral	Member	Managing Director

The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations. Its terms of reference are as follows:

### **Powers of Audit Committee**

The Audit Committee shall have powers, including the following:

- (1) to investigate any activity within its terms of reference
- (2) to seek information from any employee
- (3) to obtain outside legal or other professional advice; and
- (4) to secure attendance of outsiders with relevant expertise, if it considers necessary; and
- (5) such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

### **Role of Audit Committee**

The role of the Audit Committee shall include the following:

- (1) oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible
- (2) recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors
- (4) formulation of a policy on related party transactions, which shall include materiality of related party transactions
- (5) reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given
- (6) examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. 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
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions; and
  - g. Modified opinion(s) in the draft audit report.
- (7) reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval
- (8) 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 Offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board of Directors of the Company to take up steps in this matter
- (9) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process

- (10) approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed

**Explanation:** The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.

- (11) scrutiny of inter-corporate loans and investments
- (12) valuation of undertakings or assets of the Company, wherever it is necessary
- (13) evaluation of internal financial controls and risk management systems
- (14) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
- (15) 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
- (16) discussion with internal auditors of any significant findings and follow up there on
- (17) 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
- (18) 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
- (19) recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services
- (20) looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors
- (21) reviewing the functioning of the whistle blower mechanism
- (22) monitoring the end use of funds raised through public offers and related matters
- (23) overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases
- (24) approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate
- (25) reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 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
- (26) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders; and
- (27) carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

The Audit Committee shall mandatorily review the following information:

- a) Management discussion and analysis of financial condition and results of operations
- b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management
- c) Management letters / letters of internal control weaknesses issued by the statutory auditors
- d) Internal audit reports relating to internal control weaknesses
- e) The appointment, removal and terms of remuneration of the chief internal auditor; and
- f) Statement of deviations in terms of the SEBI Listing Regulations:
  - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) where the Equity Shares are proposed to be listed in terms of the SEBI Listing Regulations; and
  - b. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of the SEBI Listing Regulations.
- g) review the financial statements, in particular, the investments made by any unlisted subsidiary.

The Company Secretary of our Company shall serve as the secretary of the Audit Committee.

The Audit Committee is required to meet at least four times in a year under Regulation 18(2)(a) of the SEBI Listing Regulations. The quorum for a meeting of the Audit Committee shall be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.

#### **(b) Nomination and Remuneration Committee**

The Nomination and Remuneration committee was constituted by a resolution of our Board dated November 29, 2021. The Nomination and Remuneration Committee is in compliance with Section 178 of the Companies Act and Regulation 19 of the SEBI Listing Regulations. The current constitution of the Nomination and Remuneration committee is as follows:

<b>Name of Director</b>	<b>Position in the Committee</b>	<b>Designation</b>
Hetal Gandhi	Chairperson	Independent Director
Smita Jatia	Member	Independent Director
Jayesh Doshi	Member	Non-Executive Director

The scope and function of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI Listing Regulations. Its terms of reference are as follows:

- (1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors of the Company a policy relating to the remuneration of the Directors, Key managerial personnel and other employees

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- (i) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully
- (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals.



- (2) For every appointment of an independent director, evaluating the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, preparing a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may: (a) use the services of an external agencies, if required; (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and (c) consider the time commitments of the candidates
- (3) Formulation of criteria for evaluation of independent directors and the Board
- (4) Devising a policy on Board diversity
- (5) 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 their appointment and removal and carrying out evaluation of every director's performance (including independent director)
- (6) Deciding whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors
- (7) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors
- (8) Recommending to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary
- (9) Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time
- (10) Reviewing and approving the Company's compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws
- (11) Perform such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, if applicable
- (12) Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
  - (a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - (b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
- (13) Perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable law or regulatory authority.

The Nomination and Remuneration Committee is required to meet at least once in a year under Regulation 19(3A) of the SEBI Listing Regulations.

The quorum for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members of the committee, whichever is greater, including at least one independent director.

#### **(c) Stakeholders' Relationship Committee**

The Stakeholders' Relationship Committee was constituted by a resolution of our Board dated November 29, 2021. The Stakeholders' Relationship Committee is in compliance with Section 178 of the Companies Act and

Regulation 20 of the SEBI Listing Regulations. The current constitution of the Stakeholders' Relationship Committee is as follows:

Name of Director	Position in the Committee	Designation
Kunal Shah	Chairperson	Independent Director
Smita Jatia	Member	Independent Director
Jayesh Doshi	Member	Non-Executive Director

The scope and function of the Stakeholders' Relationship Committee is in accordance with Regulation 20 of the SEBI Listing Regulations. Its terms of reference are as follows:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, non-receipt of annual report or balance sheet, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints
- (2) Review of measures taken for effective exercise of voting rights by shareholders
- (3) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities
- (4) Giving effect to all transfer/transmission of shares and debentures, dematerialisation of shares and re-materialisation of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time
- (5) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services
- (6) 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
- (7) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

The Stakeholders' Relationship Committee is required to meet at least once in a year under Regulation 20(3A) of the SEBI Listing Regulations.

#### **(d) Corporate Social Responsibility Committee**

The Corporate Social Responsibility Committee was constituted by a resolution of our Board dated April 9, 2018. The Corporate Social Responsibility Committee was last reconstituted on November 29, 2021, and the current constitution of the Corporate Social Responsibility Committee is as follows:

Name of Director	Position in the Committee	Designation
Anil Nair	Chairperson	Independent Director
Sandeep Tandon	Member	Executive Chairman
Jaideep Tandon	Member	Non-Executive Director

The scope and function of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013. Its terms of reference are as follows:

- (a) formulate and recommend to the Board, a "corporate social responsibility policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board
- (b) identify corporate social responsibility policy partners and corporate social responsibility policy programmes

- (c) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a) and the distribution of the same to various corporate social responsibility programs undertaken by the Company
- (d) delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities
- (e) review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes
- (f) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time, and
- (g) exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

**(e) Risk Management Committee**

The Risk Management Committee was constituted by a resolution of our Board dated November 29, 2021. The Risk Management Committee is in compliance with Regulation 21 of the SEBI Listing Regulations. The current constitution of the Risk Management Committee is as follows:

Name of Director	Position in the Committee	Designation
Kunal Shah	Chairperson	Independent Director
Jasbir Singh Gujral	Member	Managing Director
Jayesh Doshi	Member	Non-Executive Director

The scope and function of the Risk Management Committee is in accordance with Regulation 21 of the SEBI Listing Regulations. Its terms of reference are as follows:

- (1) To formulate a detailed risk management policy which shall include:
  - (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the committee.
  - (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems.
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evaluating complexity.
- (5) To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken.
- (6) The appointment, removal and terms of remuneration of the chief risk officer (if any) shall be subject to review by the Risk Management Committee.

Further, the Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees.

The Risk Management Committee is required to meet at least twice in a year under Regulation 21(3A) of the SEBI Listing Regulations.

### Management organization chart



### Key Managerial Personnel

In addition to Sandeep Tandon, the Executive Chairman of our Company, and Jasbir Singh Gujral, the Managing Director of our Company, whose details are provided in “– *Brief profiles of our Directors*” on page 220, the details of our Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are as set forth below:

**Sreeram Srinivasan** is the chief executive officer of our Company. He has been associated with our Company since June 29, 2015, and was formally appointed as the chief executive office of our Company on November 29, 2021. He oversees the business operations and strategy functions of our Company. He holds a bachelor of technology in metallurgical engineering from Indian Institute of Technology, Madras, a master of science from North Carolina State University and a doctor of philosophy from North Carolina State University. He has over 20 years of experience in business operations. He has previously served as the vice president (operations) of Rane Engine Valves Limited, the president & executive director of Shanti Gears Limited, the managing director of Saint Gobain Sekurit India Limited and the chief executive officer of MTAR Technologies Private Limited. The remuneration paid to him in Fiscal 2021 was ₹ 15.90 million.

**Bijay Kumar Agrawal** is the chief financial officer of our Company. He was appointed as the chief financial officer of our Company on October 4, 2021, and had joined Tandon Holdings Limited, one of the companies in the Tandon group, in April 2021. He handles the financial operations of our Company. He holds a master’s degree in business administration. He has approximately 16 years of experience in finance and business strategy. Before his association with our Company, he has previously been associated with Motorola India Private Limited (through Manpower Services India Private Limited), Times Internet Limited, Dalmia Bharat Limited and Omax Autos Limited. The remuneration paid to him in Fiscal 2021 was nil.

**Rahul N Sinnarkar** is the Company Secretary and Compliance Officer of our Company. He has been associated with our Company since April 5, 2021, and has been the Company Secretary of our Company since October 4, 2021. In our Company, he handles corporate governance and compliance functions. He holds a bachelor of commerce from the Kelkar Education Trust’s Vinayak Ganesh Vaze College of Arts, Science and Commerce, University of Mumbai, and an advanced diploma in business administration from Prin. L. N. Welingkar Institute of Management Development & Research. He is an associate member of the Institute of Company Secretaries of India, and has completed the crash course on laws related to arbitration conducted by the Institute of Company Secretaries of India. He has also passed the professional competence examination held by the Institute of Chartered Accountants of India. He has over 6 years experience in compliance and governance functions. He has previously served as company secretary with Sahara International Airport Private Limited and the company secretary of L&T Sapura Shipping Private Limited, and has previously been associated with L&T Hydrocarbon Engineering Limited. The remuneration paid to him in Fiscal 2021 was nil.

### Relationships among Key Managerial Personnel, and with Directors

None of our Key Managerial Personnel are related to each other or to the Directors of our Company.

### Arrangements or understanding with major Shareholders, customers, suppliers or others

None of our Key Managerial Personnel have been selected pursuant to any arrangement or understanding with any major Shareholders, customers or suppliers of our Company, or others.

### Changes in the Key Managerial Personnel in last three years

Except as mentioned below, and as specified in “– *Changes to our Board in the last three years*” on page 223, there have been no changes in the Key Managerial Personnel in the last three years:

Name	Date of change	Reason
Narendra Nagori	October 4, 2021	Cessation as company secretary of our Company due to internal restructuring
Rahul N Sinnarkar	October 4, 2021	Appointment as company secretary of our Company
Bijay Kumar Agrawal	October 4, 2021	Appointment as chief financial officer of our Company
Sreeram Srinivasan	November 29, 2021	Appointment as chief executive officer of our Company

The rate of attrition of our Key Managerial Personnel is not high in comparison to the industry in which we operate.

### Status of Key Managerial Personnel

As on the date of this Draft Red Herring Prospectus, all our Key Managerial Personnel are permanent employees of our Company.

### Retirement and termination benefits

Our Key Managerial Personnel have not entered into any service contracts with our Company which include termination or retirement benefits. Except statutory benefits upon termination of their employment in our Company or superannuation, none of the Key Managerial Personnel is entitled to any benefit upon termination of employment or superannuation.

### Shareholding of the Key Managerial Personnel

Except as disclosed in “– *Shareholding of Directors in our Company*” and except as disclosed below, none of our other Key Managerial Personnel hold any Equity Shares in our Company:

Name	No. of Equity Shares	Percentage of the pre- Offer paid up share capital (%)	Percentage of the post- Offer paid up share capital (%)*
Sreeram Srinivasan	282,800	0.21	[•]

\* Subject to finalisation of Basis of Allotment.

### Contingent and deferred compensation payable to Key Managerial Personnel

As on the date of this Draft Red Herring Prospectus, there is no contingent or deferred compensation which accrued to our Key Managerial Personnel for Fiscal 2021, which does not form part of their remuneration for such period.

### Bonus or profit-sharing plan of the Key Managerial Personnel

Our Company has no profit-sharing plan in which the Key Managerial Personnel participate. Our Company makes bonus payments to our Key Managerial Personnel, in accordance with their terms of appointment.

**Interest of Key Managerial Personnel**

Our Key Managerial Personnel are interested in our Company 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 their service.

Our Key Managerial Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of any Equity Shares held by them in our Company.

**Employee stock option plan**

For details about our employee stock option plans, see “*Capital Structure*” on page 82.

**Payment or Benefit to officers of our Company (non-salary related)**

No non-salary related amount or benefit has been paid or given within the two years preceding the date of the Draft Red Herring Prospectus or is intended to be paid or given to any officer of the Company, including our Directors and Key Managerial Personnel.

## OUR PROMOTERS AND PROMOTER GROUP

The Promoters of our Company are Sandeep Tandon, Jasbir Singh Gujral, Veena Kumari Tandon and Tancom Electronics Private Limited. As on the date of this Draft Red Herring Prospectus, our Promoters collectively hold 80,898,475 Equity Shares, representing 58.78% of the pre-Offer issued, subscribed and paid-up Equity Share capital of our Company. For details, please see “*Capital Structure – Details of Shareholding of our Promoters and members of the Promoter Group in the Company – Build-up of the Promoters’ shareholding in our Company*” beginning on page 87.

### Details of our Promoters

#### 1. Sandeep Tandon



Sandeep Tandon, aged 52 years, is one of our Promoters and is also the Executive Chairman on our Board. For the complete profile of Sandeep Tandon along with details of his date of birth, personal address, educational qualifications, professional experience, position / posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, please see “*Our Management – Board of Directors*” on page 217.

He holds a driver’s license bearing the number MH02-20090040302. His permanent account number is AAAPT6692B and his Aadhaar number is [REDACTED].

As on date of this Draft Red Herring Prospectus, Sandeep Tandon does not hold any Equity Shares of our Company.

#### 2. Jasbir Singh Gujral



Jasbir Singh Gujral, aged 66 years, is one of our Promoters and is also the Managing Director on our Board. For the complete profile of Jasbir Singh Gujral along with details of his date of birth, personal address, educational qualifications, professional experience, position / posts held in the past, directorships held, and business and financial activities, other directorships, other ventures and special achievements, see “*Our Management – Board of Directors*” on page 217.

He holds a driver’s license bearing the number HR-2620080154644. His permanent account number is AAAPG4124F and his Aadhaar number is [REDACTED].

As on date of this Draft Red Herring Prospectus, Jasbir Singh Gujral holds 12,694,690 Equity Shares, representing 9.22% of the issued, subscribed and paid-up equity share capital of our Company.

#### 3. Veena Kumari Tandon

Veena Kumari Tandon, aged 85 years, is one of our Promoters. Details of her date of birth and address are as follows:

***Date of Birth:*** November 29, 1945

***Address:*** Tandon Beach House, Plot No. 35-c/2, Cts No. 1069, Azad Road, Juhu Koliwada Santacruz-West, Mumbai, Juhu, Mumbai, Maharashtra, India – 400049.

Veena Kumari Tandon holds a Bachelor of Science (Home Science) from the University of Delhi. She has approximately 40 years of experience in managing businesses.



Veena Kumari Tandon is a director of the following companies:

1. Ebony Agricultural Limited
2. Hybrid Agricultural Limited
3. Titus Electronics Limited
4. Memory Electronics Private Limited
5. Media Electronics Limited
6. Vedacom (India) Private Limited
7. Tancom Electronics Private Limited
8. Tandon Magnetics (India) Private Limited
9. Tandon Holdings Limited
10. Veema Holdings Private Limited
11. Reliable Consultancy Services Private Limited
12. Ideal Electronics Private Limited

Her permanent account number is AAEP3259Q and her Aadhaar number is [REDACTED]. She does not hold a driver's license.

As on the date of this Draft Red Herring Prospectus, Veena Kumari Tandon holds 4,884,360 Equity Shares, representing 3.55% of the pre-Offer issued, subscribed and paid-up equity share capital of our Company.

#### **4. Tancom Electronics Private Limited (“TEPL”)**

TEPL was incorporated as a private company, limited by shares under the Companies Act, 1956, and a certificate of incorporation dated June 17, 1988, was issued by the Registrar of Companies, Maharashtra at Mumbai. The registered office of TEPL is situated at Unit No. 601, 6<sup>th</sup> Floor, Floral Deck Plaza, MIDC Opposite Seepz, Andheri (East), Mumbai, Maharashtra – 400 093, India. The CIN of TEPL is U32107MH1988PTC047729.

TEPL is currently engaged in the business of investment holding. There has been no change in its activities since the date of incorporation.

The promoter of TEPL is Veena Kumari Tandon.

As on the date of this Draft Red Herring Prospectus, TEPL holds 63,319,425 Equity Shares, representing 46.01% of the pre-Offer issued, subscribed and paid-up equity share capital of our Company.

The directors on the board of directors of TEPL are Manohar Lal Tandon, Veena Kumari Tandon and Sandeep Tandon.

#### ***Change in control***

There has been no change in the control of TEPL in the three years immediately preceding the filing of this Draft Red Herring Prospectus.



### Shareholding Pattern

The shareholding pattern of TEPL as on the date of this Draft Red Herring Prospectus is as follows:

S. No.	Name of Shareholder	No. of Equity Shares held	Percentage of issued and paid-up share capital (%)
1.	Veena Kumari Tandon	47,99,985	80.00
2.	Bandstand Family Trust*	12,00,000	20.00
3.	Redwood Family Trust*	5	0.00
4.	Cambridge Family Trust*	5	0.00
5.	Wilshire Family Trust*	5	0.00
<b>Total</b>		<b>6,000,000</b>	<b>100.00</b>

\* Shares held by Veena Kumari Tandon in her capacity as trustee

Our Company confirms that the permanent account numbers, bank account numbers and passport numbers of Sandeep Tandon, Jasbir Singh Gujral and Veena Kumari Tandon shall be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus. In addition, our Company confirms that the permanent account number, bank account number and company registration number of TEPL, along with the address of the registrar of companies where TEPL is registered, shall be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus.

### Change in Promoters/control of our Company

Except as disclosed below, there have not been any changes to the Promoters, control or management of our Company in the five years preceding the date of this Draft Red Herring Prospectus:

Jasbir Singh Gujral is not the original Promoter of our Company. He became a Promoter of our Company subsequent to the acquisition of SGS Teknics Manufacturing Private Limited by our Company and the SHA. For further details, see “*Capital Structure - Details of Shareholding of our Promoters and members of the Promoter Group in the Company*” on page 87 and “*History and Certain Corporate Matters – Shareholders’ agreements*” on page 210.

### Interests of Promoters

Our Promoters are interested in our Company to the extent that they are the Promoters of our Company and to the extent of their respective shareholding in our Company, and the dividends payable, if any, and any other distributions in respect of their respective shareholding in our Company, or the shareholding of entities in which our Promoters are interested in our Company. For details of the shareholding of our Promoters in our Company, see “*Capital Structure*” beginning on page 82.

Further, our Promoters are also directors on the boards, or are shareholders, kartas, trustees, proprietors, members or partners of entities with which our Company has had related party transactions and may be deemed to be interested to the extent of the payments made by our Company, if any, to these entities. For further details of interest of our Promoters in our Company, see “*Other Financial Information – Related Party Transactions*” beginning on page 555.

Sandeep Tandon and Jasbir Singh Gujral are also interested in our Company to the extent of their Directorship in our Company. They may be deemed to be interested to the extent of remuneration (including perquisites) payable to them as Directors on our Board. For further details, see “*Our Management*” beginning on page 217.

None of our Promoters have any interest, whether direct or indirect, in any property acquired by our Company within the preceding three years from the date of this Draft Red Herring Prospectus or proposed to be acquired by it as on the date of this Draft Red Herring Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery. However, it may be noted that the land and building which the manufacturing facility in Hyderabad is proposed to be set up, is proposed to be leased from JT Holdings Private Limited, wherein our Promoter and Executive Chairman, Sandeep Tandon is a director. For further details, see “*Objects of the Offer*” on page 95.

Further, no sum has been paid or agreed to be paid to any of our Promoters or to any firm or company in which any of our Promoters are interested as a member, in cash or shares or otherwise by any person either to induce any of our Promoters to become, or qualify them as a director, or otherwise for services rendered by any our Promoters or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

#### **Companies or firms with which our Promoters have disassociated in the last three years**

Except for the following, none of our Promoters have disassociated themselves from any other company or firm in the three years preceding the date of this Draft Red Herring Prospectus:

Sr. No.	Name of the entity from which our Promoter has disassociated	Promoter	Date of disassociation	Reason for disassociation
1.	Reliable Consultancy Services Private Limited	Sandeep Tandon	May 8, 2019	Resigned as director
2.	Filter Capital India Advisors LLP	Sandeep Tandon	August 26, 2019	Resigned as designated partner
3.	Memory Electronics Private Limited	Sandeep Tandon	June 30, 2020	Resigned as director

#### **Payment or Benefits to Promoters or Promoter Group**

Except as disclosed herein and as stated in “*Other Financial Information – Related Party Transactions*” at page 555, there has been no payment or benefits by our Company to our Promoters or any of the members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Draft Red Herring Prospectus.

#### **Material Guarantees**

Our Promoters have not given any material guarantee to any third party, in respect of the Equity Shares, as of the date of this Draft Red Herring Prospectus.

#### **Promoter Group**

In addition to our Promoters, the individuals and entities that form a part of the Promoter Group of our Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations are set out below:

#### ***Natural persons who are part of the Promoter Group***

The natural persons who are part of the Promoter Group are as follows:

Sr. No.	Name of Promoter	Name of Promoter Group Member	Relationship with Promoter
1.	Sandeep Tandon	Gauri Tandon	Spouse
2.		Veena Kumari Tandon	Mother
3.		Manoharlal Tandon	Father
4.		Jaideep Tandon	Brother
5.		Sudeep Tandon	Brother
6.		Aarman Tandon	Son
7.		Ishaan Tandon	Son
8.		Asha Burman	Spouse's mother
9.		Amit Burman	Spouse's brother
10.	Jasbir Singh Gujral	Dr Sukhbir Kaur Gujral	Spouse
11.		JBS Gujral	Brother

Sr. No.	Name of Promoter	Name of Promoter Group Member	Relationship with Promoter
12.		Dr Kanwal Nayar	Sister
13.		Kulbir Uppal	Sister
14.		Puneet Singh Gujral	Son
15.		Misha Arora	Daughter
16.		Kulvinder Singh Arora	Spouse's brother
17.		Gurmeet Kaur Saluja	Spouse's sister
18.	Veena Kumari Tandon	Manoharlal Tandon	Spouse
19.		Pawan Kumar Chopra	Brother
20.		Sandeep Tandon	Son
21.		Jaideep Tandon	Son
22.		Sudeep Tandon	Son

#### ***Entities forming part of the Promoter Group***

The entities forming part of our Promoter Group are as follows:

1. A.B. Propmart Private Limited
2. Archsone Properties (India) Private Limited
3. Bandstand Family Trust
4. Buzz Monks Entertainment Private Limited
5. Cambridge Family Trust
6. Consortium Consumercare Private Limited
7. Dhanwi Medicare Private Limited
8. Delta Computer Prints Private Limited
9. Eastern Peripherals Private Limited
10. Ebony Agricultural Limited
11. Ebony Electronics Private Limited
12. Ebony Sales and Services Private Limited
13. Enhanced Revenue Solutions INC
14. Fabulous Threads Private Limited
15. Golden Computers Limited
16. Gyan Enterprises Private Limited
17. Hamp Properties Private Limited
18. Hybrid Agricultural Limited
19. Ideal Electronics Private Limited
20. Infinx Pharmacy Services LLC
21. Infinx Services Private Limited
22. Isharaya Singapore Pte Ltd
23. Ivory Agricultural Limited
24. J S Gujral HUF
25. J S Gujral Private Family Trust
26. Jaideep Tandon HUF
27. Jetways Travels Private Limited
28. JMPS Realtech
29. Kho Kho Sports League Private Limited
30. Lite Bite Foods Private Limited
31. M L Tandon & Sons HUF
32. Media Electronics Limited
33. Memory Electronics Private Limited
34. Modern Die Casting LLP
35. Natures Bounty Wines and Allied Products Private Limited
36. No Worry No Tension Healthcare Private Limited
37. Passionate Foods Private Limited
38. Radical Plastics Private Limited
39. Redwood Family Trust
40. Reliable Consultancy Services Private Limited
41. Reliable Fashions India Private Limited
42. Sandeep Tandon HUF

43. SGS Manufacturing & Trading Private Limited
44. Shree Investment Private Limited
45. Sudeep Tandon HUF
46. Syrmatech Singapore Pte Ltd
47. Tancom Agro Products Limited
48. Tancom Agricultural Limited
49. Tandon Consultancy Services LLP
50. Tandon Computers (India) Private Limited
51. Tandon Data System Services Private Limited
52. Tandon Holdings Limited
53. Tandon Magnetics (India) Private Limited
54. Tassel Trading LLP
55. TIS International (USA), Inc.
56. Titus Electronics Limited
57. Titus Trading and Agencies Limited
58. Tranquil Trading Company Limited
59. Vedacom Agricultural Limited
60. Vedacom (India) Private Limited
61. Veema Agro Products Private Limited
62. Veema Holdings Private Limited
63. Welltime Gold & Investment Private Limited
64. Western Enterprises
65. WhiteBoard Capital Advisors LLP
66. Wilshire Family Trust

Our Company had, vide an application dated December 13, 2021 under Regulation 300 of the SEBI ICDR Regulations submitted to SEBI, sought an exemption from considering and disclosing (i) Sirjang Lal Tandon, Devinder Lal Tandon, Jawahar Lal Tandon, Kiran Kapoor, Shammi Puri and Chitaranjana Vij (collectively, the **“Exempted Promoter Group Members”**), (ii) any body corporate in which the Exempted Promoter Group Members or any Hindu undivided family or firm where any of them is a member, hold 20% or more of the equity share capital, (iii) any body corporate in which the body corporate mentioned under (ii) above holds 20% or more of the equity share capital, (iv) any Hindu undivided family or firm in which the Exempted Promoter Group Members may hold 20% or more of the total capital in accordance with the SEBI ICDR Regulations, as members of the ‘promoter group’ of the Company. This was due to the inability of our Company to obtain information from the Exempted Promoter Group Members.

## GROUP COMPANIES

In accordance with the SEBI ICDR Regulations and the applicable accounting standards, for the purpose of identification of ‘group companies’, our Company has considered (i) such companies (other than our corporate Promoter and Subsidiaries) with which there were related party transactions during the period for which Restated Financial Information have been disclosed in this Draft Red Herring Prospectus, as covered under the applicable accounting standards (i.e., Ind AS 24); and (ii) any other companies which are considered material by our Board.

In respect of point (ii) above, our Board, in its meeting held on November 20, 2021, has considered and adopted a policy of materiality for the identification of companies that shall be considered material and disclosed as a ‘group company’ in this Draft Red Herring Prospectus. In terms of such materiality policy, a company (other than the companies covered under the schedule of related party transactions as per the Restated Consolidated Financial Information) shall be considered “material” and will be disclosed as a ‘group company’ in this Draft Red Herring Prospectus if it is a member of the promoter group of the Company in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations, and has entered into one or more transactions with the Company in the most recent financial year and any stub period in respect of which Restated Consolidated Financial Information is included in this Draft Red Herring Prospectus, that cumulatively exceed 10.00% of the revenue from operations of our Company for the last completed financial year covered in the Restated Consolidated Financial Information.

Based on the parameters set out above, the following have been identified as Group Companies:

1. Syrmatech Singapore Pte. Ltd
2. Infinx Services Private Limited
3. TIS International (USA), Inc
4. Memory Electronics Private Limited
5. Reliable Consultancy Services Private Limited
6. Delta Computer Prints Private Limited
7. Golden Computers Limited
8. Hybrid Agricultural Limited
9. Tandon Magnetics (India) Private Limited
10. Tandon Holdings Limited
11. Titus Trading & Agencies Limited
12. Tranquil Trading Company Limited
13. Vedacom India Private Limited

### Details of our top five Group Companies

The details of our top five Group Companies, determined based on their respective turnover in Fiscal 2020 are as provided below:

#### 1. *Syrmatech Singapore Pte. Ltd*

The registered office of Syrmatech Singapore Pte. Ltd is situated at 178 Paya Lebar Road, #01-01, Paya Lebar 178, Singapore 409030. Syrmatech Singapore Pte. Ltd is currently engaged in the trading of computer accessories including memory cards and computer cables.

Syrmatech Singapore Pte. Ltd’s financial information based on the audited financial statements for Fiscals 2021, 2020, and 2019, is available on the website of our Company at <http://syrmasgs.com/investors/>.

#### 2. *Infinx Services Private Limited*

The registered office of Infinx Services Private Limited is situated at Unit 5, SDF I, SEEPZ Andheri East, Mumbai, Maharashtra 400096. Infinx Services Private Limited is currently engaged in payment lifecycle solutions for healthcare providers.

Infinx Services Private Limited’s financial information based on the audited financial statements for Fiscals 2020, 2019, and 2018, is available on its website at [www.infinx.com](http://www.infinx.com).

#### 3. *TIS International (USA), Inc.*

The registered office of TIS International (USA), Inc. is situated at 1595 - 16th Avenue, Suite 301 Richmond Hill, ON, L4B 3N9, Canada. TIS International (USA), Inc. is currently engaged in providing professional support services in the legal and insurance industry.

TIS International (USA), Inc.'s financial information based on the audited financial statements for Fiscals 2020, 2019, and 2018, is available on the website of our Company at <http://syrmagsg.com/investors/>.

4. ***Memory Electronics Private Limited***

The registered office of Memory Electronics Private Limited is situated at Unit No. 601, 6th Floor, Floral Deck Plaza, MIDC, Opp. Seepz, Andheri (East), Mumbai, Maharashtra 400093. Memory Electronics Private Limited is currently engaged in the design and manufacture of switchgear panels, trolleys, uninterrupted power supply cabinets, sheet metal parts, machined parts, and electro-mechanical assemblies and sub-assemblies.

Memory Electronics Private Limited's financial information based on the audited financial statements for Fiscals 2020, 2019, and 2018, is available on its website at <http://memoryelectronics.com/>.

5. ***Reliable Consultancy Services Private Limited***

The registered office of Reliable Consultancy Services Private Limited is situated at Unit No. 601, 6th Floor, Floral Deck Plaza, MIDC Opp. Seepz, Andheri (East), Mumbai, Maharashtra 400093. Reliable Consultancy Services Private Limited is currently engaged in the sale and purchase of securities.

Reliable Consultancy Services Private Limited's financial information based on the audited financial statements for Fiscals 2020, 2019, and 2018, is available on the website of our Company at <http://syrmagsg.com/investors/>.

It is clarified that such details available on the websites of our Group Companies do not form part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including the websites of our Group Companies mentioned above, would be doing so at their own risk.

**Details of our other Group Companies**

1. ***Delta Computer Prints Private Limited***

The registered office of Delta Computer Prints Private Limited is situated at Unit No. 601, 6th Floor, Floral Deck Plaza, MIDC Opp. Seepz, Andheri (East), Mumbai, Maharashtra 400093.

2. ***Golden Computers Limited***

The registered office of Golden Computers Limited is situated at Unit No. 601, 6th Floor, Floral Deck Plaza, MIDC Opp. Seepz, Andheri (East), Mumbai, Maharashtra 400093.

3. ***Hybrid Agricultural Limited***

The registered office of Hybrid Agricultural Limited is situated at Unit No. 602, 6th Floor, Floral Deck Plaza, MIDC Opp. Seepz, Andheri (East), Mumbai, Maharashtra 400093.

4. ***Tandon Magnetics (India) Private Limited***

The registered office of Tandon Magnetics (India) Private Limited is situated at Unit No. 601, 6th Floor, Floral Deck Plaza, MIDC Opp. Seepz, Andheri (East), Mumbai, Maharashtra 400093.

5. ***Tandon Holdings Limited***

The registered office of Tandon Holdings Limited is situated at Unit No. 602, 6th Floor, Floral Deck Plaza, MIDC Opp. Seepz, Andheri (East), Mumbai, Mumbai City, Maharashtra 400093.

6. ***Titus Trading & Agencies Limited***

The registered office of Titus Trading & Agencies Limited is situated at 12, Mary Niketan, Mount Mary Road, Bandra West, Mumbai, Mumbai City, Maharashtra 400050.

**7. *Tranquil Trading Company Limited***

The registered office of Tranquil Trading Co. Ltd. is situated at Unit No. 601, 6th Floor, Floral Deck Plaza, MIDC Opp. Seepz, Andheri (East), Mumbai, Maharashtra 400093.

**8. *Vedacom India Private Limited***

The registered office of Vedacom India Private Limited is situated at Unit No. 601, 6th Floor, Floral Deck Plaza, MIDC Opp. Seepz, Andheri (East), Mumbai, Maharashtra 400093.

**Common pursuits among Group Companies**

There are no common pursuits among any of our Group Companies and our Company.

**Litigation involving our Group Companies**

There are no pending litigation proceedings involving any of our Group Companies which will have a material impact on our Company.

**Nature and extent of interest of our Group Companies**

**a. *Interest in the promotion of our Company***

None of our Group Companies have any interest in the promotion of our Company.

**b. *Interest in the property acquired in the three years preceding the filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company***

None of our Group Companies are interested, directly or indirectly, in the properties acquired by our Company in the preceding three years or proposed to be acquired by our Company.

**c. *Interest in transactions for acquisition of land, construction of building, or supply of machinery***

None of our Group Companies are interested, directly or indirectly, in any transactions for acquisition of land, construction of building, supply of machinery, or any other contract, agreement or arrangement entered into by our Company, and no payments have been made or are proposed to be made in respect of any such contracts, agreements or arrangements, by any of our Group Companies.

**Related business transactions between the Group Companies and our Company and their significance on the financial performance of our Company**

Other than the transactions disclosed in the section “*Other Financial Information – Related Party Transactions*” on page 555, there are no related business transactions between the Group Companies and our Company.

**Business interest of our Group Companies in our Company**

Except as disclosed in the section “*Other Financial Information – Related Party Transactions*” on page 555, our Group Companies have no business interests in our Company.

**Other confirmations**

The equity shares of our Group Companies are not listed on any stock exchange in India or abroad. Our Group Companies have not made any public / rights / composite issue of securities (as defined under the SEBI ICDR Regulations) in the last three years.

## DIVIDEND POLICY

The declaration and payment of dividend on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, in accordance with the provisions of our Articles of Association and applicable law, including the Companies Act (together with applicable rules issued thereunder).

The dividend policy of our Company was adopted pursuant to the resolution of our Board dated November 20, 2021 (“**Dividend Policy**”). In terms of the Dividend Policy, our Board will consider various financial/internal parameters while declaring or recommending dividend to shareholders, including, amongst others, the expected liquidity requirements of our Company towards meeting our working capital needs, investments required towards execution of our Company’s growth plans, retained earnings, earnings outlook for the next three to five years and funds required for servicing outstanding contractual obligations. Further, our Board will consider various external parameters while declaring or recommending dividend to shareholders, including, amongst others, the macro-economic environment affecting the businesses in which our Company is engaged or the geographies in which our Company operations, regulatory changes including in existing taxation requirements, and changes in the technological eco-system which necessitate significant new investments.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under our current or future loan or financing documents. The amounts declared as dividends in the past are not necessarily indicative of our dividend amounts, if any, in the future. For more information on restrictive covenants under our current loan agreements, see “*Financial Indebtedness*” on page 599. Our Company may pay dividend by cheque, or electronic clearance service, as will be approved by our Board in the future. Our Board may also declare interim dividend from time to time.

For risks in relation to this, see “*Risk Factors – Our ability to pay dividends in the future will depend on our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements*” on page 54.

Our Company has not declared any dividends on the Equity Shares during the last three Fiscals, the three months period ended June 30, 2021, and the period from July 1, 2021, until the date of this Draft Red Herring Prospectus.



## SECTION VII – FINANCIAL INFORMATION

### RESTATED FINANCIAL INFORMATION

Sl. No	Particulars	Page no.
1.	Restated Standalone Financial Information	245
2.	Restated Consolidated Financial Information	334

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# **Deloitte Haskins & Sells LLP**

## **INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION**

The Board of Directors

Syrma SGS Technology Limited (Formerly Known as Syrma SGS Technology Private Limited)

Dear Sirs,

1. We have examined the attached Restated Financial Information of Syrma SGS Technology Limited (Formerly Known as Syrma SGS Technology Private Limited) (the "Company" or the "Issuer") comprising the Restated Standalone Statement of Assets and Liabilities as at June 30, 2021 and March 31, 2021 and Restated Statement of Assets and Liabilities as at March 31, 2020 and 2019, the Restated Standalone Statement of Profit and Loss (including other comprehensive income), the Restated Standalone Statement of Changes in Equity, the Restated Standalone Cash Flow Statement for the three month period ended June 2021 and for the year ended March 31, 2021 and the Restated Statement of Profit and Loss (including other comprehensive income), the Restated Statement of Changes in Equity and the Restated Cash Flow Statement for the years ended March 31, 2020 and 2019, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on December 09, 2021 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with the Issuer's proposed Initial Public Offer of equity shares ("IPO") 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 (the "Guidance Note").
2. The Company's Board of Directors is responsible for the preparation of the Restated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited in connection with the proposed IPO. The Restated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 2.1 to the Restated 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 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.

3. We have examined such Restated 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 dated November 06, 2021 in connection with the proposed IPO of equity shares of the Issuer;
- b) 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.

4. These Restated Financial Information have been compiled by the management from:

- a) Audited special purpose interim standalone Ind AS financial statements of the Company and its associate as at and for the three month period ended June 30, 2021 prepared in accordance with recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India (the "Special Purpose Interim Standalone Financial Statements") which have been approved by the Board of Directors at their meeting held on November 29, 2021. Audited Standalone Ind AS financial statements of the Company and its associate as at and for the years ended March 31, 2021 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on November 20, 2021.
- b) The comparative information as at and for the year ended March 31, 2020 included in audited standalone Ind AS financial statements of the Company as at and for the year ended March 31, 2021 have been prepared by making Ind AS adjustments to the audited financial statements of the Company as at and for the year ended March 31, 2020, prepared in accordance with the accounting standards notified under the section 133 of the Act ("Indian GAAP") which was approved by the Board of directors at their meeting held on October 01, 2020.
- c) The Restated Financial Information also contains the financial information as at and for the year ended March 31, 2019. This financial information have been prepared by making Ind AS adjustments and adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the three month period ended June 30, 2021 to the audited Indian GAAP financial statements as at and for the year ended March 31, 2019 which have been approved by the Board of Directors at their meeting held on November 29, 2019, as described in Note 2.1 to the Restated Financial Information.

5. For the purpose of our examination, we have relied on:

- a) Auditors' report issued by us dated November 29, 2021 on the Special Purpose Interim Standalone Ind AS Financial Statements of the Company as at and for the three period ended June 30, 2021 as referred in Paragraph 4 (a) above;
- b) Auditors' report issued by us dated November 20, 2021 on the Standalone Financial Statements of the Company as at and for the year ended March 31, 2021 as referred in Paragraph 4 (b) above; and
- c) Auditors' report issued by us dated October 01, 2020 on the Indian GAAP Financial Statements of the Company as at and for the year ended March 31, 2020 as referred in Paragraph 4 (c) above, which includes the following other matter paragraph (also refer Note 2.1 of the Restated Financial Information):

As at and for the year ended March 31, 2020:

Due to COVID-19 related lock down, Management carried out the physical verification of inventories subsequent to the year end. Consequently, we have performed alternative procedures to audit the existence of Inventories as per the guidance provided in SA 501 "Audit Evidence – Specific Consideration for Selected Items" and as per specific guidance i.e Physical Inventory Verification, Key Audit Considerations amid COVID-19 issued by The Institute of Chartered Accountants of India and have obtained sufficient appropriate audit evidence.

Our report is not modified in respect of this matter.

- d) Auditors' report issued by us dated November 29, 2019 on the Indian GAAP Financial Statements of the Company as at and for the year ended March 31, 2019 as referred in Paragraph 4 (d) above. The Ind AS adjustments made to such Indian GAAP financial statements to comply with the basis of preparation as set out in Note 2.1 to the Restated Financial Information, have been audited by us.

6. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Information:

- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial years ended March 31, 2021 and 2020 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the three month period ended June 30, 2021;
- b) have been prepared after incorporating Ind AS adjustments and adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the three month period ended June 30, 2021 to the audited Indian GAAP financial statements as at and for the year ended March 31, 2019 as described in Note 2.1 to the Restated Financial Information;
- c) do not require any adjustment for modification as there is no modification in the underlying audit reports. There are items relating to other matter (refer paragraph 5 above), which do not require any adjustment to the Restated Financial Information; and
- d) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
8. 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 standalone Ind AS financial statements and audited financial statements mentioned in paragraph 4 above.
9. 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.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
11. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited 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 DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

Firm's Registration No. 117366W/W-100018

**Ananthi Amarnath**

Partner

Place: Chennai

Membership No.209252

Date: December 09, 2021

UDIN: 21209252AAAAJX5568

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Restated Standalone Statement of Assets and Liabilities**

(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted (Refer Note below)
<b>A</b>	<b>ASSETS</b>					
<b>I</b>	<b>Non-Current Assets</b>					
	(a) Property, plant and equipment	3	736.48	750.89	779.15	752.39
	(b) Right-of-use assets	4	46.45	49.58	62.12	70.42
	(c) Capital work-in-progress		-	-	4.26	4.56
	(d) Other Intangible assets	5	9.08	13.22	23.52	32.54
	(e) Financial assets					
	(i) Investments	7	887.41	887.41	-	-
	(ii) Other financial assets	8	132.46	129.51	28.90	26.26
	(f) Income tax asset (net)	9	12.15	9.78	-	9.02
	(g) Deferred tax asset (net)	42.4	-	-	7.46	-
	(h) Other non-current assets	10	111.52	111.52	122.10	3.12
	<b>Total non-current assets</b>		<b>1,935.55</b>	<b>1,951.91</b>	<b>1,027.51</b>	<b>898.31</b>
<b>II</b>	<b>Current Assets</b>					
	(a) Inventories	11	1,115.84	770.75	682.25	636.78
	(b) Financial assets					
	(i) Trade receivables	12	1,351.15	1,278.72	1,163.59	992.34
	(ii) Cash and cash equivalents	13.1	240.48	279.63	307.68	61.49
	(iii) Other bank balances	13.2	37.23	22.43	43.98	80.78
	(iv) Other financial assets	14	53.55	54.65	36.52	68.09
	(c) Other current assets	15	211.51	241.99	205.42	126.37
	<b>Total current assets</b>		<b>3,009.76</b>	<b>2,648.17</b>	<b>2,439.44</b>	<b>1,965.85</b>
	<b>Total assets</b>		<b>4,945.31</b>	<b>4,600.08</b>	<b>3,466.95</b>	<b>2,864.16</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>					
<b>I</b>	<b>Equity</b>					
	(a) Equity share capital	16	7.48	7.48	7.02	7.02
	(b) Other equity	17	2,432.63	2,374.23	1,010.03	564.91
	<b>Total equity</b>		<b>2,440.11</b>	<b>2,381.71</b>	<b>1,017.05</b>	<b>571.93</b>
<b>II</b>	<b>Liabilities</b>					
<b>1</b>	<b>Non-current liabilities</b>					
	(a) Financial liabilities					
	(i) Borrowings	18	216.29	244.98	242.14	385.92
	(ii) Lease liabilities	40	38.69	41.62	52.38	61.54
	(iii) Other financial liabilities	19	7.77	6.80	-	-
	(b) Provisions	20	36.14	31.89	24.90	25.80
	(c) Deferred tax liabilities (net)	42.4	19.45	2.42	-	4.55
	<b>Total non-current liabilities</b>		<b>318.34</b>	<b>327.71</b>	<b>319.42</b>	<b>477.81</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Restated Standalone Statement of Assets and Liabilities**

(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted (Refer Note below)
<b>2</b>	<b>Current liabilities</b>					
	(a) Financial liabilities					
	(i) Borrowings	21	299.68	316.23	595.89	557.54
	(ii) Lease liabilities	40	11.13	10.78	9.15	7.67
	(iii) Trade payables	22				
	- Total outstanding dues of micro enterprises and small enterprises		10.50	11.12	3.87	5.71
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,463.58	1,137.30	1,064.25	905.79
	(iv) Other financial liabilities	23	10.71	9.15	19.78	102.68
	(b) Provisions	24	20.48	28.47	26.12	13.30
	(c) Current tax liabilities (net)	25	-	-	23.27	-
	(d) Other current liabilities	26	370.78	377.61	388.15	221.73
	<b>Total current liabilities</b>		<b>2,186.86</b>	<b>1,890.66</b>	<b>2,130.48</b>	<b>1,814.42</b>
	<b>Total liabilities</b>		<b>2,505.20</b>	<b>2,218.37</b>	<b>2,449.90</b>	<b>2,292.23</b>
	<b>Total equity and liabilities</b>		<b>4,945.31</b>	<b>4,600.08</b>	<b>3,466.95</b>	<b>2,864.16</b>
	See accompanying notes to the Restated Standalone Financial Information					

**Note:**

Restated as per ICDR regulations read with Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI- Prepared after making suitable adjustments to the accounting heads from their Accounting Standards values as on the date of the transition (i.e. 01 April 2019) following accounting policies consistent with that at the date of transition to Ind AS. Also Refer Note 2.1

In terms of our report attached

**For Deloitte Haskins & Sells LLP**

Firm Registration no. 117366W/W-100018

Chartered Accountants

For and on behalf of the Board of Directors of

**Syrma SGS Technology Limited****Ananthi Amarnath**

Partner

**Sandeep Tandon**

Executive Chairman

DIN : 00054553

Place : Mumbai

Date : 9 December 2021

**J S Gujral**

Managing Director

DIN : 00198825

Place : Gurugram

Date : 9 December 2021

**Bijay Kumar Agrawal**

Chief Financial Officer

Place : Gurugram

Date : 9 December 2021

**Rahul Sinnarkar**

Company Secretary

Place : Mumbai

Date : 9 December 2021

Place : Chennai

Date : 9 December 2021

Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)						
Restated Standalone Statement of Profit and Loss						
(All amounts are in Million Indian Rupees unless otherwise stated)						
Particulars		Note No.	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted (Refer Note below)
1	Revenue from operations	27	1,331.90	4,383.03	3,970.76	3,539.97
2	Other income	28	20.82	61.77	78.06	33.98
3	<b>Total income (1+2)</b>		<b>1,352.72</b>	<b>4,444.80</b>	<b>4,048.82</b>	<b>3,573.95</b>
4	<b>Expenses</b>					
	(a) Cost of raw materials consumed	29.1	1,042.54	2,763.93	2,218.46	1,985.30
	(b) Purchases of stock-in-trade	29.2	2.14	38.09	26.92	348.85
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	29.3	(111.25)	18.86	27.63	(144.82)
	(d) Employee benefits expense	30	83.06	286.35	263.52	244.50
	(e) Finance costs	31	7.67	45.24	79.70	60.32
	(f) Depreciation and amortisation expense	6	28.00	120.74	96.99	97.47
	(g) Other expenses	32	214.42	808.23	757.30	709.36
	<b>Total expenses</b>		<b>1,266.58</b>	<b>4,081.44</b>	<b>3,470.52</b>	<b>3,300.98</b>
5	<b>Restated profit before exceptional items and tax (3 - 4)</b>		<b>86.14</b>	<b>363.36</b>	<b>578.30</b>	<b>272.97</b>
6	Exceptional items	35	-	-	55.99	-
7	<b>Restated profit before tax (5 - 6)</b>		<b>86.14</b>	<b>363.36</b>	<b>522.31</b>	<b>272.97</b>
8	<b>Tax expense:</b>					
	- Current tax		28.47	96.33	96.53	60.84
	- Tax pertaining to previous years		-	3.78	1.55	1.56
	- Deferred tax (net)		2.10	(22.90)	(14.57)	0.90
	<b>Total tax expense</b>		<b>30.57</b>	<b>77.21</b>	<b>83.51</b>	<b>63.30</b>
9	<b>Restated profit for the period / year (7 - 8)</b>		<b>55.57</b>	<b>286.15</b>	<b>438.80</b>	<b>209.67</b>
10	<b>Other comprehensive income</b>					
	<b>Items that will not be reclassified to profit or loss</b>					
	(i) Remeasurement of the defined benefit plans		4.35	(0.25)	4.64	(6.79)
	(ii) Income tax expenses relating to the above		(1.52)	0.07	(1.35)	1.98
	<b>Restated total other comprehensive income / (loss) for the period / year</b>		<b>2.83</b>	<b>(0.18)</b>	<b>3.29</b>	<b>(4.81)</b>
11	<b>Restated total comprehensive income for the period / year (9 + 10)</b>		<b>58.40</b>	<b>285.97</b>	<b>442.09</b>	<b>204.86</b>



Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)						
Restated Standalone Statement of Profit and Loss						
(All amounts are in Million Indian Rupees unless otherwise stated)						
Particulars		Note No.	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted (Refer Note below)
12	Restated earnings per equity share (Face Value of Rs. 10 each)	41				
	- Basic (In Rs.)		0.64	3.32	6.19	2.96
	- Diluted (In Rs.)		0.64	3.32	6.19	2.96
			(non-annualised)	(annualised)	(annualised)	(annualised)
	See accompanying notes to the Restated Standalone Financial Information					
<p><b>Note:</b> Restated as per ICDR regulations read with Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI- Prepared after making suitable adjustments to the accounting heads from their Accounting Standards values as on the date of the transition (i.e. 01 April 2019) following accounting policies consistent with that at the date of transition to Ind AS. Also Refer Note 2.1</p> <p>In terms of our report attached <b>For Deloitte Haskins &amp; Sells LLP</b> Firm Registration no. 117366W/W-100018 Chartered Accountants</p> <p><b>Ananthi Amarnath</b> Partner</p> <p>Place : Chennai Date : 9 December 2021</p> <p>For and on behalf of the Board of Directors of <b>Syrma SGS Technology Limited</b></p> <p><b>Sandeep Tandon</b> Executive Chairman DIN : 00054553 Place : Mumbai Date : 9 December 2021</p> <p><b>Bijay Kumar Agrawal</b> Chief Financial Officer Place : Gurugram Date : 9 December 2021</p> <p><b>J S Gujral</b> Managing Director DIN : 00198825 Place : Gurugram Date : 9 December 2021</p> <p><b>Rahul Sinnarkar</b> Company Secretary Place : Mumbai Date : 9 December 2021</p>						

<b>Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)</b> <b>Restated Standalone Cash Flow Statement</b> (All amounts are in Million Indian Rupees unless otherwise stated)				
Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted (Refer Note below)
<b>I. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Restated profit before tax	86.14	363.36	522.31	272.97
<i>Adjustments for:</i>				
Depreciation and Amortisation Expense	28.00	120.74	96.99	97.47
Finance Costs	7.67	45.24	79.70	60.32
Allowance for Expected Credit Losses (net)	-	(0.22)	5.62	11.23
Exceptional item - Bad Receivables written off	-	-	55.99	-
Mark-to-Market (MTM) loss / (gain) on financial instrument	1.42	8.74	-	-
(Profit) / Loss on Sale / Discard of Property, Plant and Equipment (net)	-	-	(1.27)	0.83
Liabilities No Longer Required Written Back	-	(1.94)	(7.57)	-
Interest Income	(3.78)	(9.20)	(3.98)	(7.72)
Unrealised Exchange Loss / (Gain) (net)	(18.34)	(23.45)	(21.42)	33.92
<b>Operating Profit Before Working Capital / Other Changes</b>	<b>101.11</b>	<b>503.27</b>	<b>726.37</b>	<b>469.02</b>
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	(345.09)	(88.50)	(45.47)	(181.74)
Trade Receivables	(55.90)	(108.48)	(179.95)	(274.09)
Other Current Financial Assets	1.60	(15.26)	27.09	(60.32)
Other Non Current Financial Assets	(1.43)	(3.01)	(3.94)	(2.84)
Other Current Assets	41.86	(36.57)	(79.05)	(33.93)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Trade Payables	318.18	88.85	146.05	292.70
Other Current Liabilities	(9.35)	(10.54)	166.42	(47.93)
Provisions (Current and Non-Current)	0.61	9.09	16.56	18.64
<b>Cash Generated from Operations</b>	<b>51.59</b>	<b>338.85</b>	<b>774.08</b>	<b>179.51</b>
Direct Taxes Paid (net)	(17.42)	(100.31)	(65.79)	(79.12)
<b>Net Cash Flow from Operating Activities</b>	<b>34.17</b>	<b>238.54</b>	<b>708.29</b>	<b>100.39</b>
<b>II. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Capital Expenditure (including capital advances, net of payables on purchase of property, plant and equipment and intangible assets)	(5.04)	(56.77)	(295.64)	(222.64)
Proceeds from Sale of Property, Plant and Equipment	-	-	5.13	1.18
Investments in Associate	-	(887.41)	-	-
<b>Net Cash (Used in) Investing Activities</b>	<b>(5.04)</b>	<b>(944.18)</b>	<b>(290.51)</b>	<b>(221.46)</b>
<b>III. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from issue of Equity Share Capital (including securities premium)	-	331.25	-	-
Proceeds from issue of Compulsorily Convertible Preference Shares (including securities premium)	-	749.28	-	-
Proceeds from issue of Redeemable Preference Shares	-	-	45.00	30.00
Utilisation of Securities Premium	-	(1.85)	-	-
Redemption of Preference Shares	-	(45.00)	(90.00)	(30.00)
Long Term Borrowings Taken	-	219.84	31.75	77.37
Long Term Borrowings Repaid	(29.41)	(37.77)	(51.63)	(41.68)
(Repayment) / Proceeds from Short Term Borrowings (net)	(18.31)	(273.82)	11.65	123.98
Payment of Lease Liabilities	(3.93)	(15.17)	(14.59)	(13.60)
Long Term Borrowings taken from Related Party	-	-	67.25	142.31
Long Term Borrowings repaid to Related Party	-	(125.39)	(172.21)	(96.95)
Finance Costs Paid including preference shares	(6.23)	(51.53)	(80.18)	(36.48)
(Increase) / Decrease in Lien Marked / Margin Money deposits	(16.08)	(75.14)	38.92	(23.92)
Interest Received on Lien Marked / Margin Money deposits	3.04	5.42	7.64	2.34
<b>Net Cash (Used in) / from Financing Activities</b>	<b>(70.92)</b>	<b>680.12</b>	<b>(206.40)</b>	<b>133.37</b>
<b>IV. Net (Decrease) / Increase in Cash and Cash Equivalents (I + II + III)</b>	<b>(41.79)</b>	<b>(25.52)</b>	<b>211.38</b>	<b>12.30</b>

<b>Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)</b> <b>Restated Standalone Cash Flow Statement</b> (All amounts are in Million Indian Rupees unless otherwise stated)				
Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted (Refer Note below)
<b>V. Cash and Cash Equivalents at the Beginning of the Period / Year</b> Add: Effect of exchange differences on restatement of foreign currency cash and cash equivalents	<b>279.63</b> 2.64	<b>307.68</b> (2.53)	<b>61.49</b> 34.81	<b>43.73</b> 5.46
<b>VI. Cash and Cash Equivalents at the End of the Period / Year</b>	<b>240.48</b>	<b>279.63</b>	<b>307.68</b>	<b>61.49</b>
<b>VII. Cash and Cash Equivalents as per Note 13.1</b> Reconciliation of change in Liabilities arising from financing activities is given in Note 18.5. See accompanying notes to the Restated Standalone Financial Information	<b>240.48</b>	<b>279.63</b>	<b>307.68</b>	<b>61.49</b>
<b>Note:</b> Restated as per ICDR regulations read with Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI- Prepared after making suitable adjustments to the accounting heads from their Accounting Standards values as on the date of the transition (i.e. 01 April 2019) following accounting policies consistent with that at the date of transition to Ind AS. Also Refer Note 2.1				
In terms of our report attached <b>For Deloitte Haskins &amp; Sells LLP</b> Firm Registration no. 117366W/W-100018 Chartered Accountants		For and on behalf of the Board of Directors of <b>Syrma SGS Technology Limited</b>		
<b>Ananthi Amarnath</b> Partner		<b>Sandeep Tandon</b> Executive Chairman DIN : 00054553 Place : Mumbai Date : 9 December 2021	<b>J S Gujral</b> Managing Director DIN : 00198825 Place : Gurugram Date : 9 December 2021	
<b>Place : Chennai</b> Date : 9 December 2021		<b>Bijay Kumar Agrawal</b> Chief Financial Officer Place : Gurugram Date : 9 December 2021	<b>Rahul Sinnarkar</b> Company Secretary Place : Mumbai Date : 9 December 2021	

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Restated Standalone Statement of Changes in Equity**

(All amounts are in Million Indian Rupees unless otherwise stated)

**A. Equity Share Capital (Refer Note 16)**

Particulars	No. of shares (In full number)	Amount
<b>Balance as at 01 April 2018 As Adjusted (Refer Note below)</b>	<b>702,063</b>	<b>7.02</b>
Changes in equity share capital during the year:		
Issue of equity shares	-	-
<b>Balance as at 31 March 2019 As Adjusted (Refer Note below)</b>	<b>702,063</b>	<b>7.02</b>
Changes in equity share capital during the year:		
Issue of equity shares	-	-
<b>Balance as at 31 March 2020</b>	<b>702,063</b>	<b>7.02</b>
Changes in equity share capital during the year:		
Issue of equity shares	45,978	0.46
<b>Balance as at 31 March 2021</b>	<b>748,041</b>	<b>7.48</b>
Changes in equity share capital during the period:		
Issue of equity shares	-	-
<b>Balance as at 30 June 2021</b>	<b>748,041</b>	<b>7.48</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Restated Standalone Statement of Changes in Equity**

(All amounts are in Million Indian Rupees unless otherwise stated)

**B. Other Equity (Refer Note 17)**

Particulars	Components of Other Equity					Total
	Capital Reserve (out of Amalgamation)	Securities Premium	SEZ Reinvestment Reserve Account	Compulsorily Convertible Preference Share	Retained Earnings	
<b>Restated balance as at 01 April 2018 "As Adjusted" (Refer Note below)</b>	8.23	100.12	16.51	-	235.19	360.05
Profit for the year	-	-	-	-	209.67	209.67
Other comprehensive income for the year, net of income tax	-	-	-	-	(4.81)	(4.81)
Transfer from SEZ Reinvestment Reserve Account	-	-	(16.51)	-	16.51	-
Transfer to SEZ Reinvestment Reserve Account	-	-	105.50	-	(105.50)	-
<b>Balance as at 31 March 2019 "As Adjusted" (Refer Note below)</b>	<b>8.23</b>	<b>100.12</b>	<b>105.50</b>	<b>-</b>	<b>351.06</b>	<b>564.91</b>
Changes in accounting policy or prior period errors	-	-	-	-	-	-
<b>Reversal of "As Adjusted" Ind AS Transition Impact [Refer Note 46.2 (E)]</b>	-	-	-	-	3.03	3.03
<b>Restated balance as at 31 March 2019</b>	<b>8.23</b>	<b>100.12</b>	<b>105.50</b>	<b>-</b>	<b>354.09</b>	<b>567.94</b>
Profit for the year	-	-	-	-	438.80	438.80
Other comprehensive income for the year, net of income tax	-	-	-	-	3.29	3.29
Transfer from SEZ Reinvestment Reserve	-	-	(76.62)	-	76.62	-
Transfer to SEZ Reinvestment Reserve	-	-	227.72	-	(227.72)	-
<b>Balance as at 31 March 2020</b>	<b>8.23</b>	<b>100.12</b>	<b>256.60</b>	<b>-</b>	<b>645.08</b>	<b>1,010.03</b>
Changes in accounting policy or prior period errors	-	-	-	-	-	-
<b>Restated Balance as at 1 April 2020</b>	<b>8.23</b>	<b>100.12</b>	<b>256.60</b>	<b>-</b>	<b>645.08</b>	<b>1,010.03</b>
Profit for the year	-	-	-	-	286.15	286.15
Premium on issue of preference and equity shares	-	1,069.68	-	-	-	1,069.68
Utilization of Securities Premium	-	(1.85)	-	-	-	(1.85)
Other comprehensive income for the year, net of income tax	-	-	-	-	(0.18)	(0.18)
Transfer from SEZ Reinvestment Reserve	-	-	(51.83)	-	51.83	-
Transfer to SEZ Reinvestment Reserve	-	-	132.64	-	(132.64)	-
Compulsorily Convertible Preference Shares treated as Equity Financial Instruments (Refer Note 16.4 (b) & 17.5)	-	-	-	10.40	-	10.40
<b>Balance as at 31 March 2021</b>	<b>8.23</b>	<b>1,167.95</b>	<b>337.41</b>	<b>10.40</b>	<b>850.24</b>	<b>2,374.23</b>
Changes in accounting policy or prior period errors	-	-	-	-	-	-
<b>Restated Balance as at 1 April 2021</b>	<b>8.23</b>	<b>1,167.95</b>	<b>337.41</b>	<b>10.40</b>	<b>850.24</b>	<b>2,374.23</b>
Profit for the period	-	-	-	-	55.57	55.57
Other comprehensive income for the period, net of income tax	-	-	-	-	2.83	2.83
Transfer from SEZ Reinvestment Reserve Account	-	-	(1.97)	-	1.97	-
<b>Balance as at 30 June 2021</b>	<b>8.23</b>	<b>1,167.95</b>	<b>335.44</b>	<b>10.40</b>	<b>910.61</b>	<b>2,432.63</b>

See accompanying notes to the Restated Standalone Financial Information

**Note:**

Restated as per ICDR regulations read with Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI- Prepared after making suitable adjustments to the accounting heads from their Accounting Standards values as on the date of the transition (i.e. 01 April 2019) following accounting policies consistent with that at the date of transition to Ind AS. Also Refer Note 2.1

In terms of our report attached

**For Deloitte Haskins & Sells LLP**

Firm Registration no. 117366W/W-100018

Chartered Accountants

**Ananthi Amarnath**

Partner

Place : Chennai

Date : 9 December 2021

For and on behalf of the Board of Directors of  
**Syrma SGS Technology Limited**

**Sandeep Tandon**

Executive Chairman

DIN : 00054553

Place : Mumbai

Date : 9 December 2021

**Bijay Kumar Agrawal**

Chief Financial Officer

Place : Gurugram

Date : 9 December 2021

**J S Gujral**

Managing Director

DIN : 00198825

Place : Gurugram

Date : 9 December 2021

**Rahul Sinnarkar**

Company Secretary

Place : Mumbai

Date : 9 December 2021

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**1 Corporate information**

Syrma SGS Technology Limited (Formerly known as Syrma Technology Private Limited till 13 September 2021, the "Company") is a public limited Company domiciled and incorporated in India under the Companies Act, 1956. The registered office of the Company is located at Unit F601, Floral Deck Plaza, Andheri East, Mumbai.

The Company is engaged in the business of manufacturing various electronic sub-assemblies, assemblies and box builds, disk drives, memory modules, power supplies / adapters, fiber optic assemblies, magnetic induction coils and RFID products and other electronic products. The Company has 5 state of the art manufacturing facilities most of which hold all key accreditations required for the industry.

**2 Summary of Significant accounting policies****2.1 Basis of preparation**

These Restated Standalone Statement of Assets and Liabilities as at June 30, 2021 and March 31, 2021 and Restated Statement of Assets and Liabilities as at March 31, 2020 and March 31, 2019 (As Adjusted), the Restated Standalone Statement of Profit and Loss (including other comprehensive income), the Restated Standalone Statement of Changes in Equity, the Restated Standalone Cash Flow Statement for the three month period ended June 2021 and for the year ended March 31, 2021 and the Restated Statement of Profit and Loss (including other comprehensive income), the Restated Statement of Changes in Equity and the Restated Cash Flow Statement for the years ended March 31, 2020 and March 31, 2019 (As Adjusted), the Summary Statement of Significant Accounting Policies, and other explanatory information are collectively referred as, the "Restated Standalone Financial Information".

The Restated Standalone Financial Information have been prepared by the management of the Company for the purpose of inclusion in the draft red herring prospectus (the "DRHP") prepared by the Company in connection with its proposed Initial Public Offer ("IPO") in terms of the requirements of:

- (i) Section 26 of Part I of Chapter III of the Companies' Act, 2013 ("the Act");
- (ii) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by the Securities and Exchange Board of India ('SEBI'), as amended ("ICDR Regulations"); and
- (iii) Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI") as amended (the "Guidance Note").

In accordance with the notification dated February 16, 2015, issued by Ministry of Corporate Affairs, the Company has voluntarily adopted Indian Accounting Standards notified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") with effect from April 01, 2020.

The Restated Standalone Financial Information have been compiled by the management from:

a) Special Purpose Audited Standalone Interim Financial statements of the Company as at and for the three month period ended 30 June 2021 prepared in accordance with recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" prescribed under section 133 of the Act and the other accounting principles generally accepted in India (the "Special Purpose Standalone Interim Financial Statements"), which have been approved by the Board of Directors at their meeting held on 29 November 2021.

b) Audited Standalone Ind AS financial statements of the Company as at and for the year ended 31 March 2021 prepared in accordance with Ind AS notified under the Section 133 of the Act read with the Companies (Ind AS) Rules 2015 and other relevant provisions of the Act which have been approved by the Board of Directors at their meeting held on 20 November 2021. The comparative information as at and for the year ended March 31, 2020 included in such Standalone Ind AS Financial Statements have been prepared by making Ind AS adjustments to the audited Standalone financial statements of the Company as at and for the year ended 31 March, 2020 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 notified under section 133 of the Act ("Indian GAAP") which was approved by the Board of directors at their meeting held on 1 October 2020.

c) The Restated Standalone Financial Information also contains the Standalone financial information as at and for the year ended March 31, 2019. The Restated Standalone Financial Information for the year ended March 31, 2019 (referred to as "As Adjusted") have been prepared after making suitable adjustments to the accounting heads from their Accounting Standards values as on the date of transition (i.e. 1 April 2019) following accounting policies, grouping/classifications and accounting policy choices (both mandatory exceptions and optional exemptions) consistent with that used at the date of transition to Ind AS and for the three month period ended June 30, 2021, in accordance with ICDR Regulations and the Guidance Note, to the audited Indian GAAP financial statements as at and for the year ended March 31, 2019 which was approved by the Board of Directors at their meeting held on November 29, 2019. As per Clause (11)(I)(A)(i)(d) of Part A of Schedule VI of the ICDR Regulations, "the auditor shall issue an examination report on the restated and audited financial information in accordance with the Guidance Note issued by the ICAI from time to time". Accordingly, as required under ICDR Regulations and the Guidance Note, the restated Standalone financial information for the year ended March 31, 2019 is in accordance with Appendix 5.1 (Question 4) of the Guidance Note which requires such financial information to be prepared on proforma basis (i.e. "Proforma Ind AS financial statements") for the purpose of inclusion in the DRHP.

Lead Managers (LM) received a communication from Securities and Exchange Board of India (SEBI) vide its email dated October 28, 2021 through Association of Investment Bankers of India (AIBI), which stated that "LM shall ensure that all issuer companies filing offer document should provide Standalone Financial Statements (CFS) prepared in accordance with Indian Accounting Standard (Ind AS) for all the three years and the stub period (if applicable) audited and certified by the statutory auditor(s) who holds a valid certificate by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI). The same shall be applicable for companies which are not falling under Phase 1 and Phase 2 of MCA Roadmap and have consequently provided proforma financial statements for any of the three financial years" (the "SEBI Communication").

As mentioned in previous paragraphs and considering the fact that the underlying financial information at and for the three month period ended June 30, 2021 and as at and for the years ended March 31, 2021, 2020 and 2019 and the Ind AS adjustments made to the Indian GAAP financial statements as at and for the year ended March 31, 2019 used for preparation of Restated Standalone Financial Information are audited by our statutory auditors who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI), the Company confirms that the requirements mentioned in the SEBI Communication are complied.

The basis of preparation for specific items where exemptions have been applied are as follows:

(i) Property, Plant and Equipment and Intangible Assets: Ind AS 101, provides the option to continue with the carrying value of Property, Plant and Equipment and Intangible Assets as recognised in the IGAAP. The Company has elected to continue with the carrying value for all of its Property, Plant and Equipment and intangible Assets as recognized in the Restated Standalone Financial Information as at the date of transition to Ind AS, measured as per the IGAAP and use that as its deemed cost as at the date of transition. The Company has provided the depreciation based on the estimated useful life of respective years and as the change in estimated useful life is considered as change in estimate, accordingly there is no impact of this roll back.

(ii) Leases : Ind AS 101, requires to apply Ind AS 116, Leases whether a contract or arrangement existing at the date of transition contains a lease on the basis of facts and circumstances existing at the date of transition rather than at the inception of the arrangement. Right of Use of Assets on transition date comprises of the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date.

(iii) Business Combinations: The Company has elected to apply Ind AS 103 - Business Combinations prospectively to Business Combinations occurring subsequent to transition date. Hence, the Company has not restated its past business combinations that have an acquisition date prior to transition date.

As specified in the Guidance Note, the equity balance computed under Restated Standalone Financial Information as at and for the year ended March 31, 2019 (As Adjusted) (i.e. equity under Indian GAAP as at April 1, 2018 adjusted for impact of Ind AS and after considering profit or loss for the year ended March 31, 2019 and equity balance computed as at transition date (i.e. April 1, 2019), prepared for filing under Companies Act, 2013, differs due to restatement adjustments made as at April 1, 2018 and for the year ended 31 March 2019, as mentioned above. Accordingly, the closing equity balance as at March 31, 2019 (As transition) of the Restated Standalone Financial Information has not been carried forward to opening Ind AS Balance sheet as at transition date already adopted for reporting under Companies Act, 2013. Reconciliation of the same is disclosed in Note 46.1 and 46.2.

The Restated Standalone Financial Information:

(a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year ended March 31, 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the three months period ended 30 June 2021;

(b) have been prepared after incorporating Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2019 as described above; and

(c) do not require any adjustment for modification as there is no modification in the underlying audit report. Our auditors report dated XX December 2021, on the financial statements as at and for the year ended 31 March 2020, included the following other matters paragraph:

Due to the COVID-19 related lockdown, Management carried out the physical verification of inventories subsequent to the year end. Consequently, we have performed alternate procedures to audit the existence of Inventories as per the guidance provided in SA 501 "Audit Evidence - Specific Consideration for Selected Items" and as per specific guidance i.e, Physical Inventory Verification, Key Audit Consideration amid COVID-19 issued by The Institute of Chartered Accountants of India and have obtained sufficient and appropriate audit evidence.

These Restated Standalone Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of auditor's reports on the audited standalone financial statements mentioned above.

These Restated Standalone Financial Information have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's latest reporting date i.e June 30, 2021.

These Restated Standalone Financial Information have been approved by the Board of Directors of the Company on 9 December 2021.

## **2.2 Accounting Convention and Assumption**

These Restated Standalone Financial Information have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair value at the end of each reporting period, as stated in the accounting policies set out below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

### **Going Concern**

The directors have, at the time of approving the Restated Standalone Financial Information, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the Restated Standalone Financial Information.

## **2.3 Presentation of Restated Standalone Financial Information**

The Restated Standalone Statement of Assets and Liabilities, the Restated Standalone Statement of Profit and Loss, the Restated Standalone Statement of Changes in Equity, are presented in the format prescribed under Division II of Schedule III of the Act, as amended from time to time, for Companies that are required to comply with Ind AS. The Restated Standalone Statement of Cash Flows has been presented as per the requirements of Ind AS 7 - Statement of Cash Flows.

The Restated Standalone Financial Information are presented in Indian rupees (INR), the functional currency of the Company. Items included in the Restated Standalone Financial Information of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes in these Restated Standalone Financial Information.



**2.4 Current / Non-Current Classification**

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset / liability is expected to be realized / settled in the Company's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset / liability is held primarily for the purpose of trading;
- iv. the asset / liability is expected to be realized/settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**2.5 Property, plant and equipment**

**Measurement at recognition:**

An item of property, plant and equipment (PPE) that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met. Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

**Deemed cost**

For the purpose of Restated Standalone Financial Information, the Company had elected to consider the carrying value of all its property, plant and equipment prepared in accordance with the Indian GAAP, as deemed cost, as on 1st April, 2018 "(As Adjusted)".

**Capital work in progress and Capital advances:**

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

**Depreciation**

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method based on the useful life of the asset as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Act. The estimated useful life of items of property, plant and equipment is mentioned below:

Asset Category	Years
Buildings	30 Years
Plant and Equipment	
- Plant and Machinery	15 Years
- Stencils	3 Years
Electrical equipment	20 Years
Furniture and Fittings	10 Years
Office and Other Equipment	5 Years
Computers & other peripherals	3 Years to 6 Years
Vehicles	8 Years

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of property, plant and equipment (as mentioned above) over estimated useful lives which are different from the useful lives prescribed under Schedule II to the Act.

The Company has revised the useful life of Stencils from 15 years to 3 years during the year ended 31 March 2021. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

**Derecognition:**

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognised.

**2.6 Intangible asset other than Goodwill**

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

The intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use. The amortisation period is reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

**Derecognition of intangible assets:**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of profit or loss when the asset is derecognised.

**Useful lives of intangible assets:**

Estimated useful lives of the intangible assets are as follows:

- Computer Software - 3 Years
- Knowhow - 6 Years

**Deemed cost**

For the purpose of Restated Standalone Financial Information, the Company had elected to consider the carrying value of all its Intangible asset other than Goodwill prepared in accordance with the Indian GAAP, as deemed cost, as on 1st April, 2018 "(As Adjusted)".

**2.7 Impairment of PPE & Intangible Assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of profit and loss.

## **2.8 Leases**

### **(a) Policy applicable for Lease Contracts entered on or after 1 April 2018 "(As Adjusted)"**

At inception of a Lease Contract, the Company assesses whether a Lease Contract is, or contains, a lease. A Lease Contract is, or contains, a lease if the Lease Contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a Lease Contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the Lease Contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
  - a) the Company has the right to operate the asset; or
  - b) the Company designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to Lease Contracts entered into, or changed, on or after 1 April 2018 "(As Adjusted)"

At inception or on reassessment of a Lease Contract that contains a lease component, the Company allocates the consideration in the Lease Contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received .

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in Statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

**(b) Policy applicable for contracts entered before 1 April 2018 "(As Adjusted)"**

For contracts entered into before 1 April 2018 "(As Adjusted)", the Company determined whether the arrangement was or contained a lease based on the assessment of whether:

- fulfilment of the arrangement was dependent on the use of a specific asset or assets; and
  - the arrangement had conveyed a right to use the asset. An arrangement conveyed the right to use the asset if one of the following was met
  - the purchaser had the ability or right to operate the asset while obtaining or controlling more than an insignificant amount of the output;
  - the purchaser had the ability or right to control physical access to the asset while obtaining or controlling more than an insignificant amount of the output;
- or
- facts and circumstances indicated that it was remote that other parties would take more than an insignificant amount of the output, and the price per unit was neither fixed per unit of output nor equal to the current market price per unit of output.

**(c) Short-term leases and leases of low-value assets**

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The Company recognises the lease payments associated with these leases as an expense over the lease term.

**2.9 Inventories**

Inventories are valued at the lower of cost on weighted average basis and estimated net realisable value (net of allowances) after providing for obsolescence and other losses, where considered necessary. The cost comprises of cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work-in-progress, incurred in bringing such inventories to their present location and condition. Trade discounts or rebates are deducted in determining the costs of purchase. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sales.

Due allowance is estimated and made by the Management for slow moving / non-moving items of inventory, wherever necessary, based on the past experience and such allowances are adjusted against the carrying inventory value.

<b>2.10</b>	<b>Cash &amp; Cash Equivalents</b>
<b>(a)</b>	<b>Cash and cash equivalents (for purposes of Cash Flow Statement)</b>
	Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
<b>(b)</b>	<b>Cash flow statement</b>
	Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.
<b>2.11</b>	<b>Foreign currency transactions and translations</b>
	In preparing the Restated Standalone Financial Information, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.
	Exchange differences on monetary items are recognised in Statement of profit or loss in the period in which they arise except for:
	<ul style="list-style-type: none"> <li>• exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;</li> <li>• exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to Statement of profit or loss on repayment of the monetary items.</li> </ul>
<b>2.12</b>	<b>Revenue recognition</b>
	Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.
	Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and rebates offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.
<b>(a)</b>	<b>Sale of Products</b>
	Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.
	Advance from customers and Deferred revenue is recognized under other current liabilities which is released to revenue on satisfaction of performance obligation.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**(b) Rendering of services**

Income from service activities are recognized at a point in time on satisfaction of performance obligation towards rendering of such services in accordance with the terms of arrangement.

**(c) Tooling Charges**

Tooling charges received from customers in advance is recognised based on completion of the project and the number of units sold to the customer during the respective year. The same is recognised at a point in time or over a period of time depending on the terms of arrangement / contract with the customer and the corresponding satisfaction of performance obligation.

**(d) Export Benefits**

Export Benefits are recognized when there is reasonable certainty that the Company will comply with the conditions attached and that the benefit will be received.

**2.13 Other Income**

Interest income from a financial asset is recognized when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the asset's net carrying amount on initial recognition.

**2.14 Employee Benefits****(a) Defined contribution plans**

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

**(b) Defined benefit plans****Gratuity**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in Other Comprehensive Income (OCI). The Company determines the net interest expense / (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

**Compensated absences**

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since, the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Actuarial gains and losses are recognised in Statement of profit or loss in the period in which they arise.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

(c)	<p><b>Short-term and other long-term employee benefits</b></p> <p>A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave in the period related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.</p> <p>Liabilities recognized in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.</p> <p>Liabilities recognized in respect of other long term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by the employees up to the reporting date.</p>
2.15	<p><b>Provisions</b></p> <p>Provisions are recognised, when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.</p> <p>The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).</p>
2.16	<p><b>Product Warranty Cost</b></p> <p>The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise, being typically up to three years.</p> <p>The estimates used for accounting of warranty liability / recoveries are reviewed periodically and revisions are made as required.</p>
2.17	<p><b>Contingent liability</b></p> <p>Contingent liability is disclosed for</p> <p>(a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or</p> <p>(b) Present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.</p>

**2.18 Taxes on Income**

The income tax expense represents the sum of the tax currently payable and deferred tax.

**(a) Current Tax:**

Income tax expense or credit for the period is the tax payable on the current period's taxable income using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. The Company periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

**(b) Deferred Tax:**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the Restated Standalone Financial Information and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investment in associate, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investment is only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the balance sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

**(c) Current tax and deferred tax for the year / period:**

Current and deferred tax are recognised in Statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

**2.19 Financial Instruments**

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

**(a) Initial Recognition**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of profit and loss.



**(b) Subsequent Measurement**

**(i) Financial assets**

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets, except for investments forming part of interest in associates, which are measured at cost.

**Classification of financial assets**

The Company classifies its financial assets in the following measurement categories:

- a) Those to be measured subsequently at fair value (either through other comprehensive income, or through Statement of profit or loss), and
- b) Those measured at amortized cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

**Amortized Cost**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on these assets that is subsequently measured at amortized cost is recognized in Statement of profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Fair value through other comprehensive income (FVTOCI)**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of profit or loss and recognized in other income / (expense).

**Fair value through profit or loss (FVTPL)**

Assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on these assets that is subsequently measured at fair value through profit or loss is recognized in the Statement of profit and loss.

**Impairment of financial assets**

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, trade receivable, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at Fair value through profit or loss.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayments, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for the financial instruments at an amount equal to the lifetime expected credit losses if the credit risk on those financial instruments has increased significantly since initial recognition.

If the credit risk on financial instruments has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instruments at an amount equal to 12 months expected credit losses. The twelve months expected credit losses are portion of the lifetime expected credit losses and represents lifetime cash shortfalls that will result if default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the 12 months.

If the Company measured loss allowance for the financial instruments at life time expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12 month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instruments instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

Further, for the purposes of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward - looking information.

**Write off policy**

The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Any recoveries made against the write off are recognised in Statement of profit or loss.

**(ii) Financial liabilities and equity instruments**

**Classification as equity or financial liability**

Equity and Debt instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

**Financial liabilities at amortized cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

**Financial liabilities at FVTPL**

Liabilities that do not meet the criteria for amortized cost are measured at fair value through profit or loss. A gain or loss on these assets that is subsequently measured at fair value through profit or loss is recognized in the Statement of profit and loss.

**(c) Derecognition**

**(i) Derecognition of financial assets**

A financial asset is derecognized only when the Company has transferred the rights to receive cash flows from the financial asset. Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

**(ii) Derecognition of financial liabilities**

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of profit or loss.

**2.20 Equity Investments in Associates**

Investment in associates are carried at cost in the Restated Standalone Financial Information.

**2.21 Earnings Per Share**

Basic earnings per share is computed by dividing the net profit / (loss) after tax (including the post tax effect of exceptional items, if any) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of exceptional items, if any) for the period attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

**2.22 Segment Reporting**

Operating segments reflect the Company's management structure and the way the financial information is regularly reviewed by the Company's Chief Operating Decision Maker (CODM). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under unallocated revenue / expenses / assets / liabilities.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**2.23 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognised in Statement of profit or loss in the period in which they are incurred.

**2.24 Government Grant**

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are recognized in the profit or loss, as necessary to match them with the costs that they are intended to compensate.

**2.25 Related Party Transactions**

Related party transactions are accounted for based on terms and conditions of the agreement / arrangement with the respective related parties. These related party transactions are determined on an arm's length basis and are accounted for in the year in which such transactions occur and adjustments if any, to the amounts accounted are recognised in the year of final determination.

There are common costs incurred by the Holding Company / Other related parties on behalf of various entities including the Company. The cost of such common costs are accounted to the extent debited separately by the said related parties.

**2.26 Use of estimates and judgements**

In preparing these Restated Standalone Financial Information, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgements are made in applying accounting policies that have the most significant effects on the amounts recognized in the Restated Standalone Financial Information.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment are reviewed on an ongoing basis.

The areas involving critical estimates or judgments are :

- a. Estimation of useful life of tangible and intangible asset (Refer Note 2.5, 2.6 and 2.7)
- b. Impairment of trade receivables: Expected credit loss (Refer Note 2.19 (b))
- c. Recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources (Refer Note 2.15, 2.16, 2.17)
- d. Measurement of defined benefit obligation: key actuarial assumptions (Refer Note 2.14)

**2.27 Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

**2.28 Exceptional Items**

Exceptional items are items of income and expenses which are of such size, nature or incidence that their separate disclosure is relevant to explain the performance of the Company.

**2.29 Recent Pronouncements****A Application of new and revised Ind AS**

These restated standalone financial information of the Company have been prepared in accordance with Ind AS as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under Section 133 of the Act and other relevant provisions of the Act. All the Ind AS issued and notified by the Ministry of Corporate Affairs ("MCA") under the Companies (Ind AS) Rules, 2015, till these financial information are authorised, have been considered in preparing these financial information. There are no other Ind AS that has been issued as of date but was not mandatorily effective.

**B Code of Social Security**

The Indian Parliament has approved the Code on Social Security, 2020 which may impact the employee benefit expenses of the Company. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be determined. The Company will give appropriate impact in the financial statements once the code becomes effective and related rules to determine the financial impact are notified.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**3 Property, Plant and Equipment (at cost / deemed cost)**

Particulars	Land	Buildings on Leasehold land	Plant and Equipment	Furniture and fittings	Office equipment	Computers & other peripherals	Electrical Installation	Vehicles	Total
<b>Gross block</b>									
<b>As at 1 April 2018 "As Adjusted" (Deemed Cost)</b>	<b>17.93</b>	<b>59.20</b>	<b>379.59</b>	<b>8.30</b>	<b>5.98</b>	<b>5.76</b>	<b>12.13</b>	<b>7.23</b>	<b>496.12</b>
Additions	-	45.54	205.30	11.83	2.10	6.06	45.25	-	316.08
Disposals / Discarded	-	-	1.91	0.10	-	-	0.06	-	2.07
<b>As at 31 March 2019 "As Adjusted"</b>	<b>17.93</b>	<b>104.74</b>	<b>582.98</b>	<b>20.03</b>	<b>8.08</b>	<b>11.82</b>	<b>57.32</b>	<b>7.23</b>	<b>810.13</b>
Additions	-	5.99	83.79	1.37	2.04	3.98	2.50	-	99.67
Disposals / Discarded	3.36	-	-	-	-	-	-	0.62	3.98
<b>As at 31 March 2020</b>	<b>14.57</b>	<b>110.73</b>	<b>666.77</b>	<b>21.40</b>	<b>10.12</b>	<b>15.80</b>	<b>59.82</b>	<b>6.61</b>	<b>905.82</b>
Additions	-	0.48	51.83	2.33	1.15	7.53	1.28	-	64.60
Reclassification (Refer Note 3.3)	(14.57)	14.63	(7.10)	1.31	(1.44)	0.94	6.23	-	-
<b>As at 31 March 2021</b>	<b>-</b>	<b>125.84</b>	<b>711.50</b>	<b>25.04</b>	<b>9.83</b>	<b>24.27</b>	<b>67.33</b>	<b>6.61</b>	<b>970.42</b>
Additions	-	0.03	2.79	0.21	0.17	2.32	0.80	-	6.32
Disposals / Discarded	-	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	<b>-</b>	<b>125.87</b>	<b>714.29</b>	<b>25.25</b>	<b>10.00</b>	<b>26.59</b>	<b>68.13</b>	<b>6.61</b>	<b>976.74</b>
<b>Accumulated depreciation</b>									
<b>As at 1 April 2018 "As Adjusted"</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation expense for the year	-	6.64	40.56	2.07	1.55	3.48	2.29	1.22	57.81
Elimination on disposal	-	-	0.05	0.01	-	-	-	-	0.06
<b>As at 31 March 2019 "As Adjusted"</b>	<b>-</b>	<b>6.64</b>	<b>40.51</b>	<b>2.06</b>	<b>1.55</b>	<b>3.48</b>	<b>2.29</b>	<b>1.22</b>	<b>57.75</b>
Depreciation expense for the year	-	6.74	49.43	2.39	1.97	4.30	3.15	1.06	69.04
Elimination on disposal	-	-	-	-	-	-	-	0.12	0.12
<b>As at 31 March 2020</b>	<b>-</b>	<b>13.38</b>	<b>89.94</b>	<b>4.45</b>	<b>3.52</b>	<b>7.78</b>	<b>5.44</b>	<b>2.16</b>	<b>126.67</b>
Depreciation expense for the year	-	9.07	68.97	3.07	1.83	5.32	3.59	1.01	92.86
Elimination on disposal	-	-	-	-	-	-	-	-	-
<b>As at 31 March 2021</b>	<b>-</b>	<b>22.45</b>	<b>158.91</b>	<b>7.52</b>	<b>5.35</b>	<b>13.10</b>	<b>9.03</b>	<b>3.17</b>	<b>219.53</b>
Depreciation expense for the period	-	1.49	15.88	0.62	0.42	1.16	0.91	0.25	20.73
Elimination on disposal	-	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	<b>-</b>	<b>23.94</b>	<b>174.79</b>	<b>8.14</b>	<b>5.77</b>	<b>14.26</b>	<b>9.94</b>	<b>3.42</b>	<b>240.26</b>
<b>Net block</b>									
<b>As at 31 March 2019 - As Adjusted</b>	<b>17.93</b>	<b>98.10</b>	<b>542.47</b>	<b>17.97</b>	<b>6.53</b>	<b>8.34</b>	<b>55.03</b>	<b>6.01</b>	<b>752.39</b>
<b>As at 31 March 2020</b>	<b>14.57</b>	<b>97.35</b>	<b>576.83</b>	<b>16.95</b>	<b>6.60</b>	<b>8.02</b>	<b>54.38</b>	<b>4.45</b>	<b>779.15</b>
<b>As at 31 March 2021</b>	<b>-</b>	<b>103.39</b>	<b>552.59</b>	<b>17.52</b>	<b>4.48</b>	<b>11.17</b>	<b>58.30</b>	<b>3.44</b>	<b>750.89</b>
<b>As at 30 June 2021</b>	<b>-</b>	<b>101.93</b>	<b>539.50</b>	<b>17.11</b>	<b>4.23</b>	<b>12.33</b>	<b>58.19</b>	<b>3.19</b>	<b>736.48</b>

**Notes:**

- 3.1 Refer Note 18 and Note 21 for property, plant and equipment pledged/ hypothecated as securities for borrowings.
- 3.2 The impact of change in the estimated useful lives of Stencils from 15 Years to 3 years is additional depreciation charge of Rs. 12.39 Million for the year ended 31 March 2021.
- 3.3 During the year ended 31 March 2021, certain assets have been reclassified to other categories, based on the physical verification carried out by the Management.
- 3.4 The Company has opted to consider Indian GAAP carrying value of property, plant and equipment as deemed cost as on 01 April 2018. The following table provides the value of gross block and the carrying value considered in Indian GAAP as on 01 April 2018. Refer Note 2.5 and 46.2.

Particulars	Gross Block	Accumulated Depreciation	Carrying Value (deemed cost)
Land	17.93	-	17.93
Buildings on Leasehold land	82.82	23.62	59.20
Plant and Equipment	453.54	73.95	379.59
Furniture and fittings	17.45	9.15	8.30
Office equipment	15.07	9.09	5.98
Computers & other peripherals	19.86	14.10	5.76
Electrical Installation	16.73	4.59	12.13
Vehicles	19.53	12.30	7.23
<b>Total</b>	<b>642.93</b>	<b>146.80</b>	<b>496.12</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**4 Right-of-use (ROU) Assets**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
<b>Carrying amounts of:</b>				
Land	7.90	8.25	9.66	10.28
Building	38.55	41.33	52.46	60.14
<b>Total</b>	<b>46.45</b>	<b>49.58</b>	<b>62.12</b>	<b>70.42</b>

**Details of movement in the carrying amounts of right-of-use assets**

Particulars	Land	Building	Amount
<b>Gross block</b>			
<b>As at 1 April 2018 "As Adjusted"</b>	7.24	66.12	<b>73.36</b>
Additions	4.26	4.11	<b>8.37</b>
Disposals / Discarded	-	-	-
<b>As at 31 March 2019 "As Adjusted"</b>	<b>11.50</b>	<b>70.23</b>	<b>81.73</b>
Reversal of "As Adjusted" Ind AS Transition Impact (Refer Note 46.2 (E))	(0.43)	(6.64)	(7.07)
<b>As at 1 April 2019</b>	<b>11.07</b>	<b>63.59</b>	<b>74.66</b>
Additions	-	-	-
Disposals / Discarded	-	-	-
<b>As at 31 March 2020</b>	<b>11.07</b>	<b>63.59</b>	<b>74.66</b>
Additions	-	-	-
Disposals / Discarded	-	-	-
<b>As at 31 March 2021</b>	<b>11.07</b>	<b>63.59</b>	<b>74.66</b>
Additions	-	-	-
Disposals / Discarded	-	-	-
<b>As at 30 June 2021</b>	<b>11.07</b>	<b>63.59</b>	<b>74.66</b>
<b>Accumulated depreciation</b>			
<b>As at 1 April 2018 "As Adjusted"</b>	-	-	-
Depreciation expense for the year	1.22	10.09	<b>11.31</b>
Elimination on disposal	-	-	-
<b>As at 31 March 2019 "As Adjusted"</b>	<b>1.22</b>	<b>10.09</b>	<b>11.31</b>
Reversal of "As Adjusted" Ind AS Transition Impact (Refer Note 46.2 (E))	(1.22)	(10.09)	(11.31)
<b>As at 1 April 2019</b>	-	-	-
Depreciation expense for the year	1.41	11.13	<b>12.54</b>
Elimination on disposal	-	-	-
<b>As at 31 March 2020</b>	<b>1.41</b>	<b>11.13</b>	<b>12.54</b>
Depreciation expense for the year	1.41	11.13	<b>12.54</b>
Elimination on disposal	-	-	-
<b>As at 31 March 2021</b>	<b>2.82</b>	<b>22.26</b>	<b>25.08</b>
Depreciation expense for the period	0.35	2.78	<b>3.13</b>
Elimination on disposal	-	-	-
<b>As at 30 June 2021</b>	<b>3.17</b>	<b>25.04</b>	<b>28.21</b>
<b>Net block</b>			
<b>As at 31 March 2019 - As Adjusted</b>	<b>10.28</b>	<b>60.14</b>	<b>70.42</b>
<b>As at 31 March 2020</b>	<b>9.66</b>	<b>52.46</b>	<b>62.12</b>
<b>As at 31 March 2021</b>	<b>8.25</b>	<b>41.33</b>	<b>49.58</b>
<b>As at 30 June 2021</b>	<b>7.90</b>	<b>38.55</b>	<b>46.45</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**5 Intangible Assets (at cost / deemed cost)**

Particulars	Computer software	Know how	Total
<b>Gross block</b>			
As at 1 April 2018 "As Adjusted" (Deemed Cost)	5.44	55.06	60.50
Additions	0.39	-	0.39
Disposals / Discarded	-	-	-
As at 31 March 2019 "As Adjusted"	<b>5.83</b>	<b>55.06</b>	<b>60.89</b>
Additions	6.39	-	6.39
Disposals / Discarded	-	-	-
As at 31 March 2020	<b>12.22</b>	<b>55.06</b>	<b>67.28</b>
Additions	5.04	-	5.04
Disposals / Discarded	-	-	-
As at 31 March 2021	<b>17.26</b>	<b>55.06</b>	<b>72.32</b>
Additions	-	-	-
Disposals / Discarded	-	-	-
As at 30 June 2021	<b>17.26</b>	<b>55.06</b>	<b>72.32</b>
<b>Accumulated amortisation</b>			
As at 1 April 2018 "As Adjusted"	-	-	-
Amortisation expense for the year (Refer Note 5.1)	3.88	24.47	28.35
Elimination on disposal	-	-	-
As at 31 March 2019 "As Adjusted"	<b>3.88</b>	<b>24.47</b>	<b>28.35</b>
Amortisation expense for the year	3.12	12.29	15.41
Elimination on disposal	-	-	-
As at 31 March 2020	<b>7.00</b>	<b>36.76</b>	<b>43.76</b>
Amortisation expense for the year	3.10	12.24	15.34
Elimination on disposal	-	-	-
As at 31 March 2021	<b>10.10</b>	<b>49.00</b>	<b>59.10</b>
Amortisation expense for the period	1.12	3.02	4.14
Elimination on disposal	-	-	-
As at 30 June 2021	<b>11.22</b>	<b>52.02</b>	<b>63.24</b>
<b>Net block</b>			
As at 31 March 2019 - As Adjusted	<b>1.95</b>	<b>30.59</b>	<b>32.54</b>
As at 31 March 2020	<b>5.22</b>	<b>18.30</b>	<b>23.52</b>
As at 31 March 2021	<b>7.16</b>	<b>6.06</b>	<b>13.22</b>
As at 30 June 2021	<b>6.04</b>	<b>3.04</b>	<b>9.08</b>

5.1. Amortisation expense for the FY 2018-19 includes Rs.17.13 million towards accelerated amortisation charged on intangible assets, based on assessment of the Management.

5.2. The Company has opted to consider Indian GAAP carrying value of Intangible assets as deemed cost as on 01 April 2018. The following table provides the value of gross block and the carrying value considered in Indian GAAP as on 01 April 2018. Refer Note 2.6 and 46.2.

Particulars	Gross Block	Accumulated Amortisation	Carrying Value (deemed cost)
(a) Computer Software	19.97	14.53	5.44
(b) Knowhow	73.42	18.37	55.06
<b>Total</b>	<b>93.40</b>	<b>32.90</b>	<b>60.50</b>

**6 Depreciation and amortisation expense**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
(a) Depreciation of Property, Plant and Equipment	20.73	92.86	69.04	57.81
(b) Amortisation of Intangible Assets	4.14	15.34	15.41	28.35
(c) Depreciation on ROU Assets	3.13	12.54	12.54	11.31
<b>Total</b>	<b>28.00</b>	<b>120.74</b>	<b>96.99</b>	<b>97.47</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**7 Investments**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
<b>Investment Carried at Cost</b>				
<b>Unquoted Equity Shares - Associate Company</b>				
SGS Teknics Manufacturing Private Limited	887.41	887.41	-	-
322,557 equity Shares of Rs.10 each fully paid up				
<b>Total</b>	<b>887.41</b>	<b>887.41</b>	<b>-</b>	<b>-</b>

Note 7.1 The Company acquired 20% stake in SGS Teknics Manufacturing Private Limited (incorporated on 27 April 2011 in India) on 05 November 2020. The consideration paid for the acquisition amounted to Rs. 887.41 Million against the fair value of Rs. 683.84 Million of the acquired assets and assumed liabilities. The excess of the consideration paid over the fair value, thus amounted to a goodwill of Rs. 203.57 Million.

The Company has subsequently acquired 100% stake in SGS Teknics Manufacturing Private Limited [Refer Note 49(a)].

**8 Other Financial Assets (Non-current)**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
(a) Security Deposits measured at amortised cost	26.31	24.64	20.72	15.96
(b) Other Bank Deposits				
- Under Lien*	102.27	101.13	-	-
- Margin Money	3.88	3.74	8.18	10.30
<b>Total</b>	<b>132.46</b>	<b>129.51</b>	<b>28.90</b>	<b>26.26</b>

\* This Balance is under lien to DBS Bank India Ltd as secondary security on the External commercial borrowing (ECB) granted to the Company. Refer Note 18.

**9 Income Tax Asset (net)**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
(a) Advance tax / Tax deducted at source	12.15	9.78	-	9.02
(Net of Provisions of Rs. 248.99 Million as at 30 June 2021, Rs. 243.20 Million as at 31 March 2021 and Rs. 74.71 Million as at 31 March 2019 - As Adjusted)				
<b>Total</b>	<b>12.15</b>	<b>9.78</b>	<b>-</b>	<b>9.02</b>

**10 Other Non-Current Assets**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Capital Advances	111.52	111.52	122.10	3.12
<b>Total</b>	<b>111.52</b>	<b>111.52</b>	<b>122.10</b>	<b>3.12</b>



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Notes to the Restated Standalone Financial Information**  
 (All amounts are in Million Indian Rupees unless otherwise stated)

**11 Inventories**

(At Lower of Cost and Net Realisable Value)

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
(a) Raw Materials and Components - Materials-in-Transit	500.60 263.81	293.25 239.38	306.07 120.71	281.47 74.42
(b) Work-in-Progress	764.41	532.63	426.78	355.89
(c) Finished Goods (other than those acquired for trading)	232.42	201.31	186.13	151.29
(d) Stock-in-trade	105.60	26.16	57.68	114.58
(e) Stores and Spare Parts (Including packing materials)	1.60	0.90	3.42	8.99
	11.81	9.75	8.24	6.03
<b>Total</b>	<b>1,115.84</b>	<b>770.75</b>	<b>682.25</b>	<b>636.78</b>

**11.1** Cost of Inventories (including cost of traded goods) recognised as expense in P&L

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
Cost of inventories (including cost of traded goods)	952.34	2,889.30	2,327.69	2,214.43

**11.2** The mode of valuation of inventories has been stated in Note 2.9.

**11.3 Movement in allowance for obsolete and non-moving inventory**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Balance at beginning of the period / year	2.82	-	-	-
Additional allowance created / (reversed) during the period / year (net)	16.12	2.82	-	-
<b>Balance at end of the period / year</b>	<b>18.94</b>	<b>2.82</b>	<b>-</b>	<b>-</b>

In addition to the above, the cost of inventories recognised as expense in respect of write down of inventories are as follows:

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
Write down of Inventories	-	76.00	29.20	23.13

**12 Trade Receivables**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
(a) Considered good - unsecured (Refer Note 12.3)	1,373.70	1,301.27	1,186.36	1,009.49
(b) Receivables which have significant increase in credit risk	-	-	-	-
(c) Receivables - Credit impaired	-	-	-	-
<b>Gross receivables</b>	<b>1,373.70</b>	<b>1,301.27</b>	<b>1,186.36</b>	<b>1,009.49</b>
Allowance for expected credit loss	(22.55)	(22.55)	(22.77)	(17.15)
<b>Net trade receivables</b>	<b>1,351.15</b>	<b>1,278.72</b>	<b>1,163.59</b>	<b>992.34</b>
The above amount of trade receivables also includes amount receivable from its related parties (Refer Note 39)	29.46	24.55	51.05	21.31

**12.1 Movement in Expected Credit Loss Allowance (ECL)**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Balance at beginning of the period / year	22.55	22.77	17.15	5.92
Add: Additional Provision / (Reversal) of ECL allowance	-	9.18	5.62	26.61
Less: Utilization of ECL allowance	-	(9.40)	-	(15.38)
<b>Balance at end of the period / year</b>	<b>22.55</b>	<b>22.55</b>	<b>22.77</b>	<b>17.15</b>

**12.2** The Trade Receivables, include certain customers having more than 10% of the total outstanding trade receivable balance.

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
No of customers	2	3	3	2
Amount outstanding	355.16	546.01	618.57	412.66

There are no other customers who represent more than 10% of the total balance of trade receivables.

**12.3** The Company measures the loss allowance for trade receivables at an amount equal to ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate, and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

**12.4** The Company had entered into a factoring agreement on a non recourse basis with M/s India Factoring and Financing Solutions Private Limited, in connection with receivables from certain customers. Based on the terms of the arrangement, the amounts received from M/s India Factoring and Financing Solutions Private Limited has been derecognized. The amount of such factored receivables as at 30 June 2021 is Rs. 171.22 Million, as at 31 March 2021 is Rs. 169.84 Million, as at 31 March 2020 is Rs. 193.24 Million and as at 31 March 2019 (As Adjusted) is Rs. 127.81 Million.

**12.5** The Company has receivable due from the following Parties in which there is a common Director.

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Infinx Services Private Limited	10.84	6.12	23.54	2.45
TIS International (USA) Inc	18.62	18.28	24.72	16.74
Syrma Tech Singapore Pte Ltd	-	0.15	-	-
<b>Total</b>	<b>29.46</b>	<b>24.55</b>	<b>48.26</b>	<b>19.19</b>

No trade or other receivable is due from directors or other officers of the Company either severally or jointly with any other person. No trade or other receivable is due from firms or private companies respectively in which any director is a partner, a director or a member, other than mentioned above.

Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited) Notes to the Restated Standalone Financial Information (All amounts are in Million Indian Rupees unless otherwise stated)							
12.6 The ageing schedule of Trade receivables is as follows:							
a) As at 30 June 2021							
Particulars	Outstanding for following periods from due date of payment					Not Due	Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years		
(i) Undisputed Trade Receivables – considered good	232.00	30.91	131.12	15.81	65.39	898.47	1,373.70
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Receivables over one year includes Rs. 195.60 Million for the period ended 30 June 2021 from certain customers with a corresponding payable to / advance received from respective parties / their group entities.							
b) As at 31 March 2021							
Particulars	Outstanding for following periods from due date of payment					Not Due	Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years		
(i) Undisputed Trade Receivables – considered good	210.58	31.23	97.45	24.57	69.22	868.22	1,301.27
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Receivables over one year includes Rs. 169.53 Million for the year ended 31 March 2021 from certain customers with a corresponding payable to / advance received from respective parties / their group entities.							
c) As at 31 March 2020							
Particulars	Outstanding for following periods from due date of payment					Not Due	Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years		
(i) Undisputed Trade Receivables – considered good	229.61	89.21	21.71	6.42	44.02	795.39	1,186.36
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Receivables over one year includes Rs. 42.02 Million for the year ended 31 March 2020 from certain customers with a corresponding payable to/advance received from respective parties / their group entities.							
d) As at 31 March 2019 - As Adjusted							
Particulars	Outstanding for following periods from due date of payment					Not Due	Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years		
(i) Undisputed Trade Receivables – considered good	18.70	14.58	22.26	33.61	16.10	904.24	1,009.49
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Receivables over one year includes Rs. 60.43 Million for the year ended 31 March 2019 (As Adjusted) from certain customers with a corresponding payable to/advance received from respective parties / their group entities.							
*The ageing has been given based on Gross Trade receivables without considering expected credit loss allowance.							
13.1 Cash & cash equivalents (as per Ind AS 7 Cash Flow Statements)							
Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted			
(a) Cash on Hand	1.03	1.00	1.14	0.61			
(b) Balances with Banks							
- In Current Accounts	14.11	39.18	88.06	15.23			
- In EEFC Accounts	53.12	71.05	218.48	45.65			
- In Deposit Accounts	172.22	168.40	-	-			
Total	240.48	279.63	307.68	61.49			
13.2 Other Bank Balances							
Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted			
Balances with Banks - Margin Money	37.23	22.43	43.98	80.78			
Total	37.23	22.43	43.98	80.78			

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**14 Other Financial Assets (Current)**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
(a) Interest accrued, but not due on Fixed Deposits with banks	4.58	4.08	1.21	5.69
(b) Balance Receivable from Customs Authorities	0.31	0.42	1.39	0.66
(c) Export benefits Receivable	46.55	46.55	29.24	50.11
(d) Advances to employees	2.11	2.05	1.82	2.13
(e) Other Benefits Receivable from State Government	-	1.55	2.86	9.50
<b>Total</b>	<b>53.55</b>	<b>54.65</b>	<b>36.52</b>	<b>68.09</b>

**15 Other Current Assets**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
(a) Balances Receivable from Government Authorities - GST Input Credit / Advance Payments / Refund Receivable	86.04	74.74	50.22	33.74
(b) Advance to Suppliers	98.07	133.80	133.31	91.31
(c) Advances to Related Parties (Refer Note 15.1 & 39.3)	19.94	23.86	12.69	-
(d) Prepaid expenses	7.46	9.59	9.20	1.32
<b>Total</b>	<b>211.51</b>	<b>241.99</b>	<b>205.42</b>	<b>126.37</b>

**15.1** The Company has given supplier advances to the following parties in which there is a common Director.

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Infinx Services Private Limited	19.22	23.29	12.57	-
Memory Electronics Private Limited	0.12	0.09	0.12	-
<b>Total</b>	<b>19.34</b>	<b>23.38</b>	<b>12.69</b>	<b>-</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**16 Share Capital**

Particulars	As at 30 June 2021		As at 31 March 2021		As at 31 March 2020		As at 31 March 2019 - As Adjusted	
	No. of shares (In full number)	Amount	No. of shares (In full number)	Amount	No. of shares (In full number)	Amount	No. of shares (In full number)	Amount
<b>(a) Authorised</b>								
Equity Shares of Rs. 10/- each	5,550,000	55.50	5,550,000	55.50	5,550,000	55.50	5,550,000	55.50
Preference Shares of Rs. 100/- each	1,200,000	120.00	1,200,000	120.00	1,200,000	120.00	1,200,000	120.00
<b>(b) Issued, Subscribed and Fully Paid Up</b>								
Equity Shares of Rs. 10/- each fully paid up	748,041	7.48	748,041	7.48	702,063	7.02	702,063	7.02
<b>Total</b>	<b>748,041</b>	<b>7.48</b>	<b>748,041</b>	<b>7.48</b>	<b>702,063</b>	<b>7.02</b>	<b>702,063</b>	<b>7.02</b>

**Notes:**

**16.1 Reconciliation of the Number of Shares and Amount Outstanding at the Beginning and at the End of the respective reporting periods:**

Particulars	For the period ended 30 June 2021		For the year ended 31 March 2021		For the year ended 31 March 2020		For the year ended 31 March 2019 - As Adjusted	
	No. of shares (In full number)	Amount	No. of shares (In full number)	Amount	No. of shares (In full number)	Amount	No. of shares (In full number)	Amount
<b>Equity Shares:</b>								
Shares outstanding as at the beginning of the period / year	748,041	7.48	702,063	7.02	702,063	7.02	702,063	7.02
Add: Fresh issue of shares during the period / year	-	-	45,978	0.46	-	-	-	-
<b>Shares outstanding as at the end of the period / year</b>	<b>748,041</b>	<b>7.48</b>	<b>748,041</b>	<b>7.48</b>	<b>702,063</b>	<b>7.02</b>	<b>702,063</b>	<b>7.02</b>

During the year ended 31 March 2021, Company issued equity shares at Rs. 7,204.50 per share comprising of face value of Rs. 10 each and securities premium of Rs. 7,194.50 each.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars	For the period ended 30 June 2021		For the year ended 31 March 2021		For the year ended 31 March 2020		For the year ended 31 March 2019 - As Adjusted	
	No. of shares (In full number)	Amount	No. of shares (In full number)	Amount	No. of shares (In full number)	Amount	No. of shares (In full number)	Amount
<b>Compulsorily Convertible preference Shares:</b>								
Shares outstanding as at the beginning of the period / year	104,002	10.40	-	-	-	-	-	-
Add: Fresh issue of shares during the period / year	-	-	104,002	10.40	-	-	-	-
<b>Shares outstanding as at the end of the period / year</b>	<b>104,002</b>	<b>10.40</b>	<b>104,002</b>	<b>10.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

During the year ended 31 March 2021, Company issued preference shares at Rs. 7,204.50 per share comprising of face value of Rs. 100 each and securities premium of Rs. 7,104.50 each.

**16.2 Details of Shares held by Holding Company**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
No. of shares (In full number)	No. of shares (In full number)	No. of shares (In full number)	No. of shares (In full number)	No. of shares (In full number)
Tancom Electronics Private Limited (Equity shares of Rs.10/- each fully paid)	697,925	697,925	697,925	697,925

**16.3 Details of Shares held by each shareholder holding more than 5% shares in the Company**

Class of Shares / Name of Shareholder	As at 30 June 2021		As at 31 March 2021		As at 31 March 2020		As at 31 March 2019 - As Adjusted	
	No. of shares (In full number)	% Holding in the respective Class of Shares	No. of shares (In full number)	% Holding in the respective Class of Shares	No. of shares (In full number)	% Holding in the respective Class of Shares	No. of shares (In full number)	% Holding in the respective Class of Shares
<b>Equity shares of Rs.10/- each fully paid</b> Tancom Electronics Private Limited	697,925	93.30%	697,925	93.30%	697,925	99.41%	697,925	99.41%
<b>0.01% Compulsorily Convertible Preference Shares of Rs. 100 each fully paid</b> South Asia Growth Fund II Holdings, LLC	103,213	99.24%	103,213	99.24%	-	-	-	-

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**16.4 Shares issued for consideration other than Cash**

The aggregate number of equity shares allotted as fully paid up for consideration other than cash pursuant to amalgamation of Syrma Services and Solutions Private limited (SSSPL) and 3G Wireless Communication Private limited (3G) in immediately preceding five years ended 30 June 2021 are Nil (previous period of five years ended 31 March 2021 are 2,063 shares).

**16.5 Disclosure of Rights****(a) Equity Shares**

The Company has only one class of equity shares having a par value of Rs. 10 each. Each holder is entitled to one vote per equity share. Dividends are paid in Indian Rupees. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.

Repayment of capital will be in proportion to the number of equity shares held.

**(b) Compulsorily Convertible Preference Shares (CCPS)**

The holders of CCPS shall be entitled to share in the distribution of declared dividends at a pre-determined cumulative dividend rate of 0.01% per annum. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year and shall be paid in priority to other classes of shares. In a liquidity event, as applicable, the holder(s) of the CCPS shall have the right to be first paid in priority to the other shareholders and all other classes of preference shareholders, any declared but accrued and unpaid dividends. The holders of CCPS shall be entitled to attend meetings of all shareholders of the Company and, will be entitled to such voting rights on an as if converted basis, as may be permissible under applicable law. The holders of CCPS shall be entitled to the same number of votes for each CCPS as a holder of 1 (one) equity share, provided however that in the event of any adjustment in conversion the number of votes associated with each CCPS will change accordingly. The holders of CCPS shall be entitled to vote on all such matters which affect their rights directly or indirectly.

**16.6 Shareholding of promoters\***

Name of the promoter	Period / year	No. of shares (In full number)	% of total shares	% change during the period / year**
Tancom Electronics Private Limited	As at 30 June 2021	697,925	93.30%	0.00%
	As at 31 March 2021	697,925	93.30%	0.00%
	As at 31 March 2020	697,925	99.41%	0.00%
	As at 31 March 2019 - As Adjusted	697,925	99.41%	0.00%
Mrs. Veena Kumari Tandon	As at 30 June 2021	33,360	4.46%	0.00%
	As at 31 March 2021	33,360	4.46%	706.19%
	As at 31 March 2020	4,138	0.59%	0.00%
	As at 31 March 2019 - As Adjusted	4,138	0.59%	3529.82%

\*Promoter here means Promoter as defined in the Act.

\*\* Percentage of shares have been computed with the number of shares held at the beginning of the year and not based on percentage of the total share capital held.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**17 Other Equity**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
(a) Capital Reserve	8.23	8.23	8.23	8.23
(b) Securities Premium	1,167.95	1,167.95	100.12	100.12
(c) Special Reserve - Special Economic Zone (SEZ) Reinvestment Reserve	335.44	337.41	256.60	105.50
(d) Retained Earnings	910.61	850.24	645.08	351.06
(e) Compulsorily Convertible Preference Shares treated as Equity Financial Instruments (Refer Note 49(d))	10.40	10.40	-	-
<b>Total</b>	<b>2,432.63</b>	<b>2,374.23</b>	<b>1,010.03</b>	<b>564.91</b>

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
<b>(a) Capital Reserve (out of Amalgamation)</b>				
Opening Balance	8.23	8.23	8.23	8.23
Addition during the period / year	-	-	-	-
<b>Closing Balance</b>	<b>8.23</b>	<b>8.23</b>	<b>8.23</b>	<b>8.23</b>
<b>(b) Securities Premium</b>				
Opening Balance	1,167.95	100.12	100.12	100.12
Addition for the period / year (Refer Note below)	-	1,069.68	-	-
Utilisation/Reversal during the period / year	-	(1.85)	-	-
<b>Closing Balance</b>	<b>1,167.95</b>	<b>1,167.95</b>	<b>100.12</b>	<b>100.12</b>
<b>(c) Special Reserve - SEZ Reinvestment Reserve</b>				
Opening Balance	337.41	256.60	105.50	16.51
Addition for the period / year (Refer Note below)	-	132.64	227.72	105.50
Utilisation / Reversal during the period / year	(1.97)	(51.83)	(76.62)	(16.51)
<b>Closing Balance</b>	<b>335.44</b>	<b>337.41</b>	<b>256.60</b>	<b>105.50</b>
<b>(d) Surplus in Statement of Profit and Loss</b>				
Opening Balance	850.24	645.08	351.06	235.19
Reversal of "As Adjusted" Ind AS Transition Impact [Refer Note 46.2 (E)]	-	-	3.03	-
Profit for the period / year	55.57	286.15	438.80	209.67
Other comprehensive income for the year, net of income tax	2.83	(0.18)	3.29	(4.81)
Transfer from Special Reserve - SEZ Reinvestment Reserve	1.97	51.83	76.62	16.51
Transfer to Special Reserve - SEZ Reinvestment Reserve	-	(132.64)	(227.72)	(105.50)
<b>Closing Balance</b>	<b>910.61</b>	<b>850.24</b>	<b>645.08</b>	<b>351.06</b>
<b>(e) Compulsorily Convertible Preference Shares treated as Equity Financial Instruments (Refer Note 16.5(b) &amp; Note 17.5)</b>				
Opening Balance	10.40	-	-	-
Issue of Preference Shares during the period / year	-	10.40	-	-
<b>Closing Balance</b>	<b>10.40</b>	<b>10.40</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>2,432.63</b>	<b>2,374.23</b>	<b>1,010.03</b>	<b>564.91</b>

**Notes: Nature and purpose of other reserves**
**17.1 Capital Reserve**

The reserve has been created consequent to the amalgamation of 3G Wireless Private Limited with the Company.

**17.2 Securities Premium**

Securities premium is used to record the premium on issue of securities. The reserve is utilised in accordance with the provisions of the Act.

**17.3 Special Reserve - SEZ Reinvestment Reserve**

The Special Economic Zone (SEZ) Reinvestment Reserve has been created out of profit of eligible SEZ unit as per provisions of section 10AA(1)(ii) of the Income-tax Act, 1961 for acquiring new plant and machinery.

**17.4 Retained Earnings**

Retained Earnings represents Company's cumulative earnings since its formation less the dividends / Capitalisation, if any. These reserves are free reserves which can be utilised for any purpose as may be required.

**17.5 Compulsorily Convertible Preference Shares treated as Equity Financial Instruments**

Compulsorily Convertible Preference Shares treated as Equity Financial Instruments represents 0.01% Compulsorily Convertible Preference shares issued pursuant to the agreement entered into by the Company with South Asia Growth Fund II Holdings LLC and South Asia EBT Trust. These shares are convertible in the ratio of 1 equity share for every one preference share held in terms of Clause 1.2 of the said agreement based on a valuation process set out in schedule 7 of the agreement. Subsequent to the year end, the said conversion ratio has been modified to 1.02048 equity shares for every one preference share held. Also refer Note 49(d). These Preference Shares are entitled to a 0.01% dividend and are not entitled to any other form of distribution of profits by the Company until its conversion to equity shares.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**18 Borrowings (Non-Current)**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
(a) Term Loans (Secured) (Refer Notes 18.1 & 18.2)	216.29	244.98	70.14	67.83
(b) Loan from related parties (Unsecured) (Refer Note 18.3)	-	-	125.38	230.34
(c) Redeemable Preference Shares (Unsecured from Related Parties) (Refer Note 18.4)	-	-	46.62	87.75
<b>Total</b>	<b>216.29</b>	<b>244.98</b>	<b>242.14</b>	<b>385.92</b>

**18.1 Security**
**Term Loan from RBL:**
**Primary Security-**

Pari Passu hypothecation Over Unencumbered machinery and other moveable fixed assets belonging to the Company and exclusive charge on assets of Bawal Plant, Harayana.

**Secondary Security-**

(a) Exclusive Charge by way of Equitable Mortgage of commercial property owned by Tancom Electronics:Unit No.1B, 5th Floor, Unified Infotech park, Plot No R-797, Savil Village, Navi Mumbai, TTCN Area having carpet area of 11492 Sq.ft.

(b) Exclusive charge by way of equitable mortgage of Flat no. 1, Merry Niketan, Mount Mary Road, Bandra Owned by Sandeep Tandon.

(c) Personal Guarantee by Mr. Manoharlal Tandon, Mr. Sandeep Tandon and Mrs. Veena Kumari Tandon.

(d) Corporate Guarantee by Tancom Electronics Private Limited.

**External Commercial Borrowings (ECB) :**
**Primary Security-**

Exclusive charge on the Plant &amp; Machinery funded out of the ECB.

**Secondary Security-**

Exclusive charge on Fixed Deposit of Rs. 100 Million and interest accrued thereon for the tenor of the ECB Loan.

Personal Guarantee by Mr.Manoharlal Tandon, Mr.Sandeep Tandon and Mrs. Veena Kumari Tandon.

**Term Loan from SBI:**

Hypothecation charge over the machinery purchased / proposed to be purchased under the term loan.

**18.2 Terms of Secured Loan from Banks:**
**As at 30 June 2021**

Particulars	Interest Rate	No. of Installments Outstanding	Repayment Terms	Amount outstanding as at 30 June 2021
<b>(i) Term loan from RBL:</b>				
Loan 3 (EUR)	3.85%	13 quarters	Principal Quarterly & Interest Monthly	81.37
<b>(ii) External Commercial Borrowing from DBS Bank, Singapore (USD)</b>	2.87%	17 quarters	Principal & Interest Quarterly	209.76
<b>Total</b>				<b>291.13</b>
Less: Current Maturities of Long-Term Borrowings (Refer Note 21)				74.84
<b>Long Term Borrowings from Bank</b>				<b>216.29</b>

**As at 31 March 2021**

Particulars	Interest Rate	No. of Installments Outstanding	Repayment Terms	Amount outstanding as at 31 March 2021
<b>(i) Term loan from RBL:</b>				
Loan 1 (USD)	4.78%	1 quarter	Principal Quarterly & Interest Monthly	6.97
Loan 2 (USD)	3.30%	1 quarter		4.61
Loan 3 (EUR)	3.85%	14 quarters		84.59
Loan 5 (INR)	11.10%	3 quarters		1.70
<b>(ii) External Commercial Borrowing from DBS Bank, Singapore (USD)</b>	2.87%	18 quarters	Principal & Interest Quarterly	220.88
<b>Total</b>				<b>318.75</b>
Less: Current Maturities of Long-Term Borrowings (Refer Note 21)				73.77
<b>Long Term Borrowings from Bank</b>				<b>244.98</b>



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**As at 31 March 2020**

Particulars	Interest Rate	No. of Installments Outstanding	Repayment Terms	Amount outstanding as at 31 March 2020
<b>(i) Term loan from SBI:</b>				
Loan 1 (INR)	10.55%	12 months	Principal & Interest Monthly	2.55
<b>(ii) Term loan from RBL:</b>				
Loan 1 (USD)	5.07%	3 quarters	Principal Quarterly & Interest Monthly	21.38
Loan 2 (USD)	5.46%	3 quarters		14.12
Loan 3 (EUR)	3.85%	16 quarters		92.82
Loan 4 (INR)	10.85%	3 quarters		0.96
Loan 5 (INR)	10.50%	5 quarters		2.79
<b>Total</b>				<b>134.63</b>
Less: Current Maturities of Long-Term Borrowings (Refer Note 21)				64.49
<b>Long Term Borrowings from Bank</b>				<b>70.14</b>

**As at 31 March 2019 - As Adjusted**

Particulars	Interest Rate	No. of Installments Outstanding	Repayment Terms	Amount outstanding as at 31 March 2019 As Adjusted
(i) Term loan from SBI:				
Loan 1 (INR)	10.55%	24 months	Principal & Interest Monthly	4.86
Loan 2 (USD)	5.64%	4 quarters		5.08
(ii) Term loan from RBL:				
Loan 1 (USD)	5.07%	7 quarters	Principal Quarterly & Interest Monthly	46.02
Loan 2 (USD)	5.46%	7 quarters		30.36
Loan 3 (EUR)	3.85%	20 quarters		48.35
Loan 4 (INR)	10.85%	7 quarters		2.21
Loan 5 (INR)	10.50%	9 quarters		5.01
Total				141.89
Less: Current Maturities of Long-Term Borrowings (Refer Note 21)				74.06
Long Term Borrowings from Bank				67.83

**18.3 Terms of Loan from related parties:**

Particulars	Interest Rate	Amount outstanding as at 30 June 2021	Amount outstanding as at 31 March 2021	Amount outstanding as at 31 March 2020	Amount outstanding as at 31 March 2019 - As Adjusted
Unsecured loan (Refer Note 39)	9.00%	-	-	125.38	230.34
<b>Total</b>		-	-	<b>125.38</b>	<b>230.34</b>

**18.4 Details of Redeemable Preference Shares**
**(a) Net Carrying Value in Books**

Preference Shares	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
0.1% Cumulative Redeemable Non Convertible Preference Shares	-	-	-	45.00
1% Cumulative Redeemable Non Convertible Preference Shares	-	-	30.00	30.00
7% Cumulative Convertible Redeemable Preference Shares	-	-	15.00	15.00
<b>Grand Total</b>	-	-	<b>45.00</b>	<b>90.00</b>
Add / (Less) - Fair value adjustment	-	-	1.62	(2.25)
<b>Net carrying value</b>	-	-	<b>46.62</b>	<b>87.75</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**(b) Reconciliation of the Number of Redeemable Preference Shares and Amount Outstanding at the Beginning and at the End of the respective reporting periods:**

Particulars	0.1% Cumulative Redeemable Non Convertible Preference Shares Rs. 100 Fully Paid - Refer Note 1		1% Cumulative Redeemable Non Convertible Preference Shares Rs. 100 Fully Paid - Refer Note 2		7% Cumulative Convertible Redeemable Preference Shares Rs. 100 Fully Paid - Refer Note 3	
	No. of shares (In full number)	Amount	No. of shares (In full number)	Amount	No. of shares (In full number)	Amount
Shares / Amount outstanding as at the 1 April 2018 "As Adjusted"	750,000	75.00	-	-	150,000	15.00
Add: Fresh issue of shares during the year	-	-	300,000	30.00	-	-
Less: Redemption of shares during the year	(300,000)	(30.00)	-	-	-	-
Shares / Amount outstanding as at the 31 March 2019 "As Adjusted"	<b>450,000</b>	<b>45.00</b>	<b>300,000</b>	<b>30.00</b>	<b>150,000</b>	<b>15.00</b>
Add: Fresh issue of shares during the year	-	-	450,000	45.00	-	-
Less: Redemption of shares during the year	(450,000)	(45.00)	(450,000)	(45.00)	-	-
Shares / Amount outstanding as at the 31 March 2020	-	-	<b>300,000</b>	<b>30.00</b>	<b>150,000</b>	<b>15.00</b>
Add: Fresh issue of shares during the year	-	-	-	-	-	-
Less: Redemption of shares during the year	-	-	(300,000)	(30.00)	(150,000)	(15.00)
Shares / Amount outstanding as at the 31 March 2021	-	-	-	-	-	-
Add: Fresh issue of shares during the year	-	-	-	-	-	-
Less: Redemption of shares during the year	-	-	-	-	-	-
Shares / Amount outstanding as at the 30 June 2021	-	-	-	-	-	-

**Notes:**

- The 0.1% Cumulative Redeemable Preference shares are Non-Convertible having a par value of Rs. 100 per share. These preference shares are non-participating in surplus funds and in surplus assets and profits, on winding-up which may remain after the entire capital has been repaid. The preference shares carry a preferential right vis-a-vis equity shares with respect to payment of dividend or repayment of capital and the payment of dividend on cumulative basis for the preference shares. The preference shares have a voting right as per the provisions of Section 47(2) of the Companies Act, 2013. The preference shares are redeemable on completion of 14 years from the date of allotment at par on the face Value of the preference shares or optional early redemption at the option of the Company. During the year ended 31 March 2020, the Company redeemed 4,50,000 0.1% Redeemable Non-Convertible Cumulative Preference Shares of Rs 100/- each by exercising its option for early redemption.
- The 1% Cumulative Redeemable Preference shares are Non-Convertible in nature having a par value of Rs. 100 per share. These preference shares are non-participating in surplus funds and in surplus assets and profits, on winding-up which may remain after the entire capital has been repaid. The preference shares carry a preferential right vis-a-vis equity shares with respect to payment of dividend or repayment of capital and the payment of dividend on cumulative basis for the preference shares. The preference shares have a voting right as per the provisions of Section 47(2) of the Companies Act, 2013. The preference shares are redeemable on completion of 14 years from the date of allotment at par on the face Value of the preference shares or optional early redemption at the option of the Company. During the year ended 31 March 2020, the Company issued 4,50,000 1% Redeemable Non-Convertible Cumulative Preference Shares of Rs 100/- each on the same terms as stated above. The said Preference shares were redeemed during the year itself by exercising its option for early redemption. During the year ended 31 March 2021, the Company had redeemed the balance preference shares of 300,000 by exercising its option for early redemption.
- The 7% Cumulative Redeemable Preference shares numbering 150,000 of Rs. 100 each are issued and allotted pursuant to the order of the Hon'ble National Company Law Tribunal, Mumbai Bench passed on 22nd Day of June 2017 and in accordance with scheme of Amalgamation between M/s. Syrma Services And Solutions Private Limited, (First Transferor Company), and 3G Wireless Communications Private Limited, (Second Transferor Company) with Syrma Technology Private Limited to the preference shareholder of 3G Wireless Communications Private Limited. Preference Shareholder(s) shall have option to convert preference shares into equity shares as may be decided by the Board of Directors. If the preference shares are not converted into equity shares, the same shall be redeemable at any time at the option of the Board of Directors but not later than 20 years from the date of allotment. During the year ended 31 March 2021, the Company had redeemed the said preference shares by exercising its option for early redemption.

**18.5 Reconciliation of change in Liabilities arising from financing activities**
**a) For the period ended 30 June 2021**

Particulars	As at 1 April 2021	Cash flow	Exchange difference	Others^	New lease	As at 30 June 2021
Non current borrowings*	318.75	(29.41)	1.53	0.26	-	291.13
Current borrowings	242.46	(18.31)	0.69	-	-	224.84
Lease liability	52.40	(3.93)	-	1.35	-	49.82

**b) For the year ended 31 March 2021**

Particulars	As at 1 April 2020	Cash flow	Exchange difference	Others^	New lease	As at 31 March 2021
Non current borrowings*	260.01	56.68	2.17	(0.11)	-	318.75
Current borrowings	531.40	(273.82)	(15.12)	-	-	242.46
Redeemable Preference Shares	46.62	(45.00)	-	(1.62)	-	-
Lease liability	61.53	(15.17)	-	6.04	-	52.40

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**c) For the year ended 31 March 2020**

Particulars	As at 1 April 2019 - As Adjusted	Cash flow	Exchange difference	Others^	New lease	As at 31 March 2020
Non current borrowings*	372.23	(124.84)	11.88	0.74	-	260.01
Current borrowings	483.48	11.65	36.27	-	-	531.40
Redeemable Preference Shares	87.75	(45.00)	-	3.87	-	46.62
Lease liability	69.21	(14.59)	-	6.91	-	61.53

**d) For the year ended 31 March 2019 (As Adjusted)**

Particulars	As at 01 April 2018 - As Adjusted	Cash flow	Exchange difference	Others^	New lease	As at 31 March 2019 - As Adjusted
Non current borrowings*	280.98	81.05	12.70	(2.50)	-	372.23
Current borrowings	328.70	123.98	30.80	-	-	483.48
Redeemable Preference Shares	90.00	-	-	(2.25)	-	87.75
Lease liability	68.00	(13.60)	-	7.26	7.55	69.21

\* Long term borrowing includes current maturities of Long term borrowing.

^ Others includes amortisation of processing fees, interest on lease liability, fair value changes for redeemable preference shares.

**19 Other Financial Liabilities (Non-Current)**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Liability towards (gains) / losses on financial instrument	7.77	6.80	-	-
<b>Total</b>	<b>7.77</b>	<b>6.80</b>	<b>-</b>	<b>-</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**20 Provisions (Non-Current)**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Provision for employee benefits (Refer Note 37)				
- Provision for Gratuity	22.89	19.48	14.49	15.87
- Provision for Compensated Absences	13.25	12.41	10.41	9.93
<b>Total</b>	<b>36.14</b>	<b>31.89</b>	<b>24.90</b>	<b>25.80</b>

**21 Borrowings (Current)**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
(a) Working Capital Facilities from Banks - Secured (Refer Notes 21.1)	224.84	242.46	531.40	483.48
(b) Current Maturities of Long-term Borrowings (Refer Note 18.2)	74.84	73.77	64.49	74.06
<b>Total</b>	<b>299.68</b>	<b>316.23</b>	<b>595.89</b>	<b>557.54</b>

**21.1 Security**

- a) First pari-passu charge on present and future inventories and book debts.
- b) First pari-passu charge by way of equitable mortgage on Factory Land & Building property bearing survey number: SF 164/1 PART, situated at Plot no. B 27, Phase II, Zone B, MEPZ, Tambaram - 600045, owned by the Company.
- c) First pari-passu charge by way of equitable mortgage on Commercial Building bearing Survey number: 406, situated at Flat no. 406, 4th Floor, Dalamal Towers, Blackbay Reclamation Scheme, Nariman Point, Mumbai - 400021, owned by Tandon Magnetics (India) Private Limited.
- d) First pari-passu charge by way of equitable mortgage on Residential Building bearing Survey number: 226/227, situated at Flat no. 1166, 16th Level Tower I, ESTANCIA, GST Road, Vallancheri & Potheri, Chengalpet, Vallancheri, 600145, owned by Tancom Electronics Pvt Ltd.
- e) First pari-passu charge by way of equitable mortgage on land bearing Survey number: 43/1, situated at S no. 43/1 and 43/2, in Patwari Halka 26/1 situated in Gram Raukhadi, Tehsil Sanwer District, Indore, admeasuring total area: 8.08 acres, belonging to Mrs. Veena Kumari Tandon.
- f) First pari-passu charge by the way of equitable mortgage on commercial building situated at Flat no. 13, Merry Niketan, Mount Mary Road, Bandra, Mumbai - 400035, admeasuring total area: 749.5 sq. ft., belonging to Tancom Electronics Pvt Ltd.
- g) First pari-passu charge on Fixed Assets (Unencumbered Machinery and other unencumbered movable assets) owned by the Company.
- h) Personal Guarantee by Mr. Manoharlal Tandon, Mr. Sandeep Tandon and Mrs. Veena Kumari Tandon.
- i) Corporate Guarantee from Tancom Electronics Pvt Ltd and Tandon Magnetics (India) Private Limited.

**21.2 Refer Note 45 (V) for the Comparison of Quarterly returns furnished to Banks with books of account.**

Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)						
Notes to the Restated Standalone Financial Information						
(All amounts are in Million Indian Rupees unless otherwise stated)						
22 Trade Payables						
Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted		
(a) Total outstanding dues of micro enterprises and small enterprises (Refer Note 22.3)	10.50	11.12	3.87	5.71		
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,463.58	1,137.30	1,064.25	905.79		
Total	1,474.08	1,148.42	1,068.12	911.50		
22.1 Trade payables are non-interest bearing and are normally settled as per due dates.						
22.2 The ageing schedule of trade payables is as follows:						
a) As at 30 June 2021						
Particulars	Outstanding for following periods from due date of payment				Not due	Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years		
(i) MSME	3.46	0.03	-	0.04	6.97	10.50
(ii) Others	353.23	31.12	4.56	93.20	981.47	1,463.58
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
b) As at 31 March 2021						
Particulars	Outstanding for following periods from due date of payment				Not due	Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years		
(i) MSME	2.93	0.02	0.05	0.04	8.08	11.12
(ii) Others	558.24	4.89	25.54	77.08	471.55	1,137.30
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
c) As at 31 March 2020						
Particulars	Outstanding for following periods from due date of payment				Not due	Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years		
(i) MSME	0.95	0.08	0.04	-	2.80	3.87
(ii) Others	501.34	37.23	1.11	78.35	446.22	1,064.25
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
d) As at 31 March 2019 - As Adjusted						
Particulars	Outstanding for following periods from due date of payment				Not due	Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years		
(i) MSME	2.24	0.06	-	-	3.41	5.71
(ii) Others	396.96	11.10	12.58	71.51	413.64	905.79
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
22.3 Disclosures Required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006						
Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted		
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year / period	10.50	11.12	3.87	5.71		
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year / period	1.86	1.76	0.10	0.08		
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-	-	-		
(iv) The amount of interest due and payable for the year / period	0.10	1.66	0.02	0.08		
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year / period	1.86	1.76	0.10	0.08		
(vi) The amount of further interest remaining due and payable even in the succeeding years / period, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0.10	1.66	0.02	0.08		
Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management and relied by the auditors.						

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**23 Other Financial Liabilities (Current)**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
(a) Payable towards procurement of capital assets	3.63	2.35	4.32	75.22
(b) Interest accrued and due on loans from Related Party	4.30	4.30	15.00	26.93
(c) Interest accrued but not due on loans from banks	0.39	0.56	0.46	0.53
(d) Liability towards (gains) / losses on financial instrument	2.39	1.94	-	-
<b>Total</b>	<b>10.71</b>	<b>9.15</b>	<b>19.78</b>	<b>102.68</b>

**24 Provisions (Current)**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
(a) Provision for Warranty (Refer Note 43)	1.39	1.42	1.58	1.59
(b) Provision for Employee Benefits (Refer Note 37)				
- Provision for Gratuity	1.50	8.07	6.81	4.63
- Provision for Compensated Absences	1.59	2.98	1.73	1.08
(c) Provision for Contingencies (Refer Note 43)	16.00	16.00	16.00	6.00
<b>Total</b>	<b>20.48</b>	<b>28.47</b>	<b>26.12</b>	<b>13.30</b>

**25 Current Tax Liabilities (net)**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Provision for Tax	-	-	23.27	-
(Net of Advance Tax of Rs. 178 Million as at 31 March 2020)				
<b>Total</b>	<b>-</b>	<b>-</b>	<b>23.27</b>	<b>-</b>

**26 Other Current Liabilities**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
(a) Deferred revenue (Refer Note below)	247.15	247.15	212.29	145.29
(b) Advance from Customers	107.08	117.80	160.23	54.60
(c) Statutory Remittances (Contributions to PF and ESI, Withholding Taxes, GST, etc.)	16.55	12.66	15.63	21.84
<b>Total</b>	<b>370.78</b>	<b>377.61</b>	<b>388.15</b>	<b>221.73</b>

**Note:** Deferred revenue represents tooling charges received in advance from one of the customers, recognised as tooling income on the basis of completion of projects and number of units sold to the customer during the respective years.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Notes to the Restated Standalone Financial Information**  
(All amounts are in Million Indian Rupees unless otherwise stated)

**27 Revenue from Operations**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
(a) Sale of Products (net)				
- Manufactured goods	1,316.82	4,233.72	3,595.36	2,902.77
- Traded goods	2.09	41.59	69.46	374.02
(b) Sale of Services	5.06	18.16	19.36	25.35
(c) Other Operating Revenues:				
- Export Incentive	-	41.19	59.33	65.94
- Tooling Charges	4.36	32.63	216.18	155.58
- Sale of Scrap	3.57	12.41	6.41	13.16
- Income from Outsourcing Services	-	3.33	4.66	3.15
<b>Total Other Operating Revenues</b>	<b>7.93</b>	<b>89.56</b>	<b>286.58</b>	<b>237.83</b>
<b>Total</b>	<b>1,331.90</b>	<b>4,383.03</b>	<b>3,970.76</b>	<b>3,539.97</b>

**27.1 Disaggregation of Revenue information**

The table below presents disaggregated revenues from contracts with customers which is recognised based on goods transferred at a point of time by geography and offerings of the Company.

As per the management, the below disaggregation best depicts the nature, amount, timing and uncertainty of how revenues and cash flows are affected by industry, market and other economic factors.

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
<b>Revenue by Geography</b>				
India	579.11	1,313.32	649.82	866.62
Rest of the world	752.79	3,069.71	3,320.94	2,673.35
<b>Total Revenue from Operations</b>	<b>1,331.90</b>	<b>4,383.03</b>	<b>3,970.76</b>	<b>3,539.97</b>

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
<b>Revenue by Segment</b>				
Electronic Manufacturing Services	1,324.75	4,323.28	3,896.65	3,387.68
Others	7.15	59.75	74.11	152.29
<b>Total sale of products</b>	<b>1,331.90</b>	<b>4,383.03</b>	<b>3,970.76</b>	<b>3,539.97</b>

**27.2 Timing of Recognition of Revenue**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
Products / services transferred at point in time	1,331.90	4,341.84	3,763.90	3,333.72
Products / services transferred over a period in time	-	-	147.53	140.31
<b>Total revenue from contracts with customers</b>	<b>1,331.90</b>	<b>4,341.84</b>	<b>3,911.43</b>	<b>3,474.03</b>

**Note:** The aforesaid excludes export incentives recognised under Revenue from operations.

**27.3 Contract balances**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
Receivables, which are included in 'Trade receivables'*	1,373.70	1,301.27	1,186.36	1,009.49
Advance from customers, which are included in 'Other current liabilities'	107.08	117.80	160.23	54.60
Deferred revenue, which are included in 'Other current liabilities'	247.15	247.15	212.29	145.29

\*Represents Gross Trade receivables without considering expected credit loss allowance

**28 Other Income**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
(a) Interest Income on financial assets carried at amortised cost				
- Bank deposits	3.21	8.29	3.16	6.99
- Security Deposits	0.57	0.91	0.82	0.73
<b>Total Interest Income</b>	<b>3.78</b>	<b>9.20</b>	<b>3.98</b>	<b>7.72</b>
(b) Foreign Exchange Gain (net)	17.04	48.90	57.09	16.49
(c) Insurance / Other Claims	-	0.04	0.07	-
(d) Profit on Sale of Property, plant and equipment (net)	-	-	1.27	-
(e) Liabilities No Longer Required Written back	-	1.94	7.57	-
(f) Others	-	1.69	8.08	9.77
<b>Total</b>	<b>20.82</b>	<b>61.77</b>	<b>78.06</b>	<b>33.98</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**29.1 Cost of Raw Materials Consumed**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
Opening Stock	532.64	426.78	355.89	305.60
Add: Purchases	1,274.31	2,869.79	2,289.35	2,035.59
	<b>1,806.95</b>	<b>3,296.57</b>	<b>2,645.24</b>	<b>2,341.19</b>
Less: Closing Stock (Refer Note 11)	764.41	532.64	426.78	355.89
<b>Consumption of Raw Materials</b>	<b>1,042.54</b>	<b>2,763.93</b>	<b>2,218.46</b>	<b>1,985.30</b>

**29.2 Purchase of Stock-in-Trade**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
Purchase of Stock-in-Trade	2.14	38.09	26.92	348.85
<b>Total</b>	<b>2.14</b>	<b>38.09</b>	<b>26.92</b>	<b>348.85</b>

**29.3 Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
(a) Inventories at the End of the period / year: (Refer Note 11)				
- Finished Goods	105.60	26.16	57.68	114.58
- Work-in-progress	232.42	201.31	186.13	151.29
- Stock-in-trade	1.60	0.90	3.42	8.99
<b>Sub-total</b>	<b>339.62</b>	<b>228.37</b>	<b>247.23</b>	<b>274.86</b>
(b) Inventories at the Beginning of the period / year:				
- Finished Goods	26.16	57.68	114.58	37.32
- Work-in-progress	201.31	186.13	151.29	92.72
- Stock-in-trade	0.90	3.42	8.99	
<b>Sub-total</b>	<b>228.37</b>	<b>247.23</b>	<b>274.86</b>	<b>130.04</b>
<b>Net (Increase) / Decrease</b>	<b>(111.25)</b>	<b>18.86</b>	<b>27.63</b>	<b>(144.82)</b>



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**30 Employee Benefits Expense**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
(a) Salaries, wages and bonus	70.37	234.65	227.73	187.92
(b) Contribution to provident and other funds (net) (Refer Note 37)	5.56	18.94	15.87	14.18
(c) Gratuity expense (Refer Note 37)	1.62	6.10	5.80	4.89
(d) Compensated absences expense	0.04	4.91	1.14	8.84
(e) Remuneration to Directors	6.00	24.00	25.10	23.10
(f) Staff welfare expenses	4.19	15.21	13.28	12.62
	<b>87.78</b>	<b>303.81</b>	<b>288.92</b>	<b>251.55</b>
Less: Recovery of Salaries from Related Parties (Refer Note 39.2)	(4.72)	(17.46)	(25.40)	(7.05)
<b>Total</b>	<b>83.06</b>	<b>286.35</b>	<b>263.52</b>	<b>244.50</b>

**31 Finance Costs**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
(a) Interest on borrowings	3.74	19.99	29.41	26.29
(b) Interest on lease liability	1.35	6.04	6.91	7.26
(c) Interest on Unsecured Loan	-	5.13	17.76	13.39
(d) Factoring Charges	2.48	11.50	16.51	7.36
(e ) Interest on Redeemable Preference shares (net)	-	0.58	5.42	5.94
(f) Interest on delayed payment of taxes	-	0.34	3.67	-
(g) Interest on delayed payments to micro enterprises and small enterprises (Refer Note 22.3)	0.10	1.66	0.02	0.08
<b>Total</b>	<b>7.67</b>	<b>45.24</b>	<b>79.70</b>	<b>60.32</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**32 Other Expenses**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
Consumption of stores and spares	18.91	68.42	54.68	25.10
Stipend to Apprentices	18.68	47.29	27.41	30.09
Insurance	3.02	11.15	9.29	5.67
Power and fuel	11.37	39.93	51.48	36.17
Labour Charges	77.33	295.15	305.84	280.64
Sub-contracting charges	21.71	69.82	69.78	31.40
Freight outward & clearing	3.26	13.72	9.71	11.35
Rent	1.45	5.30	3.51	1.35
Repairs and maintenance				
- Plant and machinery	2.46	13.63	10.36	7.97
- Buildings	2.47	8.80	9.63	8.60
- Others	3.29	17.71	10.89	12.96
Advertising and sales promotion	17.70	77.44	83.76	122.84
Provision for Warranty (Refer Note 43)	0.01	0.10	0.03	1.16
Provision for Contingencies (Refer Note 43)	-	-	10.00	6.00
Travelling and conveyance	1.98	8.27	20.45	21.65
Allowance for ECL	-	9.18	5.62	26.61
Bad debts Written Off	-	9.40	-	15.38
Less: Utilization of Allowance for ECL	-	(9.40)	-	(15.38)
Net Bad debts written off	-	-	-	-
Communication costs	0.98	3.63	4.00	6.06
Printing and stationery	0.60	2.58	3.84	3.60
Legal and professional fees	18.04	79.95	41.09	47.14
Payments to auditor (Refer Note 33)	0.82	5.60	2.56	2.65
Loss on Sale / Discard of Property, Plant and Equipment (net)	-	-	-	0.83
Security charges	3.66	6.93	5.12	3.24
Bank charges	3.50	14.80	16.57	22.78
Corporate Social Responsibility (Refer Note 34)	0.10	6.71	2.00	1.00
Rates and Taxes	3.41	4.49	3.47	5.62
Mark-to-Market (MTM) loss / (gain) on financial instrument	1.42	8.74	-	-
Miscellaneous expenses	0.21	2.43	1.97	5.69
	<b>216.38</b>	<b>821.77</b>	<b>763.06</b>	<b>728.17</b>
Less: Claims for reimbursement with State Government	(0.40)	(3.34)	(1.77)	(17.00)
Less: Freight charges reimbursed by customers	(1.56)	(10.20)	(3.99)	(1.81)
<b>Total</b>	<b>214.42</b>	<b>808.23</b>	<b>757.30</b>	<b>709.36</b>

**33 Payment to Statutory auditors**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
Payments to auditors comprises:				
- For Statutory Audit	0.82	3.30	2.50	2.50
- For Certification and Other Services	-	2.25	-	0.10
- Reimbursement of Expenses	-	0.05	0.06	0.05
<b>Total</b>	<b>0.82</b>	<b>5.60</b>	<b>2.56</b>	<b>2.65</b>

Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)				
Notes to the Restated Standalone Financial Information				
(All amounts are in Million Indian Rupees unless otherwise stated)				
34 Corporate Social Responsibility (CSR) expenditure				
Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
(a) Amount required to be spent by the Company during the period / year*	7.94	6.08	2.63	0.99
(b) Amount of expenditure incurred	0.10	6.71	2.00	1.00
(c) Shortfall at the end of the period / year #	-	-	0.63	-
(d) Total of previous years shortfall	-	-	-	-
(e) Reason for shortfall	NA	NA	Due to Covid-19 pandemic, the Company was not able to spend the full amount of CSR.	NA
<b>(f) Nature of CSR activities</b>				
(i) Promoting Education	-	3.50	2.00	1.00
(ii) Preventive health care w.r.t Covid-19	0.10	3.00	-	-
(iii) Prime Minister's National Relief Fund	-	0.21	-	-
(g) Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	NA	NA	NA	NA
(h) Provisions w.r.t CSR Expenditure pursuant to contractual obligation	NA	NA	NA	NA
<p>* Amount required to be spent by the Company is pertaining for the whole Financial year.</p> <p># The variance between amount to be spent and actual spent is not considered as shortfall in June 2021, being an interim reporting period. The balance would be spent within the financial year 2021-22. Further, the shortfall in previous years until year ended 31 March 2020 is not carried forward to subsequent years, since based on the prevailing legal position at the relevant point of time, the Company believes that it was not required to create a provision for unspent amount. Based on the amendments to the Act, and the relevant rules effective from 22 January 2021, the Company believes that unspent amount if any, for year ended 31 March 2021 is required to be provided and carried forward.</p>				
35 Exceptional Items				
Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
Bad Receivables Written Off (Refer Note below)	-	-	55.99	-
<b>Total</b>	-	-	<b>55.99</b>	-
<p><b>Note:</b> During the year ended 31 March 2020, based on settlement agreement entered with one of the customers on account of incorrect remittance of money (viz. misrepresentation of email-id) at their end, the Company has waived an amount of Rs. 55.99 Million receivable from the customer and accordingly the same has been written off by the Company and shown as an exceptional item.</p>				

<b>Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)</b> <b>Notes to the Restated Standalone Financial Information</b> (All amounts are in Million Indian Rupees unless otherwise stated)				
<b>36 Contingent Liabilities and Commitments (to the extent not specifically provided for)</b>				
Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
(a) Claims against the Company not Acknowledged as Debt				
- Erstwhile customer (Refer Note (ii) below)	56.17	56.17	56.17	-
- Karnataka VAT related matters	14.02	14.02	14.02	14.02
- Other Matters	-	-	-	0.31
(b) Capital Commitments (Refer Note (iii) below)	193.71	125.30	123.53	-
<b>Notes:</b> (i) The amounts shown above represent the best possible estimates arrived at on the basis of the available information. The uncertainties and possible reimbursement are dependent on the outcome of the various legal proceedings which have been initiated by the Company or the Claimants, as the case may be and, therefore, cannot be predicted accurately.  (ii) The Company has filed Special Leave Petition (SLP) before Honorable Supreme Court of India against the Madras High Court Judgment relating to direction to the Company to deposit 50% of the amount in the Court. Supreme court has stayed the order of Madras High court, to pay the said amount. Further, the erstwhile customer, has also filed a counter SLP before the Honorable Supreme Court of India against the Madras High Court Judgment referred above, which is pending hearing. Based on the assessment carried out by the Company, the Management expects a favorable decision in respect of the above. Further, petition against the Company before National Company Law Tribunal, Mumbai Bench, for initiation of Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code has been withdrawn.  (iii) Capital Commitments represents the estimated amounts of contracts remaining to be executed on capital account, net of advances and not provided.				

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**37 Employee Benefits**
**37.1 Defined Contribution Plan**

Company's (employer's) contribution to Defined Contribution Plans recognised as expenses in the Statement of Profit and Loss are:

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
Employer's Contribution to Provident Fund	4.91	16.52	13.67	9.14
Employer's Contributions to Employee State Insurance	0.16	0.45	0.29	0.56
Employer's Contribution to Superannuation Fund	0.50	1.73	1.91	1.58
<b>Total</b>	<b>5.57</b>	<b>18.70</b>	<b>15.87</b>	<b>11.28</b>

**37.2 Defined Benefit Plans**

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the amount calculated as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. When there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Investments for these plans are carried out by Life Insurance Corporation of India.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

In respect of the above plans, the actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at respective period / year ends by an independent member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

(a) Amount recognised in the total comprehensive income in respect of the defined benefit plan are as follows:

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
<b>Gratuity:</b>				
Service Cost				
- Current Service Cost	1.14	4.62	4.41	4.19
- Interest expense on Defined Benefit Obligation	0.54	1.77	1.69	1.05
- Interest income on plan assets	(0.06)	(0.29)	(0.30)	(0.35)
<b>Components of defined benefit costs recognised in Statement of profit or loss (A)</b>	<b>1.62</b>	<b>6.10</b>	<b>5.80</b>	<b>4.89</b>
<b>Remeasurement on the net defined benefit liability:</b>				
Return on plan assets (excluding amount included in net interest expense)	0.09	0.20	0.21	0.14
Actuarial (gain) / loss arising from changes in financial assumptions	(1.95)	0.80	(5.24)	7.23
Actuarial (gain) / loss arising from experience adjustments	(1.90)	(0.70)	0.67	0.21
Actuarial (gain) / loss arising from demographic adjustments	(0.59)	(0.05)	(0.28)	(0.79)
<b>Components of defined benefit costs recognised in other comprehensive income (B)</b>	<b>(4.35)</b>	<b>0.25</b>	<b>(4.64)</b>	<b>6.79</b>
<b>Total (A) + (B)</b>	<b>(2.73)</b>	<b>6.35</b>	<b>1.16</b>	<b>11.68</b>

(i) The current service cost and interest expense for the relevant period / year are included in the "Employee Benefit Expenses" line item in the Statement of Profit & Loss.

(ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

(b) The amount included in the Balance Sheet arising from the entity's obligation in respect of defined benefit plan is as follows:

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
<b>Net (Asset) / Liability recognised in the Balance Sheet:</b>				
<b>Gratuity:</b>				
Present value of defined benefit obligation	27.96	31.54	25.89	24.91
Fair value of plan assets	3.57	3.99	4.59	4.41
(Surplus) / Deficit	24.39	27.55	21.30	20.50
Current portion of the above	1.50	8.07	6.81	4.63
Non current portion of the above	22.89	19.48	14.49	15.87

<b>Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)</b> <b>Notes to the Restated Standalone Financial Information</b> (All amounts are in Million Indian Rupees unless otherwise stated)				
(c) Movement in the present value of the defined benefit obligation are as follows:				
Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
<b>Change in the obligation during the period / year</b>				
<b>Gratuity:</b>				
Present value of defined benefit obligation at the beginning of the period / year	31.54	25.89	24.91	13.94
Expenses Recognised in the Statement of Profit and Loss:				
- Current Service Cost	1.14	5.13	4.41	4.20
- Interest Expense / (Income)	0.54	1.77	1.69	1.04
Recognised in Other Comprehensive Income:				
Remeasurement (gains) / losses	(4.69)	0.30	(4.84)	6.65
Benefit payments	(0.57)	(1.55)	(0.28)	(0.92)
<b>Present value of defined benefit obligation at the end of the period / year</b>	<b>27.96</b>	<b>31.54</b>	<b>25.89</b>	<b>24.91</b>
(d) Movement in fair value of plan assets are as follows:				
Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
<b>Change in the fair value of assets during the period / year</b>				
<b>Gratuity:</b>				
Fair value of plan assets at the beginning of the period / year	3.99	4.59	4.41	4.95
Income Recognised in Statement of Profit and Loss Account:				
- Expected return on plan assets	0.06	0.29	0.30	0.35
Recognised in Other Comprehensive Income:				
Remeasurement gains / (losses)	(0.09)	(0.20)	(0.21)	(0.14)
Contributions by employer (including benefit payments recoverable)	0.18	0.86	0.37	0.17
Benefit payments	(0.57)	(1.55)	(0.28)	(0.92)
<b>Fair Value of Plan assets at the end of the period / year</b>	<b>3.57</b>	<b>3.99</b>	<b>4.59</b>	<b>4.41</b>
The actual return on Plan Assets as furnished by Insurer is Rs. 0.20 Million for 30 June 2021, 31 March 2021 - Rs. 0.25 Million, 31 March 2020 - Rs. 0.21 Million and 31 March 2019 (As Adjusted)- Rs. 0.21 Million.				
(e) The entire Plan Assets are managed by the Insurer. The details with respect to the composition of investments in the fair value of Plan Assets have not been disclosed in the absence of the necessary information.				
(f) The principal assumptions used for the purpose of actuarial valuation were as follows:				
Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
<b>Gratuity:</b>				
Discount rate	6.48% - 7.05%	6.55% - 7.08%	6.83% - 6.83%	7.62% - 7.75%
Expected rate of salary increase	6.20% - 8.60%	2.5% - 8%	2.5% - 7.4%	11%-36.65%
Attrition Rate	7.17%-13.33%	10.63%-13.33%	5.71% - 9.76%	7.62% - 7.75%
Expected return on plan assets	6.55% - 7.08%	6.55% - 7.08%	6.83% - 6.83%	9.88% - 19.05%
Mortality tables*	Indian Assured Lives Mortality (2012-14) Ultimate	India Assured Life (2012-14) Ultimate	India Assured Life (2012-14) Ultimate	India Assured Life (2012-14) Ultimate
* Based on India's standard mortality table with modification to reflect the expected changes in mortality / others				
(i) The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.				
(ii) Discount rate is based on the prevailing market yields of Indian Government Bonds as at the respective Balance Sheet date for the estimated term of the obligation.				

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

(g) Significant actuarial assumptions for the determination of defined benefit obligation are discount rate, expected salary increase rate and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the respective reporting period while holding all other assumptions constant:

**In respect of Gratuity:**

(Increase) / Decrease on the Defined benefit Obligation	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
<b>(i) Discount rate</b>				
Increase by 100 bps	2.62	2.22	1.83	1.80
Decrease by 100 bps	(3.13)	(2.56)	(2.10)	(2.06)
<b>(ii) Salary growth rate</b>				
Increase by 100 bps	(2.35)	(2.39)	(1.97)	(1.44)
Decrease by 100 bps	2.16	2.10	1.76	1.33
<b>(iii) Attrition rate</b>				
Increase by 100 bps	0.33	0.37	0.32	0.21
Decrease by 100 bps	(0.39)	(0.40)	(0.35)	(0.21)
<b>(iv) Mortality rate</b>				
Increase by 10%	0.01	0.01	0.03	-

(i) The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(ii) Furthermore, in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

(iii) There is no change in the methods and assumptions used in preparing the sensitivity analysis across various periods / years.

**(h) Experience Adjustments**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Projected Benefit Obligation	27.96	31.54	25.89	24.91
Fair Value of Plan Assets	3.57	3.99	4.59	4.41
Deficit / (Surplus)	(24.39)	(27.55)	(21.30)	(20.50)
Experience Adjustments on Plan Liabilities - (Gains) / losses	(4.69)	0.30	(4.84)	6.65
Experience Adjustments on Plan Assets - (Gains) / losses	(0.09)	(0.20)	(0.21)	(0.14)

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**(i) Effect of Plan on Entity's Future Cash Flows**
**(i) Funding Arrangements and Funding Policy**

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

(ii) Expected contributions to post-employment benefit plans during the next one year from the respective period end / year end date is as follows:

Period / Year Ending	Amount
As at 30 June 2021	5.74
As at 31 March 2021	8.08
As at 31 March 2020	6.81
As at 31 March 2019 - As Adjusted	4.63

(iii) The weighted average duration of the defined benefit obligation during the respective period/ year end is as follows:

Period / Year Ending	Amount
As at 30 June 2021	9.88 years - 13.50 years
As at 31 March 2021	6.52 years- 12.48 years
As at 31 March 2020	11.11 years - 11.55 years
As at 31 March 2019 - As Adjusted	8.26 years - 13.41 years

(iv) Maturity profile of defined benefit obligation on an undiscounted basis is as follows:

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Year 1	2.02	4.96	2.56	1.34
Year 2	1.99	1.39	2.55	2.42
Year 3	1.69	3.65	1.16	1.65
Year 4	1.71	1.13	3.25	4.23
Year 5	1.61	1.95	0.80	1.93
Next 5 year pay-outs (6-10 years)	12.78	12.86	12.97	11.01
Pay - outs above ten years	50.49	36.42	26.26	30.12
<b>Total</b>	<b>72.29</b>	<b>62.36</b>	<b>49.55</b>	<b>52.70</b>

**37.3 Compensated Absences**

The compensated absences cover the Company's liability for earned leave. Based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. Accordingly the Company has accounted for provision for compensated absences as below

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Non-current portion	13.25	12.41	10.41	9.93
Current portion	1.59	2.98	1.73	1.08
<b>Total</b>	<b>14.84</b>	<b>15.39</b>	<b>12.14</b>	<b>11.01</b>

The key assumptions used in the computation of provision for compensated absences as per the actuarial valuation done by an Independent Actuary are as given below:

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
<b>Assumptions</b>				
Discount rate	6.48% - 7.05%	6.55% - 7.08%	6.83% - 6.83%	7.62% - 7.75%
Expected rate of salary increase	6.20% - 8.60%	2.5% - 8%	2.5% - 7.4%	11%-36.65%
Attrition Rate	7.17%-13.33%	10.63%-13.33%	5.71% - 9.76%	7.62% - 7.75%
Mortality tables	Indian Assured Lives (2012-14) Ultimate	India Assured Life (2012-14) Ultimate	India Assured Life (2012-14) Ultimate	India Assured Life (2012-14) Ultimate



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**38 Segment Reporting**
**38.1 Business Segment**

The Chief Operating Decision Maker evaluates the performance of the Company based on the operating segments as Electronic Manufacturing Services (EMS) and Others. Therefore, there are only two reportable segment called EMS & Others in accordance with the requirement of Ind AS 108 "Operating Segments".

**a) As at 30 June 2021**

Particulars	EMS	Others	Total
<b>Revenue</b>	1,324.75	7.15	1,331.90
Segment Results before depreciation	101.10	(0.11)	100.99
Less: Depreciation	27.86	0.14	28.00
<b>Segment Results after depreciation</b>	<b>73.24</b>	<b>(0.25)</b>	<b>72.99</b>
Less: Unallocated expenses**			7.67
Add: Other Income^			20.82
<b>Profit before Tax</b>			<b>86.14</b>
Segment Assets	3,990.60	55.15	4,045.75
Unallocated Assets*			899.56
<b>Total Assets</b>			<b>4,945.31</b>
Segment Liabilities	1,963.15	6.63	1,969.78
Unallocated Liabilities #			535.42
Capital Employed			2,440.11
<b>Total Liabilities</b>			<b>4,945.31</b>
<b>Other disclosures</b>			
Addition to Non-current assets	6.15	0.17	6.32

**b) As at 31 March 2021**

Particulars	EMS	Others	Total
<b>Revenue</b>	4,323.28	59.75	4,383.03
Segment Results before depreciation	469.54	(1.97)	467.57
Less: Depreciation	120.18	0.56	120.74
<b>Segment Results after depreciation</b>	<b>349.36</b>	<b>(2.53)</b>	<b>346.83</b>
Less: Unallocated expenses**			45.24
Add: Other Income^			61.77
<b>Profit before Tax</b>			<b>363.36</b>
Segment Assets	3,620.97	81.92	3,702.89
Unallocated Assets*			897.19
<b>Total Assets</b>			<b>4,600.08</b>
Segment Liabilities	1,641.62	13.12	1,654.74
Unallocated Liabilities #			563.63
Capital Employed			2,381.71
<b>Total Liabilities</b>			<b>4,600.08</b>
<b>Other disclosures</b>			
Addition to Non-current assets	69.64	-	69.64

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**c) As at 31 March 2020**

Particulars	EMS	Others	Total
Revenue	3,896.65	74.11	3,970.76
Segment Results before depreciation	585.32	35.62	620.94
Less: Depreciation	96.37	0.62	96.99
<b>Segment Results after depreciation</b>	<b>488.95</b>	<b>35.00</b>	<b>523.95</b>
Less: Unallocated expenses**			79.70
Add: Other Income^			78.06
<b>Profit before Tax</b>			<b>522.31</b>
Segment Assets	3,378.18	81.31	3,459.49
Unallocated Assets*			7.46
<b>Total Assets</b>			<b>3,466.95</b>
Segment Liabilities	1,585.95	2.65	1,588.60
Unallocated Liabilities #	-	-	861.30
Capital Employed			1,017.05
<b>Total Liabilities</b>			<b>3,466.95</b>
<b>Other disclosures</b>			
Addition to Non-current assets	105.98	0.08	<b>106.06</b>

**d) As at 31 March 2019 - As Adjusted**

Particulars	EMS	Others	Total
Revenue	3,387.68	152.29	3,539.97
Segment Results before depreciation	391.88	4.90	396.78
Less: Depreciation	96.65	0.82	97.47
<b>Segment Results after depreciation</b>	<b>295.23</b>	<b>4.08</b>	<b>299.31</b>
Less: Unallocated expenses**			60.32
Add: Other Income^			33.98
<b>Profit before Tax</b>			<b>272.97</b>
Segment Assets	2,825.65	29.49	2,855.14
Unallocated Assets*			9.02
<b>Total Assets</b>			<b>2,864.16</b>
Segment Liabilities	1,312.13	32.09	1,344.22
Unallocated Liabilities #			948.01
Capital Employed			571.93
<b>Total Liabilities</b>			<b>2,864.16</b>
<b>Other disclosures</b>			
Addition to Non-current assets	324.84	-	<b>324.84</b>

\*\* Unallocated expenses represents Finance costs

^ Other Income represents interest income, exchange gain etc

\* Unallocated assets represent Income tax asset (net), Deferred tax asset (net) and Investment in associate

# Unallocated Liabilities represent Deferred Tax Liability, Current tax liabilities and Borrowings

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**38.2 Geographical Information**

The Company's revenue from external customers by location of operations and information about its non current assets by location of operations are detailed below. The geographical segments considered for disclosure are – India, USA , Germany and Rest of the World.

**Revenue by Geographic Market**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
India	579.11	1,313.32	649.82	866.62
USA	333.33	953.26	1,165.59	914.07
Germany	138.05	1,411.31	1,195.74	1,065.98
Rest of the world	281.41	705.14	959.61	693.30
<b>Total*</b>	<b>1,331.90</b>	<b>4,383.03</b>	<b>3,970.76</b>	<b>3,539.97</b>

Information about product revenue are as given in Note 26.

\*Represents Revenue from operations as per Note 26.

**Non-Current Assets\*\* by Geographic Market**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
India	903.53	925.21	991.15	863.03

\*\*Represents all Non-current assets other than financial assets, deferred tax assets and income tax assets.

**38.3 Information about major customers:**

Revenue from operations include revenue from major customers contributing individually to more than 10% of the Company's total revenue from operations as given below

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
No of customers	2	2	2	2
Amount	426.28	1,402.94	1,467.05	1,036.30

There is no other single customer who contributed more than 10% to the Company's revenue for the respective period / years.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**39 Disclosure in respect of Related Parties****39.1 Names of Related Parties and Nature of Relationship**

Description of Relationship	Name of the Related Party
Holding Company	Tancom Electronics Private Limited
Associate	SGS Teknics Manufacturing Private Limited (w.e.f. 05 November 2020)
Fellow Subsidiaries (in respect of which the Company has had transactions during the year)	Advance Power Devices Pvt Limited (Amalgamated into Reliable Consultancy Services Pvt Limited)* Advance Motors Technology Private Limited Ballast Trading Company Pvt Limited (Amalgamated into Reliable Consultancy Services Pvt Limited)* Delta Computer Prints Pvt. Ltd. Golden Computers Limited (erstwhile Golden Computer Pvt Ltd) Hybrid Agricultural Limited Infinox Services Private Limited Memory Electronics Private Limited Orniss Trading Co. Pvt Limited (Amalgamated into Reliable Consultancy Services Pvt Limited)* Reliable Consultancy Services Pvt Limited Rine Trading Co Pvt Limited (Amalgamated into Reliable Consultancy Services Pvt Limited)* Syrma Tech Singapore Pte Ltd Surendra & Co Tandon Holdings Limited Tandon Magnetics (India) Private Limited Tassel Trading LLP (erstwhile Tassel Trading Company Pvt Ltd) TIS International (USA) Inc Tranquil Trading Co. Ltd Titus Trading and Agencies Limited Vedacom (India) Private Limited
Key Management Personnel (KMP)	Mr. Sandeep Tandon (Director) Mr. Vikram Chopra (Director)
Relatives of KMP (with whom the Company has had transactions during the year)	Mrs. Veena Kumari Tandon

**Note:** Related party relationships are as identified by the Management and relied upon by the auditors.

\*The said related party has been amalgamated with Reliable Consultancy Services Pvt Limited with an appointed date of 1 February 2019 vide Order received from the National Company law Tribunal, Mumbai Bench.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**39.2 Transactions with the Related Parties**

Particulars	Name of the Related Party	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
<b>Income</b>					
Sales of Goods and Services	Infinx Services Private Limited	-	3.43	4.66	3.15
	TIS International (USA) Inc	-	0.47	4.26	9.98
	Syrma Tech Singapore Pte Ltd	-	-	-	7.05
<b>Expenses</b>					
Purchase of Goods and Services	TIS International (USA) Inc	10.14	-	64.52	97.87
	Memory Electronics Private Limited	-	0.03	-	25.25
	Infinx Services Private Limited	-	-	0.14	-
	Reliable Consultancy Services Pvt Limited	-	-	4.80	4.80
	Tancom Electronics Private Limited	-	-	-	0.08
	Tandon Holdings Limited	5.91	-	-	-
	Syrma Tech Singapore Pte Ltd	-	-	1.39	-
Interest on Unsecured Loan	Advance Power Devices Pvt Limited	-	0.04	0.34	0.39
	Ballast Trading Company Pvt Limited	-	-	0.79	0.98
	Delta Computer Prints Pvt. Ltd.	-	-	1.56	1.54
	Golden Computers Limited	-	-	0.12	0.06
	Hybrid Agricultural Limited	-	-	0.81	0.28
	Ornis Trading Co. Pvt Limited	-	-	0.89	0.23
	Rine Trading Co Pvt Limited	-	-	0.87	0.22
	Tancom Electronics Private Limited	-	0.24	0.46	0.45
	Tassel Trading LLP	-	1.04	5.68	6.74
	Titus Trading and Agencies Limited	-	0.16	0.77	0.63
	Tandon Holdings Limited	-	-	2.42	1.86
	Mrs. Veena Kumari Tandon	-	3.65	1.96	-
Other Expenses	Infinx Services Private Limited	-	-	-	0.09
	Vedacom India Pvt Ltd	-	-	-	0.00
	Tancom Electronics Private Limited	-	-	-	0.00
	TIS International (USA) Inc	-	36.70	64.52	-
Remuneration to KMP					
a) Salary	Mr. Sandeep Tandon	6.00	24.00	22.00	20.00
b) Contribution to PF and other funds	Mr. Sandeep Tandon	0.72	2.76	2.64	2.40
c) Perquisite	Mr. Sandeep Tandon	1.20	4.80	4.80	4.80
Remuneration to KMP					
a) Salary	Mr. Vikram Chopra	-	-	3.10	3.10
b) Contribution to PF and other funds	Mr. Vikram Chopra	-	-	0.20	0.20
<b>Other transactions</b>					
Dividend Paid on Redeemable Preference Shares	Tandon Holdings Limited	-	0.71	0.02	-
	Reliable Consultancy Services Pvt Limited	-	1.05	0.83	-
	Advance Motors Technology Private Limited	-	-	0.22	-
Issue of equity share (Including securities premium)	Mrs. Veena Kumari Tandon	-	210.53	-	-
Issue of preference share (Including securities premium)	Tandon Holdings Limited	-	-	45.00	30.00
Redemption of preference share	Sandeep Tandon	-	-	45.00	30.00
	Reliable Consultancy Services Private Limited	-	11.80	-	-
	Advance Motors Technology Private Limited	-	3.20	-	-
	Tandon Holdings Limited	-	30.00	45.00	-
Loans availed	Mrs. Veena Kumari Tandon	-	-	67.25	41.05
	Advance Power Devices Pvt Limited	-	-	-	0.36
	Delta Computer Prints Pvt. Ltd.	-	-	-	1.20
	Golden Computers Limited	-	-	-	1.80
	Hybrid Agriculture Ltd	-	-	-	0.90
	Ornis Trading Co. Pvt Limited	-	-	-	13.20
	Rine Trading Co Pvt Limited	-	-	-	12.80
	Sandeep Tandon	-	-	-	31.50
	Tandon Holdings Limited	-	-	-	30.00
	Titus Trading and Agencies Limited	-	-	-	9.50
Recovery of Expenses	Infinx Services Private Limited	4.72	13.97	17.46	-
	Syrma Tech Singapore Pte Ltd	-	-	7.95	-
Loans repaid	Advance Power Devices Pvt Limited	-	0.89	3.50	1.18
	Ballast Trading Company Pvt Limited	-	-	10.84	-
	Delta Computer Prints Pvt. Ltd.	-	-	17.50	0.78
	Golden Computers Limited	-	-	1.70	0.10
	Hybrid Agriculture Ltd	-	-	2.75	0.65
	Ornis Trading Co. Pvt Limited	-	-	13.20	-
	Rine Trading Co Pvt Limited	-	-	12.80	-
	Mr. Sandeep Tandon	-	0.48	27.30	65.02
	Tandon Holdings Limited	-	-	30.00	-

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars	Name of the Related party	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
Loans repaid (contd)	Tassel Trading LLP	-	22.06	52.62	-
	Tandon Magnetics (India ) Private Limited	-	-	-	1.17
	Titus Trading and Agencies Limited	-	9.10	-	1.50
	Mrs. Veena Kumari Tandon	-	81.80	-	26.50
	Surendra & Co	-	-	-	0.05
	Tancom Electronics Private Limited	-	11.06	-	-

**39.3 Related Party balances as at the period / year end**

Assets at Year End	Name of the Related Party	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Non-Current Investments	SGS Teknics Manufacturing Private Limited	887.41	887.41	-	-
Security Deposit	Reliable Consultancy Services Pvt. Limited	10.00	10.00	10.00	10.00
Advance to suppliers	Infinx Services Private Limited	19.22	23.29	12.57	-
	Memory Electronics Private Limited	0.12	0.09	0.12	-
	Reliable Consultancy Services Pvt Ltd	0.12	-	-	-
	Tandon Holdings Limited	0.47	0.47	-	-
Loans and advances	Reliable Consultancy Services Pvt Limited	1.06	1.06	1.06	1.06
	Memory Electronics Private Limited	-	-	-	0.10
	Tancom Electronics Private Limited	0.00	0.00	0.00	0.00
Trade Receivable	Infinx Services Private Limited	10.84	6.12	23.54	2.45
	TIS International (USA) Inc	18.62	18.28	24.72	16.74
	Syrma Tech Singapore Pte Ltd	-	0.15	2.79	2.12

Liabilities at Year End	Name of the Related Party	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Unsecured Loans	Advance Power Devices Pvt Limited	-	-	0.89	4.39
	Ballast Trading Company Pvt Limited	-	-	-	10.84
	Delta Computer Prints Pvt. Ltd.	-	-	-	17.50
	Golden Computers Limited	-	-	-	1.70
	Hydrid Agriculture Ltd	-	-	-	2.75
	Ornis Trading Co. Pvt Limited	-	-	-	13.20
	Rine Trading Co Pvt Limited	-	-	-	12.80
	Mr. Sandeep Tandon	-	-	0.48	27.78
	Tancom Electronics Private Limited	-	-	11.06	11.06
	Tandon Holdings Limited	-	-	-	30.00
	Tassel Trading LLP	-	-	22.06	74.68
	Titus Trading and Agencies Limited	-	-	9.10	9.10
	Surendra & Co	-	-	-	0.05
	Mrs. Veena Kumari Tandon	-	-	81.80	14.55
Interest payable on Unsecured Loans	Advance Power Devices Pvt Limited	0.04	0.04	0.31	0.97
	Ballast Trading Company Pvt Limited	-	-	0.71	3.40
	Delta Computer Prints Pvt. Ltd.	-	-	1.40	2.71
	Golden Computers Limited	-	-	0.11	0.05
	Hydrid Agriculture Ltd	-	-	0.73	1.04
	Ornis Trading Co. Pvt Limited	-	-	0.80	0.21
	Rine Trading Co Pvt Limited	-	-	0.78	0.20
	Tancom Electronics Private Limited	0.22	0.22	0.41	1.84
	Tandon Holdings Limited	-	-	2.18	1.67
	Tassel Trading LLP	0.96	0.96	5.11	13.93
	Titus Trading and Agencies Limited	0.15	0.15	0.69	0.85
	Mrs. Veena Kumari Tandon	2.93	2.93	1.77	-
	Tranquil Trading Co. Ltd	-	-	-	0.07
	Vedacom (India) Private Limited	-	-	-	0.00
Trade Payable	Infinx Services Private Limited	1.52	1.52	1.52	-
	Reliable Consultancy Services Pvt Limited	0.68	0.93	0.13	-
	TIS International (USA) Inc	7.29	6.90	8.72	19.11
	Memory Electronics Private Limited	-	-	-	0.03
	Tancom Electronics Private Limited	-	-	-	0.15

**Notes:**

- As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, the amounts pertaining to KMP are not included above.
- The Holding Company / certain other Related parties, incur certain common costs on behalf of the Company / other entities in the Group. These costs primarily relate to certain marketing, administration, infrastructure and other costs.
- Refer Note 18.1 and 21.1 for guarantees provided by related parties in connection with loans availed by the Company.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**40 Leases**

(a) The Company has adopted Ind AS 116 'Leases' with the "As Adjusted" date of initial application being 1 April 2018 and has applied it to all long term leases using the modified retrospective method. At inception of a contract, the Company assesses whether a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In adopting Ind AS 116, the Company has applied the below practical expedients:

(i) The Company has applied a single discount rate to a portfolio of leases with reasonably similar characteristics.

(ii) The Company has treated the leases with remaining lease term of less than 12 months as if they were "short term leases".

(iii) The Company has not applied the requirements of Ind AS 116 for leases of low value assets.

(iv) The Company has excluded the initial direct costs from measurement of the right-of-use asset at the date of transition.

(b) The Company has taken land and buildings on leases having remaining lease terms of more than 1 year to 10 years, with the option to extend the term of leases. Refer Note 4 for carrying amount of right-to-use assets at the end of the reporting period by class of underlying asset.

(c) The following is the breakup of current and non-current lease liabilities as at :

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Current	11.13	10.78	9.15	7.67
Non-current	38.69	41.62	52.38	61.54
<b>Total</b>	<b>49.82</b>	<b>52.40</b>	<b>61.53</b>	<b>69.21</b>

(d) The contractual maturities of lease liabilities on an undiscounted basis is as follows:

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Not Later than One Year	15.84	15.77	15.19	14.58
Later than one year but not later than Five Years	43.11	45.07	52.42	59.79
Later than Five Years	4.06	6.01	6.01	22.33
<b>Total</b>	<b>63.01</b>	<b>66.85</b>	<b>73.62</b>	<b>96.70</b>

(e) Amounts recognised in the Statement of Profit and Loss:

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
Interest on lease liabilities	1.35	6.04	6.91	7.26
Expenses relating to short term leases	1.45	5.30	3.51	1.35
Depreciation on right-of-use assets	3.13	12.54	12.54	11.31
<b>Total</b>	<b>5.93</b>	<b>23.88</b>	<b>22.96</b>	<b>19.92</b>

Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)				
Notes to the Restated Standalone Financial Information				
(All amounts are in Million Indian Rupees unless otherwise stated)				
(f) Amounts recognised in the Cash Flow Statement:				
Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
Total cash outflow for leases	3.93	15.17	14.59	13.60
(g) The Company has used weighted average rate of 10.5% to recognise the present value of expected future lease payments as lease liabilities				
<b>41 Earnings per Share (EPS)</b>				
Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
<b>Earnings</b>				
Net profit attributable to equity shareholders for calculation of basic EPS (Rs in Million)	55.57	286.15	438.80	209.67
Net profit attributable to equity shareholders for calculation of diluted EPS (Rs in Million)	55.57	286.15	438.80	209.67
<b>Shares</b>				
Number of equity shares at the beginning of the period / year	748,041	702,063	702,063	702,063
Number of CCPS at the beginning of the period / year	106,132	-	-	-
Number of Equity Shares issued during the period/year	-	45,978	-	-
Number of CCPS issued during the period/year *	-	106,132	-	-
<b>Total number of shares outstanding at the end of the period / year</b>	<b>854,173</b>	<b>854,173</b>	<b>702,063</b>	<b>702,063</b>
Weighted average number of equity shares outstanding during the period / year for calculation of basic and diluted EPS (A)	748,041	722,463	702,063	702,063
Weighted average number of CCPS outstanding during the period / year for calculation of basic and diluted EPS (B)	106,132	43,034	-	-
Number of bonus shares issued corresponding to equity shares [Refer Note 49(e)] (C)	74,804,100	74,804,100	70,206,300	70,206,300
Number of bonus shares issued corresponding to CCPS [Refer Note 49(d) and Note 49(e)] (D)	10,613,200	10,613,200	-	-
<b>Weighted average number of shares outstanding during the year for calculation of basic and diluted EPS (E=A+B+C+D)</b>	<b>86,271,473</b>	<b>86,182,797</b>	<b>70,908,363</b>	<b>70,908,363</b>
Face value per share (in Rs.)	10	10	10	10
<b>Earnings per share</b>				
Basic (in Rs.)	0.64	3.32	6.19	2.96
Diluted (in Rs.)	0.64	3.32	6.19	2.96
	(non-annualised)	(annualised)	(annualised)	(annualised)
* The total number of compulsorily convertible preference shares issued during the year ended 31 March 2021 is 104,002 and the number of equity shares issued subsequent to the latest reporting date based on revised conversion ratio is 106,132.				
<b>42 Taxation</b>				
<b>42.1 Tax Expense for the period / year</b>				
Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
<b>Current Tax:</b>				
Current Income Tax Charge	28.47	96.33	96.53	60.84
Adjustments in respect of prior periods / year	-	3.78	1.55	1.56
<b>Total</b>	<b>28.47</b>	<b>100.11</b>	<b>98.08</b>	<b>62.40</b>
<b>Deferred Tax:</b>				
In respect of current year origination and reversal of temporary differences	2.10	(22.90)	(14.57)	0.90
<b>Total</b>	<b>2.10</b>	<b>(22.90)</b>	<b>(14.57)</b>	<b>0.90</b>
<b>Total tax expense recognised in Restated Statement of profit and loss</b>	<b>30.57</b>	<b>77.21</b>	<b>83.51</b>	<b>63.30</b>



**42.2 Income Tax on Other Comprehensive Income**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
<b>Deferred Tax:</b>				
Arising on income and expenses recognised in other comprehensive income:				
Remeasurement of defined benefit obligation (Refer Note 37)	1.52	(0.07)	1.35	(1.98)
	<b>1.52</b>	<b>(0.07)</b>	<b>1.35</b>	<b>(1.98)</b>
<b>Bifurcation of the income tax recognised in other comprehensive income into:</b>				
Items that will not be reclassified to Statement of profit and loss	1.52	(0.07)	1.35	(1.98)
Items that will be reclassified to Statement of profit and loss	-	-	-	-

**42.3 The income tax expense for the year can be reconciled to the accounting profit as follows:**

Particulars	For the period ended 30 June 2021		For the year ended 31 March 2021	
	Amount	Tax Amount	Amount	Tax Amount
Profit before tax from Operations	86.14		363.36	-
Income Tax expense using the Company's applicable Tax rate (Refer Note 1)		30.10	-	105.81
<b>Tax Effect of :</b>				
Benefit under section 10AA of Income Tax Act	-	-	132.64	(38.62)
Effect of expenses that are not deductible in determining taxable profit	0.20	0.07	8.37	2.44
Effect of change in tax rate (Refer Note 2)			NA	10.93
Others	1.15	0.40	(11.47)	(3.35)
		<b>30.57</b>		<b>77.21</b>

Particulars	For the year ended 31 March 2020		For the year ended 31 March 2019 - As Adjusted	
	Amount	Tax Amount	Amount	Tax Amount
Profit Before tax from Operations	522.31	-	272.97	-
Income Tax using the Company's applicable Tax rate (Refer Note 3)		91.25		47.70
<b>Tax Effect of :</b>				
Effect of expenses that are not deductible in determining taxable profit	0.06	0.02	0.06	0.01
Effect of change in tax rate	-	-	-	-
Others	(44.39)	(7.76)	89.24	15.59
		<b>83.51</b>		<b>63.30</b>

**Notes:**

1. The tax rate used w.r.t reconciliation above for the period ended 30 June 21 is the Corporate tax rate of 34.94 %, for the year ended 31 March 2021 is 29.12% , for the year ended 31 March 2020 is the Corporate tax rate of 17.47% (being the MAT rate applicable for year ended 31 March 2020), for year ended 31 March 2019 is 17.47 % (being the MAT rate applicable for year ended 31 March 2019) including applicable surcharge and cess payable by corporate entities in India on taxable profits under the Income tax Act, 1961.

2. The Company has measured its Deferred tax liability @ 34.94% being the substantively enacted rate (as at 31 March 2021) which will be the rate of income tax applicable for the financial year 2021-22. Whereas the Deferred tax liability as at 31 March 2020 has been measured @ 29.12% being the applicable rate of income tax for the FY 2020-21.

3. Until year ended 31 March 2021, since certain divisions of the Company are in a Special Economic Zone (SEZ) , the Company has availed the deduction under Section 10AA of the Income Tax Act, wherein the Company is eligible for a deduction of 100% of export profits in first 5 years, 50% of the profits in the next five years and upto 50% of the profit which is transferred to SEZ Reinvestment Reserve in the next 5 Years.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**42.4 Following is the analysis of the deferred tax (asset) / liabilities presented in the Balance sheet.**
**(a) As at 30 June 2021**

Particulars	Opening balance	Recognised in Profit & Loss	Recognised in OCI	MAT utilization	Closing balance
Tax effect of items constituting deferred tax liabilities:					
Difference between carrying value in Tangible and Intangible assets as per Books of Account and Income Tax Act, 1961	76.20	(1.75)	-	-	74.45
Effective Interest Rate on borrowings	0.75	(0.45)	-	-	0.30
<b>Deferred Tax Liabilities (A)</b>	<b>76.95</b>	<b>(2.20)</b>	<b>-</b>	<b>-</b>	<b>74.75</b>
Tax effect of items constituting deferred tax assets:					
Employee Benefits	26.64	(2.65)	(1.52)	-	22.48
Provision for Contingencies	5.59	-	-	-	5.59
Lease liability net of Right-of-use assets	2.64	(2.15)	-	-	0.49
Expected Credit Loss	7.88	-	-	-	7.88
Mark-to-Market Loss on financial instrument	3.05	0.50	-	-	3.55
<b>Deferred Tax Assets (B)</b>	<b>45.80</b>	<b>(4.30)</b>	<b>(1.52)</b>	<b>-</b>	<b>39.99</b>
MAT Credit entitlement (C)	28.73	-	-	(13.42)	15.31
<b>Net Deferred Tax Liabilities / (Assets) (A-B-C)</b>	<b>2.42</b>	<b>2.10</b>	<b>1.52</b>	<b>13.42</b>	<b>19.45</b>

**(b) As at 31 March 2021**

Particulars	Opening balance	Recognised in Profit & Loss	Recognised in OCI	MAT utilization	Closing balance
Tax effect of items constituting deferred tax liabilities:					
Difference between carrying value in Tangible and Intangible assets as per Books of Account and Income Tax Act, 1961	65.12	11.08	-	-	76.20
Effective Interest Rate on borrowings	0.59	0.16	-	-	0.75
<b>Deferred Tax Liabilities (A)</b>	<b>65.71</b>	<b>11.24</b>	<b>-</b>	<b>-</b>	<b>76.95</b>
Tax effect of items constituting deferred tax assets:					
Employee Benefits	6.37	20.20	0.07	-	26.64
Provision for Contingencies	-	5.59	-	-	5.59
Lease liability net of Right-of-use assets	(1.96)	4.60	-	-	2.64
Expected Credit Loss	6.63	1.25	-	-	7.88
Mark-to-Market Loss on financial instrument	-	3.05	-	-	3.05
<b>Deferred Tax Assets (B)</b>	<b>11.04</b>	<b>34.69</b>	<b>0.07</b>	<b>-</b>	<b>45.80</b>
MAT Credit entitlement (C)	62.13	(0.55)	-	(32.85)	28.73
<b>Net Deferred Tax Liabilities / (Assets) (A-B-C)</b>	<b>(7.46)</b>	<b>(22.90)</b>	<b>(0.07)</b>	<b>32.85</b>	<b>2.42</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**(c) As at 31 March 2020**

Particulars	Opening balance*	Recognised in Profit & Loss	Recognised in OCI	MAT utilization	Closing balance
Tax effect of items constituting deferred tax liabilities:					
Difference between carrying value in Tangible and Intangible assets as per Books of Account and Income Tax Act, 1961	62.50	2.62	-	-	65.12
Effective Interest Rate on borrowings	0.82	(0.22)	-	-	0.59
<b>Deferred Tax Liabilities (A)</b>	<b>63.32</b>	<b>2.40</b>	<b>-</b>	<b>-</b>	<b>65.71</b>
Tax effect of items constituting deferred tax assets:					
Employee Benefits	10.96	(3.24)	(1.35)	-	6.37
Lease liability net of Right-of-use assets	(3.14)	1.18	-	-	(1.96)
Expected Credit Loss	4.95	1.68	-	-	6.63
<b>Deferred Tax Assets (B)</b>	<b>12.77</b>	<b>(0.38)</b>	<b>(1.35)</b>	<b>-</b>	<b>11.04</b>
MAT Credit entitlement (C)	44.78	17.35	-	-	62.13
<b>Net Deferred Tax Liabilities / (Assets) (A-B-C)</b>	<b>5.77</b>	<b>(14.57)</b>	<b>1.35</b>	<b>-</b>	<b>(7.46)</b>

\*Opening balance is after reversing the "As Adjusted" transition Ind AS Impact on deferred tax upto March 31, 2019 amounting to Rs. 1.22 Million which has not been carried as opening balance as at April 1, 2019 (Refer Note 46.2 (E))

**(d) As at 31 March 2019 - As Adjusted**

Particulars	Opening balance	Recognised in Profit & Loss	Recognised in OCI	MAT utilization	Closing balance
Tax effect of items constituting deferred tax liabilities:					
Difference between carrying value in Tangible and Intangible assets as per Books of Account and Income Tax Act, 1961	42.24	20.26	-	-	62.50
Effective Interest Rate on borrowings	0.10	0.72	-	-	0.82
Right-of-use assets net of Lease liability	3.10	(1.18)	-	-	1.92
<b>Deferred Tax Liabilities (A)</b>	<b>45.44</b>	<b>19.80</b>	<b>-</b>	<b>-</b>	<b>65.24</b>
Tax effect of items constituting deferred tax assets:					
Employee Benefits	4.20	4.78	1.98	-	10.96
Unabsorbed business loss and depreciation	7.81	(7.81)	-	-	-
Expected Credit Loss	1.71	3.24	-	-	4.95
<b>Deferred Tax Assets (B)</b>	<b>13.72</b>	<b>0.21</b>	<b>1.98</b>	<b>-</b>	<b>15.91</b>
MAT Credit entitlement (C)	26.09	18.69	-	-	44.78
<b>Net Deferred Tax Liabilities / (Assets) (A-B-C)</b>	<b>5.63</b>	<b>0.90</b>	<b>(1.98)</b>	<b>-</b>	<b>4.55</b>

**42.5 International Transactions**

The Company has entered into international transactions with its Associated Enterprises. The Management is of the opinion that the Company maintains the necessary documents as prescribed by the Income Tax Act, 1961 to prove that these international transactions are at arm's length and believes that the same will not have any impact on the financial statements, particularly on the amount of tax expense for the period ended 30 June 2021 and years ended 31 March 2021, 31 March 2020 and 31 March 2019 (As Adjusted).

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**43 Provisions**

The Company has made provision for contractual warranty obligations and provision for possible contingencies based on the assessment of the amount it expects to incur to meet such obligations. The details of the same are given below:

**Provision for Warranty:**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
Opening balance	1.42	1.58	1.59	1.00
Provision created during the period / year	0.01	0.10	0.03	1.16
Provision utilized during the period / year	(0.04)	(0.26)	(0.04)	(0.57)
<b>Closing balance</b>	<b>1.39</b>	<b>1.42</b>	<b>1.58</b>	<b>1.59</b>

**Provision for Contingencies:**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019 - As Adjusted
Opening balance	16.00	16.00	6.00	-
Provision created during the period / year	-	-	10.00	6.00
Provision utilized during the period / year	-	-	-	-
<b>Closing balance</b>	<b>16.00</b>	<b>16.00</b>	<b>16.00</b>	<b>6.00</b>

**Notes:**

- (i) Provision for warranties is estimated in accordance with the Company's accounting policy (Refer Note 2.16) and is expected to be settled as and when the claims are received.
- (ii) Whilst the provision for contingencies is considered as short term in nature, the actual outflow with regard to the contingencies depends on various future developments.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Notes to the Restated Standalone Financial Information**  
*(All amounts are in Million Indian Rupees unless otherwise stated)*

**44 Financial Instruments**

**44.1 Capital Management**

The Company manages its capital to ensure that it is able to continue as a going concern while maximizing the return to the stakeholders through the optimization of the debt and equity balance. The Company determines the amount of capital required on the basis of an annual budgeting exercise, future capital projects outlay etc. The funding requirements are met through equity, internal accruals and borrowings (short term/long term).

**Gearing Ratio:**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Debt*	515.97	561.21	838.03	943.46
Cash and Cash equivalents**	(240.48)	(279.63)	(307.68)	(61.49)
<b>Net Debt</b>	<b>275.49</b>	<b>281.58</b>	<b>530.35</b>	<b>881.97</b>
Total Equity	2,440.11	2,381.71	1,017.05	571.93
<b>Net Debt to equity ratio (in times)</b>	<b>0.11</b>	<b>0.12</b>	<b>0.52</b>	<b>1.54</b>

\* Debt is defined as long-term borrowings (including redeemable preference shares) and short-term borrowings.

\*\* Equity includes all capital and reserves of the Company that are managed as capital.

**44.2 Categories of Financial Instruments**

**Financial Assets:**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
<b>Non-Current Financial Asset</b>				
<b>At Cost</b>				
- Investment in associate	887.41	887.41	-	-
<b>At Amortised Cost</b>				
- Security Deposits	26.31	24.64	20.72	15.96
- Other bank deposits	106.15	104.87	8.18	10.30
	<b>1,019.87</b>	<b>1,016.92</b>	<b>28.90</b>	<b>26.26</b>
<b>Current Financial Asset</b>				
<b>At Amortised Cost</b>				
- Trade receivables	1,351.15	1,278.72	1,163.59	992.34
- Cash and Cash equivalents	240.48	279.63	307.68	61.49
- Other Financial Asset	53.55	54.65	36.52	68.09
	<b>1,645.18</b>	<b>1,613.00</b>	<b>1,507.79</b>	<b>1,121.92</b>
<b>Total</b>	<b>2,665.05</b>	<b>2,629.92</b>	<b>1,536.69</b>	<b>1,148.18</b>

**Financial Liabilities:**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
<b>Non-Current Financial Liability</b>				
<b>Measured at amortised cost</b>				
- Borrowings	216.29	244.98	242.14	385.92
- Lease Liabilities	38.69	41.62	52.38	61.54
<b>Measured at FVTPL</b>				
- Other financial liabilities	7.77	6.80	-	-
	<b>262.75</b>	<b>293.40</b>	<b>294.52</b>	<b>447.46</b>
<b>Current Financial Liability</b>				
- Borrowings	299.68	316.23	595.89	557.54
- Trade payables	1,474.08	1,148.42	1,068.12	911.50
- Lease liabilities	11.13	10.78	9.15	7.67
- Other financial liabilities	7.93	6.65	19.78	102.68
<b>Measured at FVTPL</b>				
- Other financial liabilities	2.39	1.94	-	-
	<b>1,795.21</b>	<b>1,484.02</b>	<b>1,692.94</b>	<b>1,579.39</b>
<b>Total</b>	<b>2,057.96</b>	<b>1,777.42</b>	<b>1,987.46</b>	<b>2,026.85</b>

**44.3 Financial Risk Management Framework:**

The Company's Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company. These risks include market risk (including currency risk, interest rate risk and other price risk) and credit risk.

The Company has not offset financial assets and financial liabilities.

**44.4 Market Risk:**

The Company's activities are exposed to finance risk, interest risk & Credit risk. However, the Company is primarily exposed to the financial risks of changes in foreign currency exchange rates. Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

**44.5 Foreign Currency Risk Management:**

The Company undertakes transactions denominated in foreign currencies and consequently exposures to exchange rate fluctuation arises. These exposures are reviewed periodically with reference to the risk management policy followed by the Company.

The Company does trade financial instruments including derivative financial instruments for hedging its foreign currency risk on borrowings which are not designated as hedges for accounting purposes, but provide an economic hedge of the particular transaction risk or a risk component of the transaction. Fair Value Changes in such Derivative Instruments are recognised in the Statement of Profit & Loss.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows :

The period-end foreign currency exposures that have been hedged by a derivative instrument or otherwise are given below:

**A. Outstanding liabilities as at 30 June 2021**

Particulars	Currency	Foreign Currency in Million	Rs. in Million
<b>Non - qualifying hedges / economic hedge</b>			
Long-term Borrowings	USD	2.83	211.65

The period-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

**Outstanding assets as at 30 June 2021**

Particulars	Currency	Foreign Currency in Million	Rs. in Million
Bank Balance - EEFC	USD	0.48	35.50
	EUR	0.20	17.63
Receivables (including other receivables from customers)	EUR	1.13	98.57
	USD	8.08	596.43
Supplier Advance	USD	0.50	36.72
	EUR	0.00	0.28
	GBP	0.01	1.29
	CAD	0.05	2.75
	AUD	0.00	0.10
	JPY	0.08	0.05

**Outstanding liabilities as at 30 June 2021**

Particulars	Currency	Foreign Currency in Million	Rs. in Million
Long-term Borrowings	EUR	0.91	81.37
Short-term Borrowings	USD	2.20	164.10
Payables (including Payables on purchase of fixed assets)	EUR	0.25	22.48
	USD	10.49	783.86
	JPY	0.01	0.01
	GBP	0.01	0.99
Advance received from Customer	USD	0.83	61.94
	EUR	0.02	1.54

Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)  
Notes to the Restated Standalone Financial Information  
(All amounts are in Million Indian Rupees unless otherwise stated)

**B. Outstanding liabilities as at 31 March 2021**

Particulars	Currency	Foreign Currency in Million	Rs. in Million
<b>Non - qualifying hedges / economic hedge</b>			
Long-term Borrowings	USD	3.00	222.00

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

**Outstanding assets as at 31 March 2021**

Particulars	Currency	Foreign Currency in Million	Rs. in Million
Bank Balance - EEFC	USD	0.72	52.24
	EUR	0.22	18.80
Receivables (including other receivables from customers)	GBP	0.00	0.18
	EUR	0.67	56.96
	USD	8.43	611.18
Supplier Advance	USD	2.73	202.19
	EUR	0.10	8.83
	GBP	0.00	0.18
	JPY	0.08	0.05

**Outstanding liabilities as at 31 March 2021**

Particulars	Currency	Foreign Currency in Million	Rs. in Million
Long-term Borrowings	EUR	0.98	85.66
Short-term Borrowings	USD	2.94	217.92
Payables (including Payables on purchase of fixed assets)	EUR	0.08	6.65
	USD	8.31	614.65
	GBP	0.01	0.83
Advance received from Customer	USD	1.27	92.25
	EUR	0.02	1.52

**Outstanding assets as at 31 March 2020**

Particulars	Currency	Foreign Currency in Million	Rs. in Million
Bank Balance - EEFC	USD	2.47	184.66
	EUR	0.41	33.81
Receivables (including other receivables from customers)	GBP	0.00	0.17
	EUR	0.79	64.87
	USD	14.76	1,102.66
Supplier Advance	USD	0.88	67.24
	EUR	0.03	2.86
	GBP	0.00	0.24

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Notes to the Restated Standalone Financial Information**  
*(All amounts are in Million Indian Rupees unless otherwise stated)*

**Outstanding liabilities as at 31 March 2020**

Particulars	Currency	Foreign Currency in Million	Rs. in Million
Long-term Borrowings	EUR	0.00	0.22
Short-term Borrowings	USD	6.47	493.03
Payables (including Payables on purchase of fixed assets)	EUR	0.00	0.22
	USD	8.71	663.86
Advance received from Customer	USD	1.89	141.39
	EUR	0.04	2.89

**Outstanding assets as at 31 March 2019 (As Adjusted):**

Particulars	Currency	Foreign Currency in Million	Rs. in Million
Bank Balance - EEFC	USD	0.07	5.31
	EUR	0.59	40.34
Receivables (including other receivables from customers)	EUR	0.82	62.98
	USD	10.04	690.57
Supplier Advance	EUR	0.01	0.40
	USD	1.04	72.80
	GBP	0.00	0.28
	JPY	0.05	0.03
	AUD	0.00	0.09
	THB	0.10	0.00

**Outstanding liabilities as at 31 March 2019 (As Adjusted):**

Particulars	Currency	Foreign Currency in Million	Rs. in Million
Short-term Borrowings	USD	7.11	494.98
	EUR	0.65	50.82
Payables (including Payables on purchase of fixed assets)	EUR	0.10	8.15
	USD	8.97	616.77
	GBP	0.02	1.36
	JPY	70.88	43.70
	HKD	0.00	0.03
	SGD	0.00	0.04
	THB	0.01	0.00
Advance received from Customer	USD	0.02	1.60
	EUR	1.47	100.90
	CAD	0.01	0.37



**Syrrma SGS Technology Limited (formerly known as Syrrma Technology Private Limited)**  
**Notes to the Restated Standalone Financial Information**  
*(All amounts are in Million Indian Rupees unless otherwise stated)*

**44.6 Foreign Currency sensitivity analysis :**

The Company is mainly exposed to the currencies of USD, EUR and GBP.

The following table details the Company's sensitivity to a 5% increase and decrease in the Indian Rupees against the relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Indian Rupees strengthens 5% against the relevant currency. For a 5% weakening of the Indian Rupees against the relevant currency, there would be a comparable impact on the profit or equity and balance below would be negative.

**Impact on Profit / (Loss) and Equity**

Particulars	As at 30 June 2021		As at 31 March 2021		As at 31 March 2020		As at 31 March 2019 - As Adjusted	
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
USD	(11.06)	11.06	69.29	(69.29)	90.28	(90.28)	71.70	(71.70)
EUR	0.36	(0.36)	5.80	(5.80)	3.41	(3.41)	4.56	(4.56)
GBP	(0.03)	0.03	0.04	(0.04)	0.01	(0.01)	0.06	(0.06)

**Note :**

This is mainly attributable to the exposure of receivable and payable outstanding in the above mentioned currencies to the Company at the end of the respective reporting period.

**44.7 Interest Rate Risk Management:**

Interest rate is the risk that an upward / downward movement in interest rates would adversely / favourably affect the borrowing costs of the Company.

**Fair value sensitivity analysis for Floating-rate instruments**

The sensitivity analysis below have been determined based on exposure to the interest rates for financial instruments at the end of the respective reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the respective reporting period in case of instruments that have floating rates.

The sensitivity analysis have been carried out based on the exposure to interest rates for term loans from banks, debt securities and borrowings carried at variable rate. If interest rates had been 25 basis points higher or lower and all other variables were constant, the Company's profit after tax would have changed by the following:

**Impact on Profit / (Loss) and Equity**

Particulars	As at 30 June 2021		As at 31 March 2021		As at 31 March 2020		As at 31 March 2019 - As Adjusted	
	25 bps increase	25 bps decrease	25 bps increase	25 bps decrease	25 bps increase	25 bps decrease	25 bps increase	25 bps decrease
Impact on profit for the period / year	(0.48)	0.48	(0.91)	0.91	(1.09)	1.09	(1.22)	1.22

**44.8 Liquidity Risk Management:**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching maturing profiles of financial assets and financial liabilities in accordance with the risk management policy of the Company. The Company invests its surplus funds in bank fixed deposits.

**Liquidity and Interest Risk Tables:**

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table below represents principal and interest cash flows. To the extent that interest rates are floating, the undiscounted amount is derived from interest rate curves at the end of the respective reporting periods. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total contractual cash flows	Carrying amount
<b>As at 30 June 2021</b>					
Non-interest bearing instruments	1,484.79	7.77	-	1,492.56	1,492.56
Variable interest rate instruments	252.25	58.45	-	310.70	306.21
Fixed interest rate instruments	71.11	212.92	4.06	288.09	259.58
<b>Total</b>	<b>1,808.15</b>	<b>279.14</b>	<b>4.06</b>	<b>2,091.35</b>	<b>2,058.35</b>
<b>As at 31 March 2021</b>					
Non-interest bearing instruments	1,155.63	-	-	1,155.63	1,155.63
Variable interest rate instruments	282.88	63.80	-	346.68	340.33
Fixed interest rate instruments	57.59	240.13	6.01	303.73	273.28
<b>Total</b>	<b>1,496.10</b>	<b>303.93</b>	<b>6.01</b>	<b>1,806.04</b>	<b>1,769.24</b>
<b>As at 31 March 2020</b>					
Non-interest bearing instruments	1,087.90	-	-	1,087.90	1,087.90
Variable interest rate instruments	598.28	199.12	-	797.40	791.41
Fixed interest rate instruments	15.19	97.42	6.01	118.62	108.15
<b>Total</b>	<b>1,701.37</b>	<b>296.54</b>	<b>6.01</b>	<b>2,003.92</b>	<b>1,987.46</b>
<b>As at 31 March 2019 - As Adjusted</b>					
Non-interest bearing instruments	1,014.18	-	-	1,014.18	1,014.18
Variable interest rate instruments	561.42	300.93	-	862.35	855.70
Fixed interest rate instruments	14.58	149.79	22.33	186.70	156.96
<b>Total</b>	<b>1,590.18</b>	<b>450.72</b>	<b>22.33</b>	<b>2,063.23</b>	<b>2,026.84</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Notes to the Restated Standalone Financial Information**  
*(All amounts are in Million Indian Rupees unless otherwise stated)*

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Less than 1 year	1-5 year	5 years and above	Total contractual cash flows	Carrying amount
<b>As at 30 June 2021</b>					
Non-interest bearing	1472.96	10.00	907.20	2,390.16	2,386.68
Fixed interest rate instruments	209.45	106.15	-	315.60	315.60
<b>Total</b>	<b>1,682.41</b>	<b>116.15</b>	<b>907.20</b>	<b>2,705.76</b>	<b>2,702.28</b>
<b>As at 31 March 2021</b>					
Non-interest bearing	1,459.39	10.00	905.77	2,375.16	2,371.44
Fixed interest rate instruments	190.83	104.87	-	295.70	295.70
<b>Total</b>	<b>1,650.22</b>	<b>114.87</b>	<b>905.77</b>	<b>2,670.86</b>	<b>2,667.14</b>
<b>As at 31 March 2020</b>					
Non-interest bearing	1,520.80	10.00	15.85	1,546.65	1,541.52
Fixed interest rate instruments	43.98	8.18	-	52.16	52.16
<b>Total</b>	<b>1,564.78</b>	<b>18.18</b>	<b>15.85</b>	<b>1,598.81</b>	<b>1,593.68</b>
<b>As at 31 March 2019 - As Adjusted</b>					
Non-interest bearing	1,132.50	10.00	11.41	1,153.91	1,148.46
Fixed interest rate instruments	80.78	10.30	-	91.08	91.08
<b>Total</b>	<b>1,213.28</b>	<b>20.30</b>	<b>11.41</b>	<b>1,244.99</b>	<b>1,239.54</b>

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the respective reporting periods.

#### 44.9 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties. The Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved on a regular basis.

#### 44.10 Fair Value Measurement

The management assessed that fair value of cash and cash equivalents, trade receivables, loans, borrowings, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value / amortized cost:

- 1) Long-term fixed-rate borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual losses and creditworthiness of the receivables.
- 2) The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- 3) Fair values of the Company's interest-bearing borrowings and loans are determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the respective reporting periods. The own non- performance risk as at 30 June 2021, 31 March 2021, 31 March 2020 & 31 March 2019 (As Adjusted) was assessed to be insignificant.

#### (i) Financial Assets and Financial Liabilities that are measured at fair value through Profit or loss:

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at the following period:

Financial assets / Financial liabilities	Amount				Fair value hierarchy	Valuation technique(s) and key input(s)
	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted		
Derivative contracts entered to mitigate foreign currency risk	10.16	8.74	-	-	Level II	The fair value is calculated based on mark to market confirmation received from lender bank at the period end.

#### (ii) Financial Assets and Financial Liabilities that are not measured at fair value:

Financial assets / Financial liabilities	Amount			
	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Investment in associate	887.41	887.41	-	-

The aforesaid value represents the cost, as carried in books as per the accounting policy of the Company and excludes the share of post acquisition profit including other comprehensive income of the associate accounted under the equity method in the Consolidated Financial statements of the Company amounting to Rs. 10.84 Million and Rs. 34.04 Million for the period ended 30 June 2021 and year ended 31 March 2021 respectively. Refer Note 7.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**45 Additional regulatory information as required by Schedule III to the Companies Act, 2013**

**I. Ratio Analysis and its elements**

The Company has not annualised the numbers extracted from the Statement of Profit and Loss for the period ended 30 June 2021 as considered in the computation of below ratios. Consequently the % change given below is only for indicative purposes and does not reflect the actual variance and cannot be considered as an indicator of financial performance. Accordingly wherever one of the components of the below ratio is extracted from the Statement of Profit and Loss, explanation for any change in ratio more than 25% when compared to the year ended 31 March 2021 has not been given since the same are not comparable on account of the reasons stated above. However, where both the components of ratio are extracted from the statement of assets and liabilities, the reason of variance has been given for variance greater than 25% in the ratio for the period ended June 30, 2021, when compared to the ratio for year ended 31 March, 2021, 31 March 2020, 31 March, 2019 (As Adjusted).

**a) Current Ratio = Current Assets divided by Current Liabilities**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Current Assets	3,009.76	2,648.17	2,439.44	1,965.85
Current Liabilities	2,186.86	1,890.66	2,130.48	1,814.42
<b>Ratio (In times)</b>	<b>1.38</b>	<b>1.40</b>	<b>1.15</b>	<b>1.08</b>
<b>% Change from previous period / year</b>	<b>-1.74%</b>	<b>22.33%</b>	<b>5.68%</b>	

**Reason for change more than 25%: NA**

**b) Debt Equity ratio = Long term debt divided by average equity**

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Long term debt*	291.13	318.75	306.63	459.98
Total Equity**	2,440.11	2,381.71	1,017.05	571.93
<b>Ratio (In times)</b>	<b>0.12</b>	<b>0.19</b>	<b>0.39</b>	<b>0.98</b>
<b>% Change from previous period / year</b>	<b>-36.84%</b>	<b>-51.28%</b>	<b>-60.20%</b>	

\*Long term debt includes long term borrowing and current maturities of long-term Borrowings and redeemable preference shares treated as financial liability.

\*\*Average equity represents the average of opening and closing total equity.

**Reason for change more than 25%:**

This ratio has improved from 0.98 in FY 2018-19 to 0.39 in FY 2019-20 mainly due to repayment of borrowings from higher operating cashflows generated from business operations.

This ratio has further improved from 0.39 in FY 2019-20 to 0.19 in FY 2020-21 mainly due to infusion of convertible preference capital along with securities premium into the Company treated as equity in the balance sheet as well as fresh issue of equity shares along with securities premium. Further for the period ended 30 June 2021 the Company has not availed any new long term borrowings whereas has repaid certain instalments of its existing long term borrowings.

**c) Debt Service Coverage Ratio = Earnings available for debt services divided by total interest and principal repayments**

Particulars	As at 30 June 2021 (Not annualised)	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Profit after tax* (A)	55.57	286.15	438.80	209.67
<b>Add: Non cash operating expenses and finance cost</b>				
-Depreciation and amortisation (B)	28.00	120.74	96.99	97.47
-Finance cost (C)	7.67	45.24	79.70	60.32
<b>Total Non cash operating expenses and finance cost (Pre-tax) (D= B+C)</b>	<b>35.67</b>	<b>165.98</b>	<b>176.69</b>	<b>157.79</b>
Total Non cash operating expenses and finance cost (Post-tax) (E = D* (1-Tax rate))	23.21	117.65	145.82	130.22
<b>Earnings available for debt services (F = A+E)</b>	<b>78.78</b>	<b>403.80</b>	<b>584.62</b>	<b>339.89</b>
Expected interest outflow on long term borrowings (G)	7.83	8.47	2.39	5.61
Principal repayments (H)	74.84	73.77	64.49	74.06
<b>Total Interest and principal repayments (I = G + H)</b>	<b>82.67</b>	<b>82.24</b>	<b>66.88</b>	<b>79.67</b>
<b>Ratio (In times) (J = F / I)</b>	<b>0.95</b>	<b>4.91</b>	<b>8.74</b>	<b>4.27</b>
<b>% Change from previous period / year</b>	<b>-80.65%</b>	<b>-43.82%</b>	<b>104.68%</b>	

\*Profit after tax for the three months period ended 30 June 2021 was not annualized.

Expected interest outflow on long term borrowings and principal repayments represent the expected outflows during next one year from the period end / year end.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**Reason for change more than 25%:**

During the FY 2020-21 the profit was lower mainly due to decrease in profit after tax on account of drop in order book w.r.t tooling charges income in the FY 20-21, higher input (raw material) cost on account of supplier chain constraints in the Covid-19 Pandemic and one-time charge w.r.t write-off of inventory and one time allowance for non-moving and obsolete inventory in accordance with the policy framed by the Company in this regard.

**d) Return on Equity Ratio = Net profit after tax divided by average equity**

Particulars	As at 30 June 2021 (Not annualised)	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Net profit after tax*	55.57	286.15	438.80	209.67
Total equity**	2,440.11	2,381.71	1,017.05	571.93
Ratio	2%	17%	55%	45%
% Change from previous period / year	-86.31%	-69.51%	23.68%	

\*Net Profit after tax for the three months period ended 30 June 2021 was not annualized.

\*\*Average equity represents the average of opening and closing total equity.

**Reason for change more than 25%:**

This ratio has decreased from 55% in FY 2019-20 to 17% in FY 2020-21 mainly due to decrease in profit after tax on account drop in order book w.r.t tooling charges income in the FY 20-21, higher input (raw material) cost on account of supplier chain constraints in the Covid-19 Pandemic and one-time charge w.r.t write-off of inventory and allowance for non-moving and obsolete inventory in accordance with the policy framed by the Company in this regard.

Further, the fresh infusion of capital (equity and CCPS along with securities premium) has increased the equity without an immediate increase in profits. Additionally the fresh infusion has been majorly utilised for the purposes of acquisition of associate which has not resulted in any incremental profit in the standalone statement of Profit and Loss.

**e) Inventory Turnover Ratio = Cost of materials consumed divided by average inventory**

Particulars	As at 30 June 2021 (Not annualised)	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Cost of materials consumed*	933.43	2,820.88	2,273.01	2,189.33
Average Inventory**	943.30	726.50	659.52	545.91
Ratio (In times)	0.99	3.88	3.45	4.01
% Change from previous period / year	-74.48%	12.46%	-13.97%	

\*Cost of materials consumed for the three months period ended 30 June 2021 was not annualized. Cost of material consumed comprises of cost of raw materials consumed, purchases of stock-in-trade and changes in Inventories

\*\*Average Inventory represents the average of opening and closing inventory.

**Reason for change more than 25%: NA**
**f) Trade Receivables turnover ratio = Credit Sales divided by average trade receivables**

Particulars	As at 30 June 2021 (Not annualised)	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Credit Sales*	1,369.69	4,425.76	3,732.78	3,359.87
Average Trade Receivables #	1,225.05	1,104.80	990.51	854.71
Ratio (In times)	1.12	4.01	3.77	3.93
% Change from previous period / year	-72.07%	6.37%	-4.07%	

\* Credit sales for the three months period ended 30 June 2021 was not annualized. Credit sales includes sale of products, services, scrap sales and GST component on such sales.

# Trade receivables is included gross of ECL and net of customer advances. Average Trade receivables represents the average of opening and closing trade receivables.

**Reason for change more than 25%: NA**

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**g) Trade payables turnover ratio = Credit purchases divided by average trade payables**

Particulars	As at 30 June 2021 (Not annualised)	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Credit Purchases*	1,482.44	3,681.37	3,051.53	3,064.40
Closing Trade Payables#	1,295.95	1,112.44	1,004.84	791.84
<b>Ratio (In times)</b>	<b>1.14</b>	<b>3.31</b>	<b>3.04</b>	<b>3.87</b>
<b>% Change from previous period / year</b>	<b>-65.56%</b>	<b>8.88%</b>	<b>-21.45%</b>	

\*Credit Purchases for the three months period ended 30 June 2021 was not annualized. Credit purchases includes purchases of raw-material, stock-in-trade and all other expenses except cash and non-cash transaction like rates and taxes, bank charges, CSR and Mark-to-Market loss.

#Trade Payables excludes employee benefits payables. Average Trade payables represents the average of opening and closing trade payables.

**Reason for change more than 25%: NA**

**h) Net Capital Turnover Ratio = Sales divided by Net Working capital**

Particulars	As at 30 June 2021 (Not annualised)	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Sales* (A)	1,352.72	4444.8	4048.82	3573.95
Current Assets (B)	3,009.76	2,648.17	2,439.44	1,965.85
Current Liabilities (C)	2,186.86	1,890.66	2,130.48	1,814.42
Net Working Capital (D = B + C)	822.90	757.51	308.96	151.43
<b>Ratio (In times) (E = A / D)</b>	<b>1.64</b>	<b>5.87</b>	<b>13.10</b>	<b>23.60</b>
<b>% Change from previous period / year</b>	<b>-72.06%</b>	<b>-55.19%</b>	<b>-44.49%</b>	

\* Sales for the three months period ended 30 June 2021 was not annualized.

\* Sales represents Total Income.

**Reason for change more than 25%:**

This ratio has decreased from 23.60 times in FY 2018-19 to 13.10 times in FY 2019-20 mainly due to higher working capital requirement in keeping with the growth in business.

This ratio has decreased from 13.10 times in FY 2019-20 to 5.87 times in FY 2020-21 mainly due to higher working capital requirement in keeping with the growth in business.

**i) Net profit ratio = Net profit before tax divided by Sales**

Particulars	As at 30 June 2021 (Not annualised)	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Net profit before tax*	86.14	363.36	522.31	272.97
Sales	1,352.72	4,444.80	4,048.82	3,573.95
<b>Ratio</b>	<b>6%</b>	<b>8%</b>	<b>13%</b>	<b>8%</b>
<b>% Change from previous period / year</b>	<b>-25.00%</b>	<b>-38.46%</b>	<b>62.50%</b>	

\* Net profit before tax for the three months period ended 30 June 2021 was not annualized.

**Reason for change more than 25%:**

This ratio has improved from 8 % in FY 2018-19 to 13 % in FY 2019-20 mainly due to operational efficiency and favourable sales mix.

This ratio has declined from 13 % in FY 2019-20 to 8 % in FY 2020-21 mainly due to drop in order book w.r.t tooling charges income in the FY 20-21, higher input (raw material) cost on account of supplier chain constraints in the Covid-19 Pandemic and one-time charge w.r.t write-off of inventory and allowance for non-moving and obsolete inventory in accordance with the policy framed by the Company in this regard.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**j) Return on Capital employed (pre -tax) = Earnings before interest and taxes (EBIT) divided by average Capital Employed**

Particulars	As at 30 June 2021 (Not annualised)	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Profit before tax* (A)	86.14	363.36	522.31	272.97
Finance Costs* (B)	7.67	45.24	79.70	60.32
<b>EBIT (C) = (A)+(B)</b>	<b>93.81</b>	<b>408.60</b>	<b>602.01</b>	<b>333.29</b>
Total Assets (D )^	4,057.90	3,712.67	3,466.95	2,864.16
Current Liabilities (E)	2,186.86	1,890.66	2,130.48	1,814.42
<b>Capital Employed (F)=(D)-(E)</b>	<b>1,871.04</b>	<b>1,822.01</b>	<b>1,336.47</b>	<b>1,049.74</b>
<b>Ratio (In %)</b>	<b>5%</b>	<b>26%</b>	<b>50%</b>	<b>37%</b>
<b>% Change from previous period / year</b>	<b>-80.77%</b>	<b>-48.00%</b>	<b>35.14%</b>	

\* Amount for the three months period ended 30 June 2021 was not annualized.

^ Total assets is excluding the non-current investment in the associate.

#Average Capital Employed represents the average of opening and closing Capital Employed.

**Reason for change more than 25%:**

The ratio has increased from 37% in the FY 2018-19 to 50% in the FY 2019-20 due to drop in order book w.r.t tooling charges income in the FY 20-21 and favourable sales mix leading to better margin realisation.

This ratio has decreased from 50 % in FY 2019-20 to 26 % in FY 2020-21 mainly due to higher capital employed in keeping with the growing business needs and decrease in Earnings before interest and taxes (EBIT) mainly due to drop in order book w.r.t tooling charges income in the FY 20-21, higher input (raw material) cost on account of supplier chain constraints in the Covid-19 Pandemic and one-time charge w.r.t write-off of inventory and allowance for non-moving and obsolete inventory in accordance with the policy framed by the Company in this regard.

Further, the fresh infusion of capital (equity and CCPS along with securities premium) has increased the equity without an immediate increase in profits. Additionally the fresh infusion has been majorly utilised for the purposes of acquisition of associate which has not resulted in any incremental profit in the standalone statement of Profit and Loss.

**k) Return on Investment = Net profit after tax divided by average equity**

The Company believes that Return on equity ratio as disclosed above is an apt measure of Return on investment ratio as well.

Particulars	As at 30 June 2021 (Not annualised)	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019 - As Adjusted
Net profit after tax*	55.57	286.15	438.80	209.67
Total equity**	2,440.11	2,381.71	1,017.05	571.93
<b>Ratio</b>	<b>2%</b>	<b>17%</b>	<b>55%</b>	<b>45%</b>
<b>% Change from previous period / year</b>	<b>-86.31%</b>	<b>-69.51%</b>	<b>23.68%</b>	

\*Net Profit after tax for the three months period ended 30 June 2021 was not annualized.

\*\*Average equity represents the average of opening and closing total equity.

**Reason for change more than 25%:**

This ratio has decreased from 55% in FY 2019-20 to 17% in FY 2020-21 mainly due to decrease in profit after tax on account drop in order book w.r.t tooling charges income in the FY 20-21, higher input (raw material) cost on account of supplier chain constraints in the Covid-19 Pandemic and one-time charge w.r.t write-off of inventory and allowance for non-moving and obsolete inventory in accordance with the policy framed by the Company in this regard.

Further, the fresh infusion of capital (equity and CCPS along with securities premium) has increased the equity without an immediate increase in profits. Additionally the fresh infusion has been majorly utilised for the purposes of acquisition of associate which has not resulted in any incremental profit in the standalone statement of Profit and Loss.

45. Additional regulatory information as required by Schedule III to the Companies Act, 2013 (contd.)

II) Loans or advances in the nature of loans granted to promoters, directors, KMPs and related parties'

As at 30 June 2021

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	In the nature of loan / advance	Percentage to the total Loans and advances in the nature of loans	Repayable on Demand / Without specifying any terms or period of repayment
Related Parties	19.94	Advance	NA	To be adjusted against subsequent supply of goods or services.

As at 31 March 2021

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	In the nature of loan / advance	Percentage to the total Loans and advances in the nature of loans	Repayable on Demand / Without specifying any terms or period of repayment
Related Parties	23.86	Advance	NA	To be adjusted against subsequent supply of goods or services.

As at 31 March 2020

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	In the nature of loan / advance	Percentage to the total Loans and advances in the nature of loans	Repayable on Demand / Without specifying any terms or period of repayment
Related Parties	12.69	Advance	NA	To be adjusted against subsequent supply of goods or services.



### III. Capital work in progress (CWIP) ageing

There is no CWIP as on 30 June 2021 and 31 March 2021, and hence the ageing schedule has not been provided. The ageing and completion schedule of CWIP as on 31 March 2020 and 31 March 2019 is as follows:

#### As on 31 March 2020

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4.26	-	-	-	4.26
Projects temporarily suspended	-	-	-	-	-

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	4.26	-	-	-

#### As on 31 March 2019

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3.80	0.77	-	-	4.57
Projects temporarily suspended	-	-	-	-	-

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress	4.57	-	-	-

### IV. Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company did not have any transactions with Companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the respective financial years / period.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (viii) The Company has not been declared willful defaulter by any bank or financial Institution or other lender.
- (ix) The Company does not have any Scheme of Arrangements which have been approved by the Competent Authority in terms of sections 230 to 237 of the Act.
- (x) The Company has complied with the the number of layers prescribed under of Section 2(87) of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**V . Comparison of Quarterly returns furnished to Banks with books of account**

The Company is filing statement of inventories and trade receivables as per covenants stated in sanction letter to the banks for working capital loan. The below is summary of quarterly statement filed with the banks duly compared with the books of accounts.

Quarter Ended	Inventory			Receivables		
	As per Quarterly Return (A)	As per Books (Refer Note 3) (B)	Difference (C= B - A)	As per Quarterly Return (D)	As per Books (Refer Note 4) (E)	Difference (F = E - D)
30-Jun-18	387.07	452.25	(65.18)	610.45	788.42	(177.97)
30-Sep-18	439.76	548.62	(108.86)	776.40	920.58	(144.18)
31-Dec-18	460.69	568.04	(107.35)	765.31	1,008.24	(242.93)
31-Mar-19	452.55	553.38	(100.83)	882.74	916.35	(33.61)
30-Jun-19	544.04	589.37	(45.33)	753.51	1,195.91	(442.40)
30-Sep-19	487.73	545.14	(57.41)	775.24	1,306.28	(531.04)
31-Dec-19	434.04	585.48	(151.44)	766.95	1,141.51	(374.56)
31-Mar-20	506.41	599.85	(93.44)	791.58	1,013.29	(221.71)
30-Jun-20	514.48	687.81	(173.33)	432.23	679.47	(247.24)
30-Sep-20	538.22	616.82	(78.60)	539.19	1,007.22	(468.03)
31-Dec-20	595.72	731.62	(135.90)	1,265.01	1,316.63	(51.62)
31-Mar-21	487.46	525.71	(38.25)	999.62	1,166.92	(167.30)
30-Jun-21	628.68	859.45	(230.77)	1,202.03	1,361.79	(159.76)

**Notes:**

1. The variance in inventories is on account of certain period end adjustments such as overhead and labour allocation and other adjustment entries recorded in books post filing of the returns with the banks.
2. The variance in receivables is on account of certain aged debtors more than one year, receivables of certain divisions as well as period end adjustments such as restatement of foreign currency receivables, reconciliation based on confirmation, etc. being carried out in books post filing of the returns with the banks.
3. Inventory as per books of accounts disclosed above excludes goods in transit, inventory of certain divisions of the Company and allowance for obsolete and non-moving inventory.
4. Receivable excludes allowance for expected credit losses and receivables of certain division of the Company.
5. The amounts as per books of account disclosed above for the quarters ended March 31, 2021 and June 30, 2021 are based on audited trial balance, while other quarters are based on unaudited books of account.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees, unless otherwise stated)

**46. 1 First time adoption of Ind AS**

The Company has voluntarily adopted Ind AS for the purpose of financial statements for the Year ended 31 March 2021 with the transition date being 1 April 2019

The accounting policies set out in Note 2 have been applied in presenting the comparative information presented for the year ended 31 March 2021 and in preparing the Ind AS balance sheet for the year ended 31 March 2020 and 1 April 2019 (date of transition for the purposes of audited Financial statements). The Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).

An explanation of how the transition from Indian GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes

**First time IND AS Adoption Reconciliation :**
**(i) Reconciliation of Balance Sheet as previously reported under Indian GAAP to IND AS**

Particulars	Notes	As at 31 March 2020 (Last period presented under Indian GAAP)			As at 1 April 2019 (date of transition)		
		Indian GAAP*	Effect of Transition to IND AS	Ind AS balance sheet	Indian GAAP*	Effect of Transition to IND AS	Ind AS balance sheet
<b>(I) ASSETS</b>							
<b>Non-current assets</b>							
(a) Property, plant and equipment	46.2 (C) (a)	779.15	-	779.15	752.39	-	752.39
(b) Right-of-use assets		-	62.12	62.12	-	74.66	74.66
(c) Capital work-in-progress		4.26	-	4.26	4.56	-	4.56
(d) Intangible assets		23.52	-	23.52	32.54	-	32.54
(e) Other financial assets	46.2 (C) (d)	33.53	(4.63)	28.90	31.71	(5.45)	26.26
(f) Non current tax assets (Net)		-	-	-	9.02	-	9.02
(g) Deferred tax assets (net)		0.25	7.21	7.46	-	-	-
(h) Other non-current assets		122.10	-	122.10	3.12	-	3.12
<b>Total Non - Current Assets</b>		<b>962.81</b>	<b>64.70</b>	<b>1,027.51</b>	<b>833.34</b>	<b>69.21</b>	<b>902.55</b>
<b>Current assets</b>							
(a) Inventories	46.2 (C) (c)	682.25	-	682.25	636.78	-	636.78
(b) Financial Assets							
(i) Trade receivables		1,186.36	(22.77)	1,163.59	1,009.49	(17.15)	992.34
(ii) Cash and cash equivalents		307.68	-	307.68	61.49	-	61.49
(iii) Other Bank balances		43.98	-	43.98	80.78	-	80.78
(iv) Loans		-	-	-	-	-	-
(v) Other Financial Assets		36.52	-	36.52	68.09	-	68.09
(c) Other current assets		205.42	-	205.42	126.37	-	126.37
<b>Total Current Assets</b>		<b>2,462.20</b>	<b>(22.77)</b>	<b>2,439.44</b>	<b>1,983.00</b>	<b>(17.15)</b>	<b>1,965.85</b>
<b>Total Assets</b>		<b>3,425.02</b>	<b>41.93</b>	<b>3,466.95</b>	<b>2,816.34</b>	<b>52.06</b>	<b>2,868.40</b>
<b>(II) EQUITY AND LIABILITIES</b>							
<b>Equity</b>							
(a) Equity Share capital	46.2 (C) (e)	52.02	(45.00)	7.02	97.02	(90.00)	7.02
(b) Other Equity		1,029.19	(19.16)	1,010.03	575.92	(7.98)	567.94
<b>Total equity</b>		<b>1,081.21</b>	<b>(64.16)</b>	<b>1,017.05</b>	<b>672.94</b>	<b>(97.98)</b>	<b>574.96</b>
<b>LIABILITIES</b>							
<b>Non-current liabilities</b>							
(a) Financial Liabilities	46.2 (C) (b)						
(i) Borrowing		197.58	44.56	242.14	300.95	84.97	385.92
(ii) Lease Liabilities		-	52.38	52.38	-	61.54	61.54
(b) Provisions		24.90	-	24.90	25.80	-	25.80
(c) Deferred tax liabilities	46.2 (C) (f)	-	-	-	9.91	(4.14)	5.77
<b>Total Non-current liabilities</b>		<b>222.48</b>	<b>96.94</b>	<b>319.42</b>	<b>336.66</b>	<b>142.37</b>	<b>479.03</b>
<b>Current liabilities</b>							
(a) Financial Liabilities	46.2 (C) (a)						
(i) Borrowings		531.40	-	531.40	483.47	-	483.47
(ii) Lease liabilities		-	9.15	9.15	-	7.67	7.67
(iii) Trade payables		3.87	-	3.87	5.71	-	5.71
- Dues of micro and small enterprises		1,064.25	-	1,064.25	905.79	-	905.79
(iv) Other financial liabilities		84.27	-	84.27	176.74	-	176.74
(b) Provisions		26.12	-	26.12	13.30	-	13.30
(c) Current tax liabilities (Net)		23.27	-	23.27	-	-	-
(d) Other current liabilities		388.15	-	388.15	221.73	-	221.73
<b>Total Current Liabilities</b>		<b>2,121.33</b>	<b>9.15</b>	<b>2,130.48</b>	<b>1,806.74</b>	<b>7.67</b>	<b>1,814.41</b>
<b>Total Equity and Liabilities</b>		<b>3,425.02</b>	<b>41.93</b>	<b>3,466.95</b>	<b>2,816.34</b>	<b>52.06</b>	<b>2,868.40</b>

(ii) Reconciliation of equity as previously reported under Indian GAAP to Ind AS

Particulars	Notes	As at 31 March 2020	As at 1 April 2019
<b>Equity as reported under Indian GAAP*</b>		1,081.21	672.94
<b>Ind AS: Adjustments increase/ (decrease):</b>			
Preference shares treated as Finance Liability	46.2 (C) (e)	(46.63)	(87.75)
Unamortised processing fees (EIR)	46.2 (C) (b)	2.08	2.78
Allowance for Expected Credit loss	46.2 (C) (c)	(22.77)	(17.15)
Leases - Ind AS 116	46.2 (C) (a)	(4.87)	-
Interest Income on Security Deposits	46.2 (C) (d)	0.82	-
Deferred tax impact on the above	46.2 (C) (f)	7.21	4.16
		<b>(64.16)</b>	<b>(97.96)</b>
<b>Total Equity as reported under IND AS</b>		<b>1,017.05</b>	<b>574.98</b>

(iii) Reconciliation of profit or loss for the year ended 31 March 2020

			Year ended 31 March 2020 (Last period presented under Indian GAAP)		
	Particulars	Notes	Indian GAAP*	Effect of transition to Ind AS	Ind AS
1	Revenue from operations		3,970.76	-	3,970.76
2	Other Income	46.2 (C) (d)	77.24	0.82	78.06
3	<b>Total income (1 + 2)</b>		<b>4,048.00</b>	<b>0.82</b>	<b>4,048.82</b>
4	<b>EXPENSES</b>				
	(a) Cost of materials consumed		2,218.46	-	2,218.46
	(b) Purchases of stock-in-trade		26.92	-	26.92
	(c) Changes in stock of finished goods, stock-in-trade and work-in-progress		27.63	-	27.63
	(d) Employee benefit expense	46.2 (C) (g)	258.88	4.63	263.51
	(e) Finance costs	46.2 (C) (b)	66.64	13.06	79.70
	(f) Depreciation and amortisation expense	46.2 (C) (a)	84.45	12.54	96.99
	(g) Other expenses	46.2 (C) (a) & (c)	766.53	(9.22)	757.31
	<b>Total Expenses</b>		<b>3,449.51</b>	<b>21.01</b>	<b>3,470.52</b>
	<b>Profit Before exceptional items and tax (I)-(II)</b>		<b>598.49</b>	<b>-</b>	<b>578.30</b>
	<b>Exceptional Items</b>		<b>55.99</b>	<b>-</b>	<b>55.99</b>
5	<b>Profit before tax (3 - 4)</b>		<b>542.50</b>	<b>(20.19)</b>	<b>522.31</b>
6	<b>Tax Expense</b>				
	(a) Current tax		79.18	17.35	96.53
	(b) Tax pertaining to previous years		1.55	-	1.55
	(c) Deferred tax	46.2 (C) (f)	7.20	(21.77)	(14.57)
	<b>Total tax expense</b>		<b>87.93</b>	<b>(4.42)</b>	<b>83.51</b>
7	<b>Profit for the year (5 - 6)</b>		<b>454.57</b>	<b>(15.77)</b>	<b>438.80</b>
8	<b>Other Comprehensive Income</b>				
	(A) Items that will not be reclassified to profit or loss				
	(a) Remeasurements of the defined benefit plans	46.2 (C) (g)	-	4.64	4.64
	(b) Income tax relating to the above		-	(1.35)	(1.35)
	<b>Total Other Comprehensive income</b>		<b>-</b>	<b>3.29</b>	<b>3.29</b>
9	<b>Total Comprehensive income for the year</b>		<b>454.57</b>	<b>(12.48)</b>	<b>442.09</b>

(iv) Reconciliation of Total Comprehensive Income for the year ended 31 March 2020 :

Particulars	Notes	Year ended 31 March 2020 latest period presented under Indian GAAP)
<b>Profit as per Indian GAAP*</b>		454.57
<b>Ind AS: Adjustments increase/ (decrease):</b>		
Interest Income on Security Deposits	46.2 (C) (d)	0.82
Interest expense on lease liability	46.2 (C) (a)	(6.91)
Amortisation of processing fees	46.2 (C) (b)	(0.74)
Interest on financial instruments (Net)	46.2 (C) (e)	(5.17)
Depreciation on ROU Asset considered as per IND AS 116	46.2 (C) (a)	(12.54)
Rent expenses Considered as ROU Asset as per IND AS 116	46.2 (C) (a)	14.58
Allowance for Expected Credit Loss	46.2 (C) (c)	(5.62)
Deferred tax Impact	46.2 (C) (f)	21.80
Tax effect on remeasurement of the defined benefit plans included as part of Provision for Tax to Other Comprehensive Income	46.2 (C) (g)	(1.35)
<b>Total Comprehensive Income under Ind AS</b>		<b>459.44</b>

**Note :** Under Indian GAAP, total comprehensive income was not reported. Therefore the above reconciliation starts with profit under Indian GAAP.

(v) Adjustments to the statement of cash flows

Particulars	Year ended 31 March 2020 (Last period presented under Indian GAAP)		
	Indian GAAP*	Effect of transition to Ind AS	Ind AS
<b>Indian GAAP*</b>			
Net cash flows from operating activities	693.35	(14.94)	708.29
Net cash flows from investing activities	(282.86)	7.65	(290.51)
Net cash flows from financing activities	(199.11)	7.29	(206.40)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>211.38</b>	<b>-</b>	<b>211.38</b>
<b>Add: Cash and cash equivalents at beginning of period</b>	<b>61.49</b>	<b>-</b>	<b>61.49</b>
Effects of exchange rate changes on the balance of cash held in foreign currencies	34.81	-	34.81
<b>Cash and cash equivalents at end of period</b>	<b>307.68</b>	<b>-</b>	<b>307.68</b>

\*Indian GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

**46.2 Statement of adjustments to audited standalone financial statements**

**A Reconciliation of total equity as per Audited Financial statements with total equity as per Restated Standalone Financial Information:**

Particulars	Note No	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020*	As at 31 March 2019 - As Adjusted**	As at 1 April 2018 - As Adjusted
<b>Total equity as per Audited Financial Statements</b>		<b>2,440.11</b>	<b>2,381.71</b>	<b>1,017.05</b>	<b>672.92</b>	<b>455.99</b>
<b>Ind AS: Adjustments increase/ (decrease):</b>						
Leases	(a)	-	-	-	(4.96)	-
Unamortised processing fees (Effective Interest Rate)	(b)	-	-	-	2.78	0.29
Expected Credit Loss on Trade Receivables	(c)	-	-	-	(17.15)	(5.92)
Interest Income on Security Deposits	(d)	-	-	-	0.73	-
Redeemable Preference shares treated as Finance Liability	(e)	-	-	-	(87.75)	(81.82)
Deferred tax impact on the above	(f)	-	-	-	5.36	(1.47)
<b>Total equity (as per Restated Standalone Financial Information)</b>		<b>2,440.11</b>	<b>2,381.71</b>	<b>1,017.05</b>	<b>571.93</b>	<b>367.07</b>

\* The Total equity as on March 31, 2020, is considered based on the Comparative figures disclosed in Audited Ind AS Financial Statements prepared for Year ended March 31, 2021.

\*\*The Total equity as on March 31, 2019 (As Adjusted) is based on the audited Indian GAAP financial statements for the year ended March 31, 2019.

**B Reconciliation of total comprehensive income with total comprehensive income as per Restated Standalone Financial Information**

Particulars	Note No	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020*	For the year ended 31 March 2019 - As Adjusted**
<b>Net profit after tax as per audited financial statements</b>		<b>58.40</b>	<b>285.97</b>	<b>442.09</b>	<b>216.92</b>
<b>Ind AS: Adjustments increase/ (decrease):</b>					
Leases	(a)	-	-	-	(4.96)
Unamortised processing fees (Effective Interest Rate)	(b)	-	-	-	2.51
Expected Credit Loss on Trade Receivables (net) (Refer Note 12.1)	(c)	-	-	-	(11.23)
Interest Income on Security Deposits	(d)	-	-	-	0.73
Redeemable Preference shares treated as Finance Liability	(e)	-	-	-	(5.94)
Deferred tax impact on the above	(f)	-	-	-	6.83
<b>Total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(12.06)</b>

**III. Total comprehensive income as per Restated Standalone Financial Information (I + II)**

\*The Net profit after tax for the year ended 31 March 2020, is considered based on the Comparative figures disclosed in Audited Ind AS Financial Statements prepared for Year ended March 31, 2021.

\*\*The Net profit after tax for the year ended 31 March 2019 is based on the audited Indian GAAP financial statements for the year ended March 31, 2019.

**C Notes on adjustments to audited Standalone financial statements -**

**(a) Leases**

Under Indian GAAP, the Company recognised lease expenses as and when it is incurred in its statement of profit and loss. Upon transition, the Company has measured the right of use asset as at the date of transition to Ind AS at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to such leases recognised in the Balance Sheet immediately before the date of transition to Ind AS. Accordingly, there is no impact on adoption of Ind AS 116 in the retained earnings. The Company amortises the right of use assets over the lease term with lease liabilities accrued for periodic finance costs incurred and subsequently adjusted for rental payments.

**(b) Unamortised processing fees (Effective Interest Rate)**

Under Indian GAAP, borrowing cost and processing fees related to loans were charged off to the statement of profit and loss initially upon obtaining the loan. Under Ind AS, the Company measures the borrowings at amortised cost using Effective interest rate (EIR) method also considering the Upfront fees and Processing fees paid resulting in amortisation of the processing fees over the tenure of the loan.

**(c) Expected Credit Loss on Trade Receivables**

Under Indian GAAP, provision for bad and doubtful debts was recognised as per the internal policy of the Company based on ageing of Trade Receivables. Under Ind AS, the impairment loss allowance on account of Trade receivables is created based on a provision matrix computed under the Expected credit loss model.

**(d) Interest Income on Security Deposits**

Under Indian GAAP, the Company recognised interest free deposit at transaction value, however under Ind AS, the security deposits are required to be recognised at fair value. The difference between the present value and the principal amount of the deposit paid for the lease assets at inception is accounted for as ROU asset, which is then depreciated on a straight line basis over lease term. Correspondingly, there will be interest income accrued on the discounted value of deposits.

**(e) Redeemable Preference shares treated as Finance Liability**

Under Indian GAAP, Redeemable Preference shares was accounted as equity. Under Ind AS, consequent to the contractual obligation to deliver cash or another financial asset to another entity, the accounting of these financial instruments as per Ind AS 32 was considered as a financial liability and accordingly the coupon was treated as finance Cost and charged to Statement of Profit & Loss.

**(f) Deferred tax impact**

Deferred Tax has been recalculated in respect of above changes and deferred tax impact at the transition date has been recognised in opening reserves as at 1 April 2018 and for the year ended March 31, 2019 (As Adjusted) has been recognised in the Statement of Profit and Loss.

**(g) Other Comprehensive income on Actuarial gains and losses**

Under Indian GAAP, actuarial gains and loss were recognised in Statement of Profit & Loss. Under Ind AS, the actuarial gains and losses form part of remeasurement of the net defined benefit liability / asset which is recognised in other comprehensive income. Consequently, the tax effect of the same has also been recognised in other comprehensive income under Ind AS instead of Statement of profit & loss.

**46.2 Statement of adjustments to audited Standalone financial statements (Continued)**

**D Exemptions and exceptions availed as on 1 April 2018 (Refer Note 2.1)**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from Indian GAAP to Ind AS.

**I Ind AS optional exemptions**

**(a) Deemed cost**

The Company has elected to measure all of its property, plant and equipment and intangible assets at their Indian GAAP carrying value adjusted for the impact of opening transition adjustments and use the value so arrived as the deemed cost of the property, plant and equipment and intangible assets.

**(b) Leases**

The Company has elected to assess whether a contract or arrangement contains a lease on a retrospective basis i.e. on the basis of facts and circumstances existing as at 1 April, 2018.

**(c) Business Combination**

The Company has elected not to apply Ind AS 103 retrospectively to past business combinations.

**II Ind AS mandatory exceptions**

**(a) Estimates**

On assessment of estimates made under the Indian GAAP financial statements, the Company has concluded that there is no necessity to revise such estimates under Ind AS, as there is no objective evidence of an error in those estimates except impairment of financial asset based on expected credit loss model as the same was not required under Indian GAAP.

**E Reconciliation of other equity as at March 31, 2019 as per Restated Standalone Financial Information with opening other equity balance as at April 1, 2019 (Refer Note below)**

Particulars	Amount
Balance as at March 31, 2019 as per Restated Standalone Financial Information	564.91
Adjustment on account of transition to Ind AS 116	4.25
Deferred tax on above	(1.22)
Balance as on April 1, 2019 as per audited financial statements for year ended March 31, 2021	567.94

The Company has followed the same accounting policy choices as adopted on 01 April 2019 upon transition to Ind AS on 01 April 2019 for the purposes of audited financial statements of year ended 31 March 2021, while preparing the Restated Standalone Financial Information for each of the period / year ended 30 June 2021, 31 March 2021, 31 March 2020 and 31 March 2019. As specified in the Guidance Note, the equity balance computed under Restated Standalone Financial Information for the year ended 31 March 2019 and equity balance as on 01 April 2019, differs due to restatement adjustments made for the year ended 31 March 2019 "As Adjusted" and as at 1 April 2018 "As Adjusted". Accordingly, the closing equity balance as at 31 March 2019 of the Restated Standalone Financial Information has not been carried forward to opening Balance sheet as at 01 April 2019.

The following tables present reconciliation of cash flows for the year ended 31 March 2019 (As Adjusted) and 31 March 2020. W.r.t year ended 31 March 2021 and period ended 30 June 2021, the cash flows as per the audited Ind AS financial statements is the same as the cash flows as per the restated standalone financial statements and hence no reconciliation is required to be presented.

The reconciliation for the year ended 31 March 2020 is presented based on the audited financial statements for the year ended 31 March 2020 prepared under Indian GAAP and not based on the comparative information presented in the audited Ind AS Financial statements for the year ended 31 March 2021.

**F Impact of above Ind AS adjustments on the statement of cash flows:**

**(a) For the period ended 30 June 2021**

Particulars	As per Audited Standalone financial statements	Adjustments/ Reclassifications	As per Restated Standalone financial information
Net cash flow from operating activities	33.97	-	33.97
Net cash flow from investing activities	(31.60)	-	(31.60)
Net cash flow from financing activities	(64.95)	-	(64.95)
Net increase / (decrease) in cash and cash equivalents	(62.58)	-	(62.58)
Cash and cash equivalents at the beginning of the year	302.06	-	302.06
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	2.64	-	2.64
<b>Cash and cash equivalents at the end of the year</b>	<b>242.12</b>	<b>-</b>	<b>242.12</b>

**(b) For the year ended 31 March 2021**

Particulars	As per Audited Standalone financial statements	Adjustments/ Reclassifications	As per Restated Standalone financial information
Net cash flow from operating activities	238.54	-	238.54
Net cash flow from investing activities	(944.18)	-	(944.18)
Net cash flow from financing activities	680.12	-	680.12
Net increase / (decrease) in cash and cash equivalents	(25.52)	-	(25.52)
Cash and cash equivalents at the beginning of the year	307.68	-	307.68
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	(2.53)	-	(2.53)
<b>Cash and cash equivalents at the end of the year</b>	<b>279.63</b>	<b>-</b>	<b>279.63</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Restated Standalone Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**(c) For the year ended 31 March 2020**

Particulars	As per Audited Standalone financial statements*	Adjustments/ Reclassifications	As per Restated Standalone financial information
Net cash flow from operating activities	708.29	-	708.29
Net cash flow from investing activities	(290.51)	-	(290.51)
Net cash flow from financing activities	(206.40)	-	(206.40)
Net increase / (decrease) in cash and cash equivalents	211.38	-	211.38
Cash and cash equivalents at the beginning of the year	61.49	-	61.49
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	34.81	-	34.81
<b>Cash and cash equivalents at the end of the year</b>	<b>307.68</b>	<b>-</b>	<b>307.68</b>

\*The Cash flow figures for the year ended 31 March 2020, is considered based on the Comparative figures disclosed in Audited Ind AS Financial Statements prepared for Year ended March 31, 2021.

**(d) For the year ended 31 March 2019 - As Adjusted**

Particulars	As per Audited Indian GAAP Standalone financial statements	Adjustments/ Reclassifications	As per Restated Standalone financial information
Net cash flow from operating activities	150.05	(49.66)	100.39
Net cash flow from investing activities	(291.22)	69.76	(221.46)
Net cash flow from financing activities	136.33	(2.96)	133.37
Net increase / (decrease) in cash and cash equivalents	(4.84)	17.14	12.30
Cash and cash equivalents at the beginning of the year	43.73	-	43.73
Effect of exchange differences on restatement of foreign currency cash and cash equivalents	22.60	(17.14)	5.46
<b>Cash and cash equivalents at the end of the year</b>	<b>61.49</b>	<b>-</b>	<b>61.49</b>

The impact of transition from Indian GAAP to Ind AS on the Statement of Cash Flows is due to various reclassification adjustments recorded under Ind AS in balance sheet and Statement of Profit and Loss.

**G Material Regrouping**

Appropriate regroupings have been made in the Restated Standalone Statements of Assets and Liabilities, Standalone Statement of Profit and Loss and Standalone Statement of Cash Flow , wherever required, by reclassifications of the corresponding items of income, expenses, assets, liabilities and cash flows, in order to bring them in line with the accounting policies and classification as per the latest special purpose audited Ind AS interim financial statements of the Company for the period ended 30 June 2021, prepared in accordance with Schedule III of the Act (as amended), requirements of Ind AS 1 and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations; 2018, as amended.



#### 47 Foreign Exchange Management Act, 1999

The Company has approached the designated authority and is in the process of filing the required documents as may be required with the designated authority in connection with the various foreign exchange transactions of earlier years, relating to certain long outstanding payables to foreign parties and receivable from export customers etc., to ensure compliance with the Foreign Exchange Management Act, 1999.

The Management is confident of completing all the required formalities and obtaining the required approvals / ratification from the designated authority (AD Bank / RBI as the case may be) and does not estimate any outflow of cash on account of the same.

#### 48 COVID-19

The outbreak of the Covid-19 pandemic and the consequent lock down has impacted the regular business operations of the Company. The Company has assessed the impact of the pandemic on its financial position based on the internal and external information, to the extent known and available up to the date of approval of these financial statements. Based on such assessment, the Company believes no additional adjustments is required as at 31 March 2020, 31 March 2021 and 30 June 2021 to the carrying value of trade receivables, inventories, property, plant & equipment, deferred tax asset and other financial assets. Further, the Company has also assessed its liquidity position and based on the cash flows available on balance sheet and unutilized credit lines with banks, the Company will be able to meet all its obligations. The impact of the pandemic may be different from that assessed as at the date of approval of these financial statements and the Company will continue to monitor any material changes to future economic conditions.

#### 49 Events after the latest Reporting Date, i.e., period ended 30 June 2021

- (a) Subsequent to the period ended 30 June 2021, the Company has acquired Controlling interest in certain companies, the details of which is given below:

Particulars	Acquiree 1	Acquiree 2
Name of the acquiree	SGS Teknics Manufacturing Private Limited ("SGS")*	Perfect ID India Private Limited ("Perfect")
Description of the acquiree	SGS is engaged in the business of providing electronic manufacturing goods and related services.  SGS is having four manufacturing locations in India along with design and development center at Stuttgart, Germany and Gurugram, India. The production facilities are located at Gurugram, Manesar, Baddi and Bangalore.	Perfect is India's first fully automated RFID tag manufacturing company and is a leading developer and manufacturer of high quality and smart UHF RAIN RFID inlays and tags.  The Company's Manufacturing facility is located in Ghaziabad.
Acquisition date	16 September 2021	21 October 2021
Percentage of voting equity interests acquired	100%	75%
Primary reasons for the business combination	Synergy in operations, expansion and reduced competition	Synergy in operations and expansion
Description of how the acquirer (i.e Company) obtained control	By virtue of share purchase agreement, equity stake of 100% was acquired from the existing shareholders of the acquiree	By virtue of share purchase agreement, equity stake of 75% was acquired from the existing shareholders of the acquiree

\* Pursuant to share purchase agreement dated 23 October 2020 between the Company, SGS, existing shareholders of SGS, Tancom Electronics Private Limited, Mr. Sandeep Tandon and Mrs. Veena Kumari Tandon, the Company agreed to purchase 20% stake in SGS from existing shareholders. The Company and SGS also decided to merge both the Companies and decided to file application with respective National Company Law Tribunal (NCLT) for necessary approvals. Subsequent to the period ended 30 June 2021, the Company and SGS decided to withdraw merger application from NCLT as both the parties agreed not to proceed with the proposed merger.

Further, to the period ended 30 June 2021, both SGS & Perfect have become subsidiaries of the Company.

The Company is in the process of completing the initial accounting for the business combinations on the date of issue of these financial statements by assessing fair value of assets / liabilities acquired including identifiable intangible assets and goodwill. The initial accounting of the business combination would be done in the financial year ending 31 March 2022. Accordingly the disclosures as provided in Para B64(e)-(q) of Ind AS 103 will be made in the general-purpose financial statements for the financial year ending 31 March 2022.

- (b) The members at the Extra Ordinary General Meeting held on 19 October 2021 have approved the Syrma SGS Employee Stock Option Plan, 2020 ("the Plan") for grant of options to the eligible employees of the Company, Holding and / or subsidiaries / Group Companies not exceeding 3% of issued share capital as on 19 October 2021. Consequently, Syrma SGS Employee Stock Option Scheme 2020 - Scheme 1 and Syrma SGS Employee Stock Option Scheme 2020 - Scheme 2 have been notified under the plan. The Company has granted 23,859 options to the eligible employees under the aforesaid schemes.
- (c) The Company has increased its authorised share capital subsequent to end of 30 June 2021 as below:-

Particulars	As at 30 June 2021		As on date of issue of financial statements	
	Number of shares	Amount	Number of shares	Amount
Equity Shares of Rs. 10/- each	5,550,000	55.50	200,000,000	2,000.00
Preference Shares of Rs. 100/- each	1,200,000	120.00	1,200,000	120.00
<b>Total</b>		<b>175.50</b>		<b>2,120.00</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

Notes to the Restated Standalone Financial Information

(All amounts are in Million Indian Rupees unless otherwise stated)

- (d) The members at the Extra Ordinary General Meeting held on 19 October 2021 have approved the modification in the conversion ratio of 0.1% Cumulative Compulsorily Convertible Preference shares from 1:1 as defined in Schedule 7 of the Share Subscription Agreement to 1:1.02048. Consequently, the Board of Directors in their meeting held on 19 October 2021 have approved the conversion of 104,002 preference shares of Rs. 100 each into 106,132 equity shares of Rs. 10 each.
- (e) The members at the Extra Ordinary General Meeting held on 28 October 2021 have approved the issue of bonus shares in the ratio of 100 equity shares for every 1 equity share as on the date of EGM. Consequently, the number of shares has increased from 1,362,553 equity shares of Rs. 10 each prior to bonus issue to 137,617,853 equity shares of Rs. 10 each post bonus issue with the number of bonus shares issued being 136,255,300.
- (f) The Company's paid-up capital has undergone the following changes:

Particulars	As at 30 June 2021		As on date of issue of restated standalone financial statements	
	Number of shares	Amount	Number of shares	Amount
Equity Shares of Rs. 10/- each	748,041	7.48	137,617,853	1,376.18
Preference Shares of Rs. 100/- each	104,002	10.40		
<b>Total</b>		<b>17.88</b>		<b>1,376.18</b>

In addition to the Bonus issue (mentioned in (e) above) and conversion of preference shares into equity (mentioned in (d) above), the Company has also issued 508,380 equity shares of Rs. 10 each on a preferential basis subsequent to the period ended 30 June 2021.

- (g) The name of the Company has been changed from Syrma Technology Private Limited to Syrma SGS Technology Private Limited with effect from 14 September 2021. Subsequently, w.e.f 20 October 2021, the Company has changed its constitution from private limited Company to public limited Company resulting in change of name to Syrma SGS Technology Limited.

For and on behalf of the Board of Directors of  
**Syrma SGS Technology Limited**

**Sandeep Tandon**  
Executive Chairman  
DIN : 00054553  
Place : Mumbai  
Date : 9 December 2021

**J S Gujral**  
Managing Director  
DIN : 00198825  
Place : Gurugram  
Date : 9 December 2021

**Bijay Kumar Agrawal**  
Chief Financial Officer

**Rahul Sinnarkar**  
Company Secretary

Place : Gurugram  
Date : 9 December 2021

Place : Mumbai  
Date : 9 December 2021

**INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED  
FINANCIAL INFORMATION**

The Board of Directors

Syrma SGS Technology Limited (Formerly Known as Syrma SGS Technology Private Limited)

Dear Sirs,

1. We have examined, as appropriate (Refer paragraph 6 below), the attached Restated Consolidated Financial Information of Syrma SGS Technology Limited (Formerly Known as Syrma SGS Technology Private Limited) (the "Company" or the "Issuer") and its associate, comprising the Restated Consolidated Statement of Assets and Liabilities as at June 30, 2021 and March 31, 2021, the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the three month period ended June 2021 and for the year ended March 31, 2021, the Summary Statement of Significant Accounting Policies, and other explanatory information (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on December 09, 2021 for the purpose of inclusion in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with the Issuer's proposed Initial Public Offer of equity shares ("IPO") 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 (the "Guidance Note").
2. The Company's Board of Directors is responsible for the preparation of the Restated Consolidated Financial Information for the purpose of inclusion in the DRHP to be filed with Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited in connection with the proposed IPO. The Restated Consolidated Financial Information have been prepared by the management of the Company on the basis of preparation stated in Note 2.1 . to the Restated Consolidated Financial Information. The respective Board of Directors of the Company and of its associate responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The respective Board of Directors are also responsible for identifying and ensuring that the Company and its associate complies with the Act, ICDR Regulations and the Guidance Note.

3. We have examined such Restated Consolidated 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 dated November 06, 2021 in connection with the proposed IPO of equity shares of the Issuer;
  - b) 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 Consolidated 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.
4. These Restated Consolidated Financial Information have been compiled by the management from:
- a) Audited Special Purpose Interim Consolidated Financial statements of the Company and its associate as at and for the three month period ended June 30, 2021 prepared in accordance with recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India (the "Special Purpose Interim Consolidated Financial statements") which have been approved by the Board of Directors at their meeting held on November 29, 2021.
  - b) Audited Consolidated Financial statements of the Company and its associate as at and for the years ended March 31, 2021 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors at their meeting held on November 20, 2021.
5. For the purpose of our examination, we have relied on:
- a) Auditors' report issued by us dated November 29, 2021 on the Special Purpose Interim Consolidated Financial statements of the Company as at and for the three months period ended June 30, 2021 as referred in Paragraph 4 (a) above (also refer Note 2.1 of the Restated Consolidated Financial Information).
  - b) Auditors' report issued by us dated November 20, 2021 on the Consolidated Financial Statements of the Company as at and for the year ended March 31, 2021 as referred in Paragraph 4 (b) above.

6. As indicated in our audit reports referred above:

- a) we did not audit financial statements of an associate whose share of profit included in the special purpose interim consolidated Financial statements/ consolidated Financial statements, for the relevant period/year is tabulated below, which have been audited by other auditors, and whose reports have been furnished to us by the Company's management and our opinion on the special purpose interim consolidated Financial statements/ consolidated Financial statements, in so far as it relates to the amounts and disclosures included in respect of this component, is based solely on the reports of the other auditor:

(Rs in million)

<b>Particulars</b>	<b>As at /for three months ended June 30, 2021</b>	<b>As at /for the year ended March 31, 2021</b>
Share of profit (Total Comprehensive Income) in its associate (net of income taxes)	10.84	34.04

These other auditor of the associate as mentioned above, have examined the restated consolidated financial information and have confirmed that the restated consolidated financial information:

- b) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the period November 01, 2020 to March 31, 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the three month period ended June 30, 2021;
- c) do not require any adjustment for modification as there is no modification in the underlying audit reports;
- d) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
7. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination report submitted by the other auditors for the respective period/year, we report that the Restated Financial Information:
- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year ended March 31, 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the three month period ended June 30, 2021;
- b) do not require any adjustment for modification as there is no modification in the underlying audit reports; and
- c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
9. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim consolidated Financial statements and audited consolidated financial statements mentioned in paragraph 4 above.
10. 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.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
12. Our report is intended solely for use of the Board of Directors for inclusion in the DRHP to be filed with Securities and Exchange Board of India, BSE Limited and National Stock Exchange of India Limited 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 DELOITTE HASKINS & SELLS LLP**

Chartered Accountants

Firm's Registration No. 117366W/W-100018

**Ananthi Amarnath**

Partner

Membership No. 209252

UDIN: 21209252AAAAJY4610

Place: Chennai

Date: December 09, 2021

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Restated Consolidated Statement of Assets and Liabilities**

(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	As at 30 June 2021	As at 31 March 2021
<b>A</b>	<b>ASSETS</b>			
<b>I</b>	<b>Non-Current Assets</b>			
	(a) Property, plant and equipment	3	736.48	750.89
	(b) Right-of-use assets	4	46.45	49.58
	(c) Other Intangible assets	5	9.08	13.22
	(d) Financial assets			
	(i) Investments	7	932.29	921.45
	(ii) Other financial assets	8	132.46	129.51
	(e) Income tax asset (net)	9	12.15	9.78
	(f) Other non-current assets	10	111.52	111.52
	<b>Total non-current assets</b>		<b>1,980.43</b>	<b>1,985.95</b>
<b>II</b>	<b>Current Assets</b>			
	(a) Inventories	11	1,115.84	770.75
	(b) Financial assets			
	(i) Trade receivables	12	1,351.15	1,278.72
	(ii) Cash and cash equivalents	13.1	240.48	279.63
	(iii) Other bank balances	13.2	37.23	22.43
	(iv) Other financial assets	14	53.55	54.65
	(c) Other current assets	15	211.51	241.99
	<b>Total current assets</b>		<b>3,009.76</b>	<b>2,648.17</b>
	<b>Total assets</b>		<b>4,990.19</b>	<b>4,634.12</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>I</b>	<b>Equity</b>			
	(a) Equity share capital	16	7.48	7.48
	(b) Other equity	17	2,477.51	2,408.27
	<b>Total equity</b>		<b>2,484.99</b>	<b>2,415.75</b>
<b>II</b>	<b>Liabilities</b>			
<b>1</b>	<b>Non-current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	18	216.29	244.98
	(ii) Lease liabilities	39	38.69	41.62
	(iii) Other financial liabilities	19	7.77	6.80
	(b) Provisions	20	36.14	31.89
	(c) Deferred tax liabilities (net)	41.4	19.45	2.42
	<b>Total non-current liabilities</b>		<b>318.34</b>	<b>327.71</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Restated Consolidated Statement of Assets and Liabilities**

(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	As at 30 June 2021	As at 31 March 2021
<b>2</b>	<b>Current liabilities</b>			
	(a) Financial liabilities			
	(i) Borrowings	21	299.68	316.23
	(ii) Lease liabilities	39	11.13	10.78
	(iii) Trade payables	22		
	- Total outstanding dues of micro enterprises and small enterprises		10.50	11.12
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,463.58	1,137.30
	(iv) Other financial liabilities	23	10.71	9.15
	(b) Provisions	24	20.48	28.47
	(c) Other current liabilities	25	370.78	377.61
	<b>Total current liabilities</b>		<b>2,186.86</b>	<b>1,890.66</b>
	<b>Total liabilities</b>		<b>2,505.20</b>	<b>2,218.37</b>
	<b>Total equity and liabilities</b>		<b>4,990.19</b>	<b>4,634.12</b>
	See accompanying notes to the Restated Consolidated Financial Information			

In terms of our report attached

**For Deloitte Haskins & Sells LLP**

Firm Registration no. 117366W/W-100018

Chartered Accountants

For and on behalf of the Board of Directors of

**Syrma SGS Technology Limited****Ananthi Amarnath**

Partner

**Sandeep Tandon**

Executive Chairman

DIN: 00054553

Place : Mumbai

Date : 9 December 2021

**J S Gujral**

Managing Director

DIN: 00198825

Place : Gurugram

Date : 9 December 2021

**Bijay Kumar Agrawal**

Chief Financial Officer

Place : Gurugram

Date : 9 December 2021

**Rahul Sinnarkar**

Company Secretary

Place : Mumbai

Date : 9 December 2021

Place : Chennai

Date : 9 December 2021



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Restated Consolidated Statement of Profit and Loss**

(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	For the period ended 30 June 2021	For the year ended 31 March 2021
1	Revenue from operations	26	1,331.90	4,383.03
2	Other income	27	20.82	61.77
3	<b>Total income (1+2)</b>		<b>1,352.72</b>	<b>4,444.80</b>
4	<b>Expenses</b>			
	(a) Cost of raw materials consumed	28.1	1,042.54	2,763.93
	(b) Purchases of stock-in-trade	28.2	2.14	38.09
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	28.3	(111.25)	18.86
	(d) Employee benefits expense	29	83.06	286.35
	(e) Finance costs	30	7.67	45.24
	(f) Depreciation and amortisation expense	6	28.00	120.74
	(g) Other expenses	31	214.42	808.23
	<b>Total expenses</b>		<b>1,266.58</b>	<b>4,081.44</b>
5	<b>Restated profit before exceptional items and tax (3 - 4)</b>		<b>86.14</b>	<b>363.36</b>
6	<b>Tax expense:</b>			
	- Current tax		28.47	96.33
	- Tax pertaining to previous period / years		-	3.78
	- Deferred tax (net)		2.10	(22.90)
	<b>Total tax expense</b>		<b>30.57</b>	<b>77.21</b>
7	<b>Share of Post-acquisition Profit of Associate</b>		<b>10.75</b>	<b>34.02</b>
8	<b>Restated profit for the period / year (5 - 6 + 7)</b>		<b>66.32</b>	<b>320.17</b>
9	<b>Other comprehensive income</b>			
	<b>(A) Items that will not be reclassified to profit or loss</b>			
	(i) Remeasurement of the defined benefit plans		4.35	(0.25)
	(ii) Income tax expenses relating to the above		(1.52)	0.07
	(iii) Share of Equity accounted investee		0.02	0.03
	<b>(B) Items that will be reclassified to profit or loss</b>			
	(i) Share of Equity accounted investee		0.07	(0.01)
	<b>Restated total other comprehensive income / (loss) for the period / year</b>		<b>2.92</b>	<b>(0.16)</b>
10	<b>Restated total comprehensive income for the period / year (8 + 9)</b>		<b>69.24</b>	<b>320.01</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Restated Consolidated Statement of Profit and Loss**

(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	For the period ended 30 June 2021	For the year ended 31 March 2021
<b>11</b>	<b>Restated earnings per equity share (Face Value of Rs. 10 each)</b>	40		
	- Basic (In Rs.)		0.77	3.72
	- Diluted (In Rs.)		0.77	3.72
			(non-annualised)	(annualised)
	See accompanying notes to the Restated Consolidated Financial Information			

In terms of our report attached

**For Deloitte Haskins & Sells LLP**

Firm Registration no. 117366W/W-100018

Chartered Accountants

For and on behalf of the Board of Directors of

**Syrma SGS Technology Limited****Ananthi Amarnath**

Partner

**Sandeep Tandon**

Executive Chairman

DIN: 00054553

Place : Mumbai

Date : 9 December 2021

**J S Gujral**

Managing Director

DIN: 00198825

Place : Gurugram

Date : 9 December 2021

**Bijay Kumar Agrawal**

Chief Financial Officer

**Rahul Sinnarkar**

Company Secretary

Place : Chennai

Date : 9 December 2021

Place : Gurugram

Date : 9 December 2021

Place : Mumbai

Date : 9 December 2021

<b>Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)</b> <b>Restated Consolidated of Cash Flow Statement</b> (All amounts are in Million Indian Rupees unless otherwise stated)		
Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
<b>I. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Restated profit before tax	86.14	363.36
<i>Adjustments for:</i>		
Depreciation and Amortisation Expense	28.00	120.74
Finance Costs	7.67	45.24
Allowance for Expected Credit Losses (net)	-	(0.22)
Mark-to-Market (MTM) loss / (gain) on financial instrument	1.42	8.74
Liabilities No Longer Required Written Back	-	(1.94)
Interest Income	(3.78)	(9.20)
Unrealised Exchange Loss / (Gain) (net)	(18.34)	(23.45)
<b>Operating Profit Before Working Capital / Other Changes</b>	<b>101.11</b>	<b>503.27</b>
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	(345.09)	(88.50)
Trade Receivables	(55.90)	(108.47)
Other Current Financial Assets	1.60	(15.26)
Other Non Current Financial Assets	(1.43)	(3.01)
Other Current Assets	41.86	(36.58)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade Payables	318.18	88.85
Other Current Liabilities	(9.35)	(10.54)
Provisions (Current and Non-Current)	0.61	9.09
<b>Cash Generated from Operations</b>	<b>51.59</b>	<b>338.85</b>
Direct Taxes Paid (net)	(17.42)	(100.31)
<b>Net Cash Flow from Operating Activities</b>	<b>34.17</b>	<b>238.54</b>
<b>II. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital Expenditure (including capital advances, net of payables on purchase of property, plant and equipment and intangible assets)	(5.04)	(56.77)
Investments in Associate	-	(887.41)
<b>Net Cash (Used in) Investing Activities</b>	<b>(5.04)</b>	<b>(944.18)</b>
<b>III. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of Equity Share Capital (including securities premium)	-	331.25
Proceeds from issue of Compulsorily Convertible Preference Shares (including securities premium)	-	749.28
Utilisation of Securities Premium	-	(1.85)
Redemption of Preference Shares	-	(45.00)
Long Term Borrowings Taken	-	219.84
Long Term Borrowings Repaid	(29.41)	(37.77)
(Repayment) / Proceeds from Short Term Borrowings (net)	(18.31)	(273.82)
Payment of Lease Liabilities	(3.93)	(15.17)
Long Term Borrowings repaid to Related Party	-	(125.39)
Finance Costs Paid including preference shares	(6.23)	(51.53)
(Increase) / Decrease in Lien Marked / Margin Money deposits	(16.08)	(75.14)
Interest Received on Lien Marked / Margin Money deposits	3.04	5.42
<b>Net Cash (Used in) / from Financing Activities</b>	<b>(70.92)</b>	<b>680.12</b>
<b>IV. Net (Decrease) / Increase in Cash and Cash Equivalents (I + II + III)</b>	<b>(41.79)</b>	<b>(25.52)</b>

<b>Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)</b> <b>Restated Consolidated of Cash Flow Statement</b> (All amounts are in Million Indian Rupees unless otherwise stated)		
Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
<b>V. Cash and Cash Equivalents at the Beginning of the Period / Year</b> Add: Effect of exchange differences on restatement of foreign currency cash and cash equivalents	<b>279.63</b> 2.64	<b>307.68</b> (2.53)
<b>VI. Cash and Cash Equivalents at the End of the Period / Year</b>	<b>240.48</b>	<b>279.63</b>
<b>VII. Cash and Cash Equivalents as per Note 13.1</b> Reconciliation of change in Liabilities arising from financing activities is given in Note 18.5.  See accompanying notes to the Restated Consolidated Financial Information	<b>240.48</b>	<b>279.63</b>
<div> <div> In terms of our report attached  <b>For Deloitte Haskins &amp; Sells LLP</b>            Firm Registration no. 117366W/W-100018            Chartered Accountants </div> <div> For and on behalf of the Board of Directors of  <b>Syrma SGS Technology Limited</b> </div> </div>		
<b>Ananthi Amarnath</b> Partner	<b>Sandeep Tandon</b> Executive Chairman DIN: 00054553 Place : Mumbai Date : 9 December 2021	<b>J S Gujral</b> Managing Director DIN: 00198825 Place : Gurugram Date : 9 December 2021
	<b>Bijay Kumar Agrawal</b> Chief Financial Officer	<b>Rahul Sinnarkar</b> Company Secretary
<b>Place : Chennai</b> Date : 9 December 2021	Place : Gurugram Date : 9 December 2021	Place : Mumbai Date : 9 December 2021

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Restated Consolidated Statement of Changes in Equity**

(All amounts are in Million Indian Rupees unless otherwise stated)

**A. Equity Share Capital (Refer Note 16)**

Particulars	No. of shares (In full number)	Amount
<b>Balance as at 1 April 2020</b>	<b>702,063</b>	<b>7.02</b>
Changes in equity share capital during the year:		
Issue of equity shares	45,978	0.46
<b>Balance as at 31 March 2021</b>	<b>748,041</b>	<b>7.48</b>
Changes in equity share capital during the period:		
Issue of equity shares	-	-
<b>Balance as at 30 June 2021</b>	<b>748,041</b>	<b>7.48</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Restated Consolidated Statement of Changes in Equity**

(All amounts are in Million Indian Rupees unless otherwise stated)

**B. Other Equity (Refer Note 17)**

Particulars	Components of Other Equity					Total
	Capital Reserve (out of Amalgamation)	Securities Premium	SEZ Reinvestment Reserve Account	Compulsorily Convertible Preference Share	Retained Earnings	
<b>Restated Balance as at 1 April 2020</b>	8.23	100.12	256.60	-	645.08	1,010.03
Profit for the year	-	-	-	-	320.17	320.17
Premium on issue of preference and equity shares	-	1,069.68	-	-	-	1,069.68
Utilization of Securities Premium	-	(1.85)	-	-	-	(1.85)
Other comprehensive income for the year, net of income tax	-	-	-	-	(0.16)	(0.16)
Transfer from SEZ Reinvestment Reserve	-	-	(51.83)	-	51.83	-
Transfer to SEZ Reinvestment Reserve	-	-	132.64	-	(132.64)	-
Compulsorily Convertible Preference Shares treated as Equity Financial Instruments (Refer Note 16.4 (b) & 17.5)	-	-	-	10.40	-	10.40
<b>Balance as at 31 March 2021</b>	<b>8.23</b>	<b>1,167.95</b>	<b>337.41</b>	<b>10.40</b>	<b>884.28</b>	<b>2,408.27</b>
Changes in accounting policy or prior period errors	-	-	-	-	-	-
<b>Restated Balance as at 1 April 2021</b>	8.23	1,167.95	337.41	10.40	884.28	2,408.27
Profit for the period	-	-	-	-	66.32	66.32
Other comprehensive income for the period, net of income tax	-	-	-	-	2.92	2.92
Transfer from SEZ Reinvestment Reserve	-	-	(1.97)	-	1.97	-
<b>Balance as at 30 June 2021</b>	<b>8.23</b>	<b>1,167.95</b>	<b>335.44</b>	<b>10.40</b>	<b>955.49</b>	<b>2,477.51</b>

See accompanying notes to the Restated Consolidated Financial Information

In terms of our report attached

**For Deloitte Haskins & Sells LLP**  
Firm Registration no. 117366W/W-100018  
Chartered Accountants

For and on behalf of the Board of Directors of  
**Syrma SGS Technology Limited**

**Ananthi Amarnath**  
Partner

**Sandeep Tandon**  
Executive Chairman  
DIN: 00054553  
Place : Mumbai  
Date : 9 December 2021

**J S Gujral**  
Managing Director  
DIN: 00198825  
Place : Gurugram  
Date : 9 December 2021

**Bijay Kumar Agrawal**  
Chief Financial Officer

**Rahul Sinnarkar**  
Company Secretary

Place : Chennai  
Date : 9 December 2021

Place : Gurugram  
Date : 9 December 2021

Place : Mumbai  
Date : 9 December 2021

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**1 Corporate information**

Syrma SGS Technology Limited (Formerly known as Syrma Technology Private Limited till 13 September 2021, the "Company") is a public limited Company domiciled and incorporated in India under the Companies Act, 1956. The registered office of the Company is located at Unit F601, Floral Deck Plaza, Andheri East, Mumbai.

The Company is engaged in the business of manufacturing various electronic sub-assemblies, assemblies and box builds, disk drives, memory modules, power supplies / adapters, fiber optic assemblies, magnetic induction coils and RFID products and other electronic products. The Company has 5 state of the art manufacturing facilities most of which hold all key accreditations required for the industry.

The associate of the company is listed below:

Name of company	Relationship	% Holding	Date of acquiring of interest
SGS Teknics Manufacturing Private Limited *	Associate Company	20%	05 November 2020

\* SGS Teknics Manufacturing Private Limited ("SGS") is a private limited company domiciled in India incorporated on 27 April 2011 under the Companies Act 1956. SGS is engaged in the business of providing electronic manufacturing services and solutions. SGS has four manufacturing locations in India along with design and development center at Stuttgart, Germany and Gurugram, India. The production facilities are located at Gurugram, Manesar, Baddi and Bangalore.

**2 Summary of Significant accounting policies****2.1 Basis of preparation**

These Restated Consolidated Statement of Assets and Liabilities as at June 30, 2021 and March 31, 2021 and the Restated Consolidated Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Statement of Changes in Equity, the Restated Consolidated Cash Flow Statement for the three month period ended June 2021 and for the year ended March 31, 2021, the Summary Statement of Significant Accounting Policies, and other explanatory information are collectively referred as, the "Restated Consolidated Financial Information".

The Restated Consolidated Financial Information have been prepared by the management of the Company for the purpose of inclusion in the draft red herring prospectus (the "DRHP") prepared by the Company in connection with its proposed Initial Public Offer ("IPO") in terms of the requirements of:

- (i) Section 26 of Part I of Chapter III of the Companies' Act, 2013 ("the Act");
- (ii) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by the Securities and Exchange Board of India ('SEBI'), as amended ("ICDR Regulations"); and
- (iii) Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI") as amended (the "Guidance Note").

In accordance with the notification dated February 16, 2015, issued by Ministry of Corporate Affairs, the Company has voluntarily adopted Indian Accounting Standards notified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") with effect from April 01, 2020.

The Restated Consolidated Financial Information have been compiled by the management from:

a) Special Purpose Audited Consolidated Interim Financial statements of the Company as at and for the three month period ended 30 June 2021 prepared in accordance with recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" specified under section 133 of the Act and the other accounting principles generally accepted in India (the "Special Purpose Consolidated Interim Financial Statements"), which have been approved by the Board of Directors at their meeting held on 29 November 2021.

b) Audited Consolidated Ind AS financial statements of the Company as at and for the year ended 31 March 2021 prepared in accordance with Ind AS notified under the Section 133 of the Act read with the Companies (Ind AS) Rules 2015 and other relevant provisions of the Act which have been approved by the Board of Directors at their meeting held on 20 November 2021.

The associate of the Company was acquired during the year ended 31 March 2021, therefore, the comparative financial information for the year ended 31 March 2020 and the year ended 31 March 2019 has not been presented in these restated consolidated financial information of the Company.

The Restated Consolidated Financial Information:

(a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year ended March 31, 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the three months period ended 30 June 2021;

(b) do not require any adjustment for modification as there is no modification in the underlying audit reports;

These Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of auditor's reports on the audited Restated Consolidated Financial Information mentioned above.

These Restated Consolidated Financial Information have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's latest reporting date i.e June 30, 2021.

These Restated Consolidated Financial Information have been approved by the Board of Directors of the Company on 9 December 2021.

## **2.2 Accounting Convention and Assumption**

These Restated Consolidated Financial Information have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair value at the end of each reporting period, as stated in the accounting policies set out below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

### **Going Concern**

The directors have, at the time of approving the Restated Consolidated Financial Information, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the Restated Consolidated Financial Information.

## **2.3 Principles of Consolidation and Presentation**

### **(a) Principles and Particulars of Consolidation**

The Restated Consolidated Financial Information relate to the Company and the Company's share of profit / (loss) in its associate.

The Restated Consolidated Financial Information of the associate used in the consolidation are drawn up to the same respective reporting dates as that of the Company.

### **Basic of consolidation**

### **Investment in Associate**

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but where there is no control or joint control over those policies. The financial results, assets and liabilities of associate is incorporated in these Restated Consolidated Financial Information using the equity method of accounting. An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate.

On acquisition of the investment in an associate, any excess of the cost of the investment over the Company's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment and is disclosed separately.

Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

Under the equity method, the investment in an associate is initially recognised in the Consolidated Balance Sheet at cost and adjusted thereafter to recognise the Company's share of the profit or loss and other comprehensive income (OCI) of the associate. The statement of profit and loss reflects the Company's share of the results of operations of the associate. Any change in OCI of those investees is presented as part of the Company's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Company recognises its share of any changes, when applicable, in the statement of changes in equity.

Distributions received from associate is recognised as reduction in the carrying amount of the investments. When the Company's share of losses of an associate exceeds the Company's interest in that associate (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate), the Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Company resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

After application of the equity method of accounting, the Company determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Company's investment in an associate.

When a Company entity transacts with an associate of the Company, profit or losses resulting from the transactions with associate are recognised in the Company's Restated Consolidated Financial Information only to the extent of interests in the associate that are not related to the Company. Unrealised gains and losses resulting from transactions between the Company and the associate are eliminated to the extent of the interest in the associate.

The Financial statements of the associate are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

**(b) Presentation of Restated Consolidated Financial Information**

The Restated Consolidated Statement of Assets and Liabilities, the Restated Consolidated Statement of Profit and Loss, the Restated Consolidated Statement of Changes in Equity, are presented in the format prescribed under Division II of Schedule III of the Act, as amended from time to time, for Companies that are required to comply with Ind AS. The Restated Consolidated Statement of Cash Flows has been presented as per the requirements of Ind AS 7 - Statement of Cash Flows.

The Restated Consolidated Financial Information are presented in Indian rupees (INR), the functional currency of the Company. Items included in the Restated Consolidated Financial Information of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes in these Restated Consolidated Financial Information.

**2.4 Current / Non-Current Classification**

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset / liability is expected to be realized / settled in the Company's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset / liability is held primarily for the purpose of trading;
- iv. the asset / liability is expected to be realized/settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

**2.5 Property, plant and equipment****Measurement at recognition:**

An item of property, plant and equipment (PPE) that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met. Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

**Capital work in progress and Capital advances:**

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

**Depreciation**

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method based on the useful life of the asset as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Act. The estimated useful life of items of property, plant and equipment is mentioned below:

Asset Category	Years
Buildings	30 Years
Plant and Equipment	
- Plant and Machinery	15 Years
- Stencils	3 Years
Electrical equipment	20 Years
Furniture and Fittings	10 Years
Office and Other Equipment	5 Years
Computers & other peripherals	3 Years to 6 Years
Vehicles	8 Years

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of property, plant and equipment (as mentioned above) over estimated useful lives which are different from the useful lives prescribed under Schedule II to the Act.

The Company has revised the useful life of Stencils from 15 years to 3 years during the year ended 31 March 2021. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

**Derecognition:**

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognised.

**2.6 Intangible asset other than Goodwill**

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

The intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use. The amortisation period is reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

**Derecognition of intangible assets:**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of profit or loss when the asset is derecognised.

**Useful lives of intangible assets:**

Estimated useful lives of the intangible assets are as follows:

- Computer Software - 3 Years
- Knowhow - 6 Years

**2.7 Impairment of PPE & Intangible Assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the Statement of profit and loss.

**2.8 Leases**

**(a) Policy applicable for Lease Contracts entered on or after 1 April 2019**

At inception of a Lease Contract, the Company assesses whether a Lease Contract is, or contains, a lease. A Lease Contract is, or contains, a lease if the Lease Contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a Lease Contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the Lease Contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
  - a) the Company has the right to operate the asset; or
  - b) the Company designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to Lease Contracts entered into, or changed, on or after 1 April 2019

At inception or on reassessment of a Lease Contract that contains a lease component, the Company allocates the consideration in the Lease Contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in Statement of profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

**(b) Policy applicable for contracts entered before 1 April 2019**

For contracts entered into before 1 April 2019, the Company determined whether the arrangement was or contained a lease based on the assessment of whether:

- fulfilment of the arrangement was dependent on the use of a specific asset or assets; and
- the arrangement had conveyed a right to use the asset. An arrangement conveyed the right to use the asset if one of the following was met
- the purchaser had the ability or right to operate the asset while obtaining or controlling more than an insignificant amount of the output;
- the purchaser had the ability or right to control physical access to the asset while obtaining or controlling more than an insignificant amount of the output; or
- facts and circumstances indicated that it was remote that other parties would take more than an insignificant amount of the output, and the price per unit was neither fixed per unit of output nor equal to the current market price per unit of output.

**(c) Short-term leases and leases of low-value assets**

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The Company recognises the lease payments associated with these leases as an expense over the lease term.

**2.9 Inventories**

Inventories are valued at the lower of cost on weighted average basis and estimated net realisable value (net of allowances) after providing for obsolescence and other losses, where considered necessary. The cost comprises of cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work-in-progress, incurred in bringing such inventories to their present location and condition. Trade discounts or rebates are deducted in determining the costs of purchase. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sales.

Due allowance is estimated and made by the Management for slow moving / non-moving items of inventory, wherever necessary, based on the past experience and such allowances are adjusted against the carrying inventory value.

<b>2.10</b>	<b>Cash &amp; Cash Equivalents</b>
<b>(a)</b>	<b>Cash and cash equivalents (for purposes of Cash Flow Statement)</b>
	Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
<b>(b)</b>	<b>Cash flow statement</b>
	Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.
<b>2.11</b>	<b>Foreign currency transactions and translations</b>
	In preparing the Restated Consolidated Financial Information, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.
	Exchange differences on monetary items are recognised in Statement of profit or loss in the period in which they arise except for:
	<ul style="list-style-type: none"> <li>• exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;</li> <li>• exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to Statement of profit or loss on repayment of the monetary items.</li> </ul>
<b>2.12</b>	<b>Revenue recognition</b>
	Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.
	Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and rebates offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.
<b>(a)</b>	<b>Sale of Products</b>
	Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.
	Advance from customers and Deferred revenue is recognized under other current liabilities which is released to revenue on satisfaction of performance obligation.
<b>(b)</b>	<b>Rendering of services</b>
	Income from service activities are recognized at a point in time on satisfaction of performance obligation towards rendering of such services in accordance with the terms of arrangement.
<b>(c)</b>	<b>Tooling Charges</b>
	Tooling charges received from customers in advance is recognised based on completion of the project and the number of units sold to the customer during the respective year. The same is recognised at a point in time or over a period of time depending on the terms of arrangement / contract with the customer and the corresponding satisfaction of performance obligation.

(d)	<p><b>Export Benefits</b></p> <p>Export Benefits are recognized when there is reasonable certainty that the Company will comply with the conditions attached and that the benefit will be received.</p>
2.13	<p><b>Other Income</b></p> <p>Interest income from a financial asset is recognized when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the asset's net carrying amount on initial recognition.</p>
2.14	<p><b>Employee Benefits</b></p>
(a)	<p><b>Defined contribution plans</b></p> <p>Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.</p>
(b)	<p><b>Defined benefit plans</b></p> <p><b>Gratuity</b></p> <p>A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount.</p> <p>The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.</p> <p>Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in Other Comprehensive Income (OCI). The Company determines the net interest expense / (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of profit or loss.</p> <p>When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.</p> <p><b>Compensated absences</b></p> <p>The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since, the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Actuarial gains and losses are recognised in Statement of profit or loss in the period in which they arise.</p> <p>A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.</p>

(c)	<p><b>Short-term and other long-term employee benefits</b></p> <p>A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave in the period related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.</p> <p>Liabilities recognized in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.</p> <p>Liabilities recognized in respect of other long term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by the employees up to the reporting date.</p>
2.15	<p><b>Provisions</b></p> <p>Provisions are recognised, when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.</p> <p>The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).</p>
2.16	<p><b>Product Warranty Cost</b></p> <p>The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise, being typically up to three years.</p> <p>The estimates used for accounting of warranty liability / recoveries are reviewed periodically and revisions are made as required.</p>
2.17	<p><b>Contingent liability</b></p> <p>Contingent liability is disclosed for</p> <p>(a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or</p> <p>(b) Present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.</p>

<b>2.18</b>	<p><b>Taxes on Income</b></p> <p>The income tax expense represents the sum of the tax currently payable and deferred tax.</p>
(a)	<p><b>Current Tax:</b></p>
	<p>Income tax expense or credit for the period is the tax payable on the current period's taxable income using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. The Company periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.</p>
(b)	<p><b>Deferred Tax:</b></p>
	<p>Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the Restated Consolidated Financial Information and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.</p>
	<p>Deferred tax liabilities are recognised for taxable temporary differences arising on investment in associate, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investment is only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.</p>
	<p>Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.</p>
	<p>The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.</p>
	<p>Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the balance sheet when it is highly probable that future economic benefit associated with it will flow to the Company.</p>
(c)	<p><b>Current tax and deferred tax for the year / period:</b></p>
	<p>Current and deferred tax are recognised in Statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.</p>
<b>2.19</b>	<p><b>Financial Instruments</b></p>
	<p>Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.</p>
(a)	<p><b>Initial Recognition</b></p>
	<p>Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of profit and loss.</p>



**(b) Subsequent Measurement**

**(i) Financial assets**

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets, except for investments forming part of interest in associate, which are measured at cost.

**Classification of financial assets**

The Company classifies its financial assets in the following measurement categories:

- a) Those to be measured subsequently at fair value (either through other comprehensive income, or through Statement of profit or loss), and
- b) Those measured at amortized cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

**Amortized Cost**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on these assets that is subsequently measured at amortized cost is recognized in Statement of profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

**Fair value through other comprehensive income (FVTOCI)**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of profit or loss and recognized in other income / (expense).

**Fair value through profit or loss (FVTPL)**

Assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. A gain or loss on these assets that is subsequently measured at fair value through profit or loss is recognized in the Statement of profit and loss.

**Impairment of financial assets**

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, trade receivable, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at Fair value through profit or loss.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayments, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for the financial instruments at an amount equal to the lifetime expected credit losses if the credit risk on those financial instruments has increased significantly since initial recognition.

If the credit risk on financial instruments has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instruments at an amount equal to 12 months expected credit losses. The twelve months expected credit losses are portion of the lifetime expected credit losses and represents lifetime cash shortfalls that will result if default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the 12 months.

If the Company measured loss allowance for the financial instruments at life time expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12 month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instruments instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

Further, for the purposes of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward - looking information.

	<p><b>Write off policy</b></p> <p>The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Any recoveries made against the write off are recognised in Statement of profit or loss.</p>
(ii)	<p><b>Financial liabilities and equity instruments</b></p> <p><b>Classification as equity or financial liability</b></p> <p>Equity and Debt instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.</p> <p>All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.</p> <p><b>Equity instruments</b></p> <p>An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.</p> <p><b>Financial liabilities at amortized cost</b></p> <p>Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.</p> <p><b>Financial liabilities at FVTPL</b></p> <p>Liabilities that do not meet the criteria for amortized cost are measured at fair value through profit or loss. A gain or loss on these assets that is subsequently measured at fair value through profit or loss is recognized in the Statement of profit and loss.</p>
(c)	<p><b>Derecognition</b></p>
(i)	<p><b>Derecognition of financial assets</b></p> <p>A financial asset is derecognized only when the Company has transferred the rights to receive cash flows from the financial asset. Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.</p>
(ii)	<p><b>Derecognition of financial liabilities</b></p> <p>The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of profit or loss.</p>
<b>2.20</b>	<p><b>Earnings Per Share</b></p> <p>Basic earnings per share is computed by dividing the net profit / (loss) after tax (including the post tax effect of exceptional items, if any) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.</p> <p>Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of exceptional items, if any) for the period attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.</p>
<b>2.21</b>	<p><b>Segment Reporting</b></p> <p>Operating segments reflect the Company's management structure and the way the financial information is regularly reviewed by the Company's Chief Operating Decision Maker (CODM). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.</p> <p>The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.</p> <p>Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under unallocated revenue / expenses / assets / liabilities.</p>

<b>2.22</b>	<p><b>Borrowing Costs</b></p> <p>Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.</p> <p>Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.</p> <p>All other borrowing costs are recognised in Statement of profit or loss in the period in which they are incurred.</p>
<b>2.23</b>	<p><b>Government Grant</b></p> <p>Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.</p> <p>Government grants relating to income are recognized in the profit or loss, as necessary to match them with the costs that they are intended to compensate.</p>
<b>2.24</b>	<p><b>Related Party Transactions</b></p> <p>Related party transactions are accounted for based on terms and conditions of the agreement / arrangement with the respective related parties. These related party transactions are determined on an arm's length basis and are accounted for in the year in which such transactions occur and adjustments if any, to the amounts accounted are recognised in the year of final determination.</p> <p>There are common costs incurred by the Holding Company / Other related parties on behalf of various entities including the Company. The cost of such common costs are accounted to the extent debited separately by the said related parties.</p>
<b>2.25</b>	<p><b>Use of estimates and judgements</b></p> <p>In preparing these Restated Consolidated Financial Information, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.</p> <p>Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.</p> <p>Judgements are made in applying accounting policies that have the most significant effects on the amounts recognized in the Restated Consolidated Financial Information.</p> <p>Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment are reviewed on an ongoing basis.</p> <p>The areas involving critical estimates or judgments are :</p> <ol style="list-style-type: none"> <li>Estimation of useful life of tangible and intangible asset (Refer Note 2.5, 2.6 and 2.7)</li> <li>Impairment of trade receivables: Expected credit loss (Refer Note 2.19 (b))</li> <li>Recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources (Refer Note 2.15, 2.16, 2.17)</li> <li>Measurement of defined benefit obligation: key actuarial assumptions (Refer Note 2.14)</li> </ol>
<b>2.26</b>	<p><b>Insurance claims</b></p> <p>Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.</p>
<b>2.27</b>	<p><b>Exceptional Items</b></p> <p>Exceptional items are items of income and expenses which are of such size, nature or incidence that their separate disclosure is relevant to explain the performance of the Company.</p>
<b>2.28</b>	<p><b>Recent Pronouncements</b></p>
<b>A</b>	<p><b>Application of new and revised Ind AS</b></p> <p>These Restated Consolidated Financial Information of the Company have been prepared in accordance with Ind AS as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under Section 133 of the Act and other relevant provisions of the Act. All the Ind AS issued and notified by the Ministry of Corporate Affairs ("MCA") under the Companies (Ind AS) Rules, 2015, till these financial information are authorised, have been considered in preparing these financial information. There are no other Ind AS that has been issued as of date but was not mandatorily effective.</p>
<b>B</b>	<p><b>Code of Social Security</b></p> <p>The Indian Parliament has approved the Code on Social Security, 2020 which may impact the employee benefit expenses of the Company. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be determined. The Company will give appropriate impact in the financial statements once the code becomes effective and related rules to determine the financial impact are notified.</p>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**3 Property, Plant and Equipment (at cost / deemed cost)**

Particulars	Land	Buildings on Leasehold land	Plant and Equipment	Furniture and fittings	Office equipment	Computers & other peripherals	Electrical Installation	Vehicles	Total
<b>Gross block</b>									
<b>As at 1 April 2020</b>	<b>14.57</b>	<b>110.73</b>	<b>666.77</b>	<b>21.40</b>	<b>10.12</b>	<b>15.80</b>	<b>59.82</b>	<b>6.61</b>	<b>905.82</b>
Additions	-	0.48	51.83	2.33	1.15	7.53	1.28	-	64.60
Reclassification (Refer Note 3.3)	(14.57)	14.63	(7.10)	1.31	(1.44)	0.94	6.23	-	-
<b>As at 31 March 2021</b>	<b>-</b>	<b>125.84</b>	<b>711.50</b>	<b>25.04</b>	<b>9.83</b>	<b>24.27</b>	<b>67.33</b>	<b>6.61</b>	<b>970.42</b>
Additions	-	0.03	2.79	0.21	0.17	2.32	0.80	-	6.32
Disposals / Discarded	-	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	<b>-</b>	<b>125.87</b>	<b>714.29</b>	<b>25.25</b>	<b>10.00</b>	<b>26.59</b>	<b>68.13</b>	<b>6.61</b>	<b>976.74</b>
<b>Accumulated depreciation</b>									
<b>As at 1 April 2020</b>	<b>-</b>	<b>13.38</b>	<b>89.94</b>	<b>4.45</b>	<b>3.52</b>	<b>7.78</b>	<b>5.44</b>	<b>2.16</b>	<b>126.67</b>
Depreciation expense for the year	-	9.07	68.97	3.07	1.83	5.32	3.59	1.01	92.86
Elimination on disposal	-	-	-	-	-	-	-	-	-
<b>As at 31 March 2021</b>	<b>-</b>	<b>22.45</b>	<b>158.91</b>	<b>7.52</b>	<b>5.35</b>	<b>13.10</b>	<b>9.03</b>	<b>3.17</b>	<b>219.53</b>
Depreciation expense for the period	-	1.49	15.88	0.62	0.42	1.16	0.91	0.25	20.73
Elimination on disposal	-	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	<b>-</b>	<b>23.94</b>	<b>174.79</b>	<b>8.14</b>	<b>5.77</b>	<b>14.26</b>	<b>9.94</b>	<b>3.42</b>	<b>240.26</b>
<b>Net block</b>									
<b>As at 31 March 2021</b>	<b>-</b>	<b>103.39</b>	<b>552.59</b>	<b>17.52</b>	<b>4.48</b>	<b>11.17</b>	<b>58.30</b>	<b>3.44</b>	<b>750.89</b>
<b>As at 30 June 2021</b>	<b>-</b>	<b>101.93</b>	<b>539.50</b>	<b>17.11</b>	<b>4.23</b>	<b>12.33</b>	<b>58.19</b>	<b>3.19</b>	<b>736.48</b>

**Notes:**

- 3.1 Refer Note 18 and Note 21 for property, plant and equipment pledged/ hypothecated as securities for borrowings.
- 3.2 The impact of change in the estimated useful lives of Stencils from 15 Years to 3 years is additional depreciation charge of Rs. 12.39 Million for the year ended 31 March 2021.
- 3.3 During the year ended 31 March 2021, certain assets have been reclassified to other categories, based on the physical verification carried out by the Management.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**4 Right-of-use (ROU) Assets**

Particulars	As at 30 June 2021	As at 31 March 2021
<b>Carrying amounts of:</b>		
Land	7.90	8.25
Building	38.55	41.33
<b>Total</b>	<b>46.45</b>	<b>49.58</b>

**Details of movement in the carrying amounts of right-of-use assets**

Particulars	Land	Building	Amount
<b><u>Gross block</u></b>			
<b>As at 1 April 2020</b>	<b>11.07</b>	<b>63.59</b>	<b>74.66</b>
Additions	-	-	-
Disposals / Discarded	-	-	-
<b>As at 31 March 2021</b>	<b>11.07</b>	<b>63.59</b>	<b>74.66</b>
Additions	-	-	-
Disposals / Discarded	-	-	-
<b>As at 30 June 2021</b>	<b>11.07</b>	<b>63.59</b>	<b>74.66</b>
<b><u>Accumulated depreciation</u></b>			
<b>As at 1 April 2020</b>	<b>1.41</b>	<b>11.13</b>	<b>12.54</b>
Depreciation expense for the year	1.41	11.13	12.54
Elimination on disposal	-	-	-
<b>As at 31 March 2021</b>	<b>2.82</b>	<b>22.26</b>	<b>25.08</b>
Depreciation expense for the period	0.35	2.78	3.13
Elimination on disposal	-	-	-
<b>As at 30 June 2021</b>	<b>3.17</b>	<b>25.04</b>	<b>28.21</b>
<b><u>Net block</u></b>			
<b>As at 31 March 2021</b>	<b>8.25</b>	<b>41.33</b>	<b>49.58</b>
<b>As at 30 June 2021</b>	<b>7.90</b>	<b>38.55</b>	<b>46.45</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**5 Intangible Assets (at cost / deemed cost)**

Particulars	Computer software	Know how	Total
<b>Gross block</b>			
<b>As at 1 April 2020</b>	<b>12.22</b>	<b>55.06</b>	<b>67.28</b>
Additions	5.04	-	5.04
Disposals / Discarded	-	-	-
<b>As at 31 March 2021</b>	<b>17.26</b>	<b>55.06</b>	<b>72.32</b>
Additions	-	-	-
Disposals / Discarded	-	-	-
<b>As at 30 June 2021</b>	<b>17.26</b>	<b>55.06</b>	<b>72.32</b>
<b>Accumulated amortisation</b>			
<b>As at 1 April 2020</b>	<b>7.00</b>	<b>36.76</b>	<b>43.76</b>
Amortisation expense for the year	3.10	12.24	15.34
Elimination on disposal	-	-	-
<b>As at 31 March 2021</b>	<b>10.10</b>	<b>49.00</b>	<b>59.10</b>
Amortisation expense for the period	1.12	3.02	4.14
Elimination on disposal	-	-	-
<b>As at 30 June 2021</b>	<b>11.22</b>	<b>52.02</b>	<b>63.24</b>
<b>Net block</b>			
<b>As at 31 March 2021</b>	<b>7.16</b>	<b>6.06</b>	<b>13.22</b>
<b>As at 30 June 2021</b>	<b>6.04</b>	<b>3.04</b>	<b>9.08</b>

**6 Depreciation and amortisation expense**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
(a) Depreciation of Property, Plant and Equipment	20.73	92.86
(b) Amortisation of Intangible Assets	4.14	15.34
(c) Depreciation on ROU Assets	3.13	12.54
<b>Total</b>	<b>28.00</b>	<b>120.74</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**7 Investments**

Particulars	As at 30 June 2021	As at 31 March 2021
<b>Investment Carried at Equity method</b>		
<b>Unquoted Equity Shares - Associate Company</b>		
SGS Teknics Manufacturing Private Limited	932.29	921.45
322,557 equity Shares of Rs.10 each fully paid up		
<b>Total</b>	<b>932.29</b>	<b>921.45</b>

Note 7.1 During the year 2020-21, the Company has acquired 20% interest in SGS Teknics Manufacturing Private Limited (incorporated on 27 April 2011 in India) with effect from 05 November 2020. SGS Teknics Manufacturing Private Limited is involved in the business of providing electronic manufacturing goods and related services. The Company's interest in SGS Teknics Manufacturing Private Limited is accounted for using equity method in these consolidated financial statements.

The consideration paid for the acquisition amounted to Rs. 887.41 Million against the fair value of Rs. 683.84 Million of the acquired assets and assumed liabilities. The excess of the consideration paid over the fair value, thus amounted to a goodwill of Rs. 203.57 Million.

**(i) Summarised financial information of associate**

Particulars	As at 30 June 2021	As at 31 March 2021
Current Assets	2,786.87	2,527.81
Non - current Assets	2,105.59	2,113.58
Current Liabilities	1,289.70	1,132.53
Non - Current Liabilities	168.12	170.85
Minority Interest	7.92	5.48
Equity	3,386.72	3,332.53
Company's Share in equity - 20%	677.34	666.50
Fair value Changes*	254.95	254.95
Company's Carrying Value of Investment	932.29	921.45

\*Fair value Changes refers to Change in the value of land on account of Fair valuation to the extent Rs. 51.38 Million and Goodwill at the time of acquisition amounting to Rs. 203.57 Million included in the carrying amount on investment.

**(ii) Summarised Statement of Profit & Loss of associate**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021*
Revenue from Operations	1,022.55	2,216.35
Cost of Sales	749.01	1,630.82
Finance Cost	5.19	15.03
Other Expense net of Other Income	193.90	342.84
<b>Profit / (loss) for the year before tax</b>	<b>74.45</b>	<b>227.66</b>
Income Tax	18.23	54.39
<b>Profit / (loss) for the year after tax</b>	<b>56.22</b>	<b>173.27</b>
Profit transferred to Non controlling interest	2.45	3.18
Other Comprehensive Income for the year	0.42	0.08
<b>Total Comprehensive Income for the year</b>	<b>54.19</b>	<b>170.17</b>
<b>Company's Share of profit/ (loss) for the year</b>	<b>10.75</b>	<b>34.02</b>
<b>Company's Share of total comprehensive income for the year</b>	<b>0.09</b>	<b>0.02</b>

\* Represents the data from 01 November, 2020. The acquisition of the associate was made effect from 05 November 2020.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**8 Other Financial Assets (Non-current)**

Particulars	As at 30 June 2021	As at 31 March 2021
(a) Security Deposits measured at amortised cost	26.31	24.64
(b) Other Bank Deposits		
- Under Lien*	102.27	101.13
- Margin Money	3.88	3.74
<b>Total</b>	<b>132.46</b>	<b>129.51</b>

\* This Balance is under lien to DBS Bank India Ltd as secondary security on the External commercial borrowing (ECB) granted to the Company. Refer Note 18.

**9 Income Tax Asset (net)**

Particulars	As at 30 June 2021	As at 31 March 2021
(a) Advance tax / Tax deducted at source	12.15	9.78
(Net of Provisions of Rs. 248.99 Million as at 30 June 2021, Rs. 243.20 Million as at 31 March 2021)		
<b>Total</b>	<b>12.15</b>	<b>9.78</b>

**10 Other Non-Current Assets**

Particulars	As at 30 June 2021	As at 31 March 2021
Capital Advances	111.52	111.52
<b>Total</b>	<b>111.52</b>	<b>111.52</b>



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Notes to the Restated Consolidated Financial Information**  
(All amounts are in Million Indian Rupees unless otherwise stated)

**11 Inventories**

(At Lower of Cost and Net Realisable Value)

Particulars	As at 30 June 2021	As at 31 March 2021
(a) Raw Materials and Components	500.60	293.25
- Materials-in-Transit	263.81	239.38
	<b>764.41</b>	<b>532.63</b>
(b) Work-in-Progress	232.42	201.31
(c) Finished Goods (other than those acquired for trading)	105.60	26.16
(d) Stock-in-trade	1.60	0.90
(e) Stores and Spare Parts (Including packing materials)	11.81	9.75
<b>Total</b>	<b>1,115.84</b>	<b>770.75</b>

**11.1** Cost of Inventories (including cost of traded goods) recognised as expense in P&L

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
Cost of inventories (including cost of traded goods)	952.34	2,889.30

**11.2** The mode of valuation of inventories has been stated in Note 2.9.

**11.3 Movement in allowance for obsolete and non-moving inventory**

Particulars	As at 30 June 2021	As at 31 March 2021
Balance at beginning of the period / year	<b>2.82</b>	-
Additional allowance created / (reversed) during the period / year (net)	16.12	2.82
<b>Balance at end of the period / year</b>	<b>18.94</b>	<b>2.82</b>

In addition to the above, the cost of inventories recognised as expense in respect of write down of inventories are as follows:

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
Write down of Inventories	-	76.00

**12 Trade Receivables**

Particulars	As at 30 June 2021	As at 31 March 2021
(a) Considered good – unsecured (Refer Note 12.3)	1,373.70	1,301.27
(b) Receivables which have significant increase in credit risk	-	-
(c) Receivables - Credit impaired	-	-
<b>Gross receivables</b>	<b>1,373.70</b>	<b>1,301.27</b>
Allowance for expected credit loss	(22.55)	(22.55)
<b>Net trade receivables</b>	<b>1,351.15</b>	<b>1,278.72</b>
The above amount of trade receivables also includes amount receivable from its related parties (Refer Note 38)	29.46	24.55

**12.1 Movement in Expected Credit Loss Allowance (ECL)**

Particulars	As at 30 June 2021	As at 31 March 2021
Balance at beginning of the period / year	22.55	22.77
Add: Additional Provision / (Reversal) of ECL allowance	-	9.18
Less: Utilization of ECL allowance	-	(9.40)
<b>Balance at end of the period / year</b>	<b>22.55</b>	<b>22.55</b>

**12.2** The Trade Receivables, include certain customers having more than 10% of the total outstanding trade receivables balance.

Particulars	As at 30 June 2021	As at 31 March 2021
No of customers	2	3
Amount outstanding	355.16	546.01

There are no other customers who represent more than 10% of the total balance of trade receivables.

**12.3** The Company measures the loss allowance for trade receivables at an amount equal to ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate, and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

**12.4** The Company had entered into a factoring agreement on a non recourse basis with M/s India Factoring and Financing Solutions Private Limited, in connection with receivables from certain customers. Based on the terms of the arrangement, the amounts received from M/s India Factoring and Financing Solutions Private Limited has been derecognized. The amount of such factored receivables as at 30 June 2021 is Rs. 171.22 Million and as at 31 March 2021 is Rs. 169.84 Million.

**12.5** The Company has receivable due from the following Parties in which there is a common Director.

Particulars	As at 30 June 2021	As at 31 March 2021
Infinx Services Private Limited	10.84	6.12
TIS International (USA) Inc	18.62	18.28
Syrma Tech Singapore Pte Ltd	-	0.15
<b>Total</b>	<b>29.46</b>	<b>24.55</b>

No trade or other receivable is due from directors or other officers of the Company either severally or jointly with any other person. No trade or other receivable is due from firms or private companies respectively in which any director is a partner, a director or a member, other than mentioned above.

**12.6 The ageing schedule of Trade receivables is as follows:**

**a) As at 30 June 2021**

Particulars	Outstanding for following periods from due date of payment					Not Due	Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years		
(i) Undisputed Trade Receivables – considered good	232.00	30.91	131.12	15.81	65.39	898.47	1,373.70
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

Receivables over one year includes Rs. 195.60 Million for the period ended 30 June 2021 from certain customers with a corresponding payable to / advance received from respective parties / their group entities.

**b) As at 31 March 2021**

Particulars	Outstanding for following periods from due date of payment					Not Due	Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years		
(i) Undisputed Trade Receivables – considered good	210.58	31.23	97.45	24.57	69.22	868.22	1,301.27
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-

Receivables over one year includes Rs. 169.53 Million for the year ended 31 March 2021 from certain customers with a corresponding payable to / advance received from respective parties / their group entities.

\*The ageing has been given based on Gross Trade receivables without considering expected credit loss allowance.

**13.1 Cash & cash equivalents (as per Ind AS 7 Cash Flow Statements)**

Particulars	As at 30 June 2021	As at 31 March 2021
(a) Cash on Hand	1.03	1.00
(b) Balances with Banks		
- In Current Accounts	14.11	39.18
- In EEFC Accounts	53.12	71.05
- In Deposit Accounts	172.22	168.40
<b>Total</b>	<b>240.48</b>	<b>279.63</b>

**13.2 Other Bank Balances**

Particulars	As at 30 June 2021	As at 31 March 2021
Balances with Banks - Margin Money	37.23	22.43
<b>Total</b>	<b>37.23</b>	<b>22.43</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**14 Other Financial Assets (Current)**

Particulars	As at 30 June 2021	As at 31 March 2021
(a) Interest accrued, but not due on Fixed Deposits with banks	4.58	4.08
(b) Balance Receivable from Customs Authorities	0.31	0.42
(c) Export benefits Receivable	46.55	46.55
(d) Advances to employees	2.11	2.05
(e) Other Benefits Receivable from State Government	-	1.55
<b>Total</b>	<b>53.55</b>	<b>54.65</b>

**15 Other Current Assets**

Particulars	As at 30 June 2021	As at 31 March 2021
(a) Balances Receivable from Government Authorities - GST Input Credit / Advance Payments / Refund Receivable	86.04	74.74
(b) Advance to Suppliers	98.07	133.80
(c) Advances to Related Parties (Refer Note 15.1 & 38.3)	19.94	23.86
(d) Prepaid expenses	7.46	9.59
<b>Total</b>	<b>211.51</b>	<b>241.99</b>

**15.1** The Company has given supplier advances to the following parties in which there is a common Director.

Particulars	As at 30 June 2021	As at 31 March 2021
Infinx Services Private Limited	19.22	23.29
Memory Electronics Private Limited	0.12	0.09
<b>Total</b>	<b>19.34</b>	<b>23.38</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**16 Share Capital**

Particulars	As at 30 June 2021		As at 31 March 2021	
	No. of shares (In full number)	Amount	No. of shares (In full number)	Amount
<b>(a) Authorised</b>				
Equity Shares of Rs. 10/- each	5,550,000	55.50	5,550,000	55.50
Preference Shares of Rs. 100/- each	1,200,000	120.00	1,200,000	120.00
<b>(b) Issued, Subscribed and Fully Paid Up</b>				
Equity Shares of Rs. 10/- each fully paid up	748,041	7.48	748,041	7.48
<b>Total</b>	<b>748,041</b>	<b>7.48</b>	<b>748,041</b>	<b>7.48</b>

**Notes:**

**16.1 Reconciliation of the Number of Shares and Amount Outstanding at the Beginning and at the End of the respective reporting periods:**

Particulars	For the period ended 30 June 2021		For the year ended 31 March 2021	
	No. of shares (In full number)	Amount	No. of shares (In full number)	Amount
<b>Equity Shares:</b>				
Shares outstanding as at the beginning of the period / year	748,041	7.48	702,063	7.02
Add: Fresh issue of shares during the period / year	-	-	45,978	0.46
<b>Shares outstanding as at the end of the period / year</b>	<b>748,041</b>	<b>7.48</b>	<b>748,041</b>	<b>7.48</b>

During the year ended 31 March 2021, Company issued equity shares at Rs. 7,204.50 per share comprising of face value of Rs. 10 each and securities premium of Rs. 7,194.50 each.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars	For the period ended 30 June 2021		For the year ended 31 March 2021	
	No. of shares (In full number)	Amount	No. of shares (In full number)	Amount
<b>Compulsorily Convertible preference Shares:</b>				
Shares outstanding as at the beginning of the period / year	104,002	10.40	-	-
Add: Fresh issue of shares during the period / year	-	-	104,002	10.40
<b>Shares outstanding as at the end of the period / year</b>	<b>104,002</b>	<b>10.40</b>	<b>104,002</b>	<b>10.40</b>

During the year ended 31 March 2021, Company issued preference shares at Rs. 7,204.50 per share comprising of face value of Rs. 100 each and securities premium of Rs. 7,104.50 each.

**16.2 Details of Shares held by Holding Company**

Particulars	As at 30 June 2021	As at 31 March 2021
	No. of shares (In full number)	No. of shares (In full number)
Tancom Electronics Private Limited (Equity shares of Rs.10/- each fully paid)	697,925	697,925

**16.3 Details of Shares held by each shareholder holding more than 5% shares in the Company**

Class of Shares / Name of Shareholder	As at 30 June 2021		As at 31 March 2021	
	No. of shares (In full number)	% Holding in the respective Class of Shares	No. of shares (In full number)	% Holding in the respective Class of Shares
<b>Equity shares of Rs.10/- each fully paid</b>				
Tancom Electronics Private Limited	697,925	93.30%	697,925	93.30%
<b>0.01% Compulsorily Convertible Preference Shares of Rs. 100 each fully paid</b>				
South Asia Growth Fund II Holdings, LLC	103,213	99.24%	103,213	99.24%

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**16.4 Shares issued for consideration other than Cash**

The aggregate number of equity shares allotted as fully paid up for consideration other than cash pursuant to amalgamation of Syrma Services and Solutions Private limited (SSSPL) and 3G Wireless Communication Private limited (3G) in immediately preceding five years ended 30 June 2021 are Nil (previous period of five years ended 31 March 2021 are 2,063 shares).

**16.5 Disclosure of Rights****(a) Equity Shares**

The Company has only one class of equity shares having a par value of Rs. 10 each. Each holder is entitled to one vote per equity share. Dividends are paid in Indian Rupees. Dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders at the Annual General Meeting, except in the case of interim dividend.

Repayment of capital will be in proportion to the number of equity shares held.

**(b) Compulsorily Convertible Preference Shares (CCPS)**

The holders of CCPS shall be entitled to share in the distribution of declared dividends at a pre-determined cumulative dividend rate of 0.01% per annum. The dividend shall be payable, subject to cash flow solvency, in the event the Board declares any dividend for the relevant year and shall be paid in priority to other classes of shares. In a liquidity event, as applicable, the holder(s) of the CCPS shall have the right to be first paid in priority to the other shareholders and all other classes of preference shareholders, any declared but accrued and unpaid dividends. The holders of CCPS shall be entitled to attend meetings of all shareholders of the Company and, will be entitled to such voting rights on an as if converted basis, as may be permissible under applicable law. The holders of CCPS shall be entitled to the same number of votes for each CCPS as a holder of 1 (one) equity share, provided however that in the event of any adjustment in conversion the number of votes associated with each CCPS will change accordingly. The holders of CCPS shall be entitled to vote on all such matters which affect their rights directly or indirectly.

**16.6 Shareholding of promoters\***

Name of the promoter	Period / year	No. of shares (In full number)	% of total shares	% change during the period / year**
Tancom Electronics Private Limited	As at 30 June 2021	697,925	93.30%	0.00%
	As at 31 March 2021	697,925	93.30%	0.00%
Mrs. Veena Kumari Tandon	As at 30 June 2021	33,360	4.46%	0.00%
	As at 31 March 2021	33,360	4.46%	706.19%

\*Promoter here means Promoter as defined in the Act.

\*\* Percentage of shares have been computed with the number of shares held at the beginning of the year and not based on percentage of the total share capital held.

<b>Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)</b> <b>Notes to the Restated Consolidated Financial Information</b> (All amounts are in Million Indian Rupees unless otherwise stated)		
<b>17 Other Equity</b>		
Particulars	As at 30 June 2021	As at 31 March 2021
(a) Capital Reserve	8.23	8.23
(b) Securities Premium	1,167.95	1,167.95
(c) Special Reserve - Special Economic Zone (SEZ) Reinvestment Reserve	335.44	337.41
(d) Retained Earnings	955.49	884.28
(e) Compulsorily Convertible Preference Shares treated as Equity Financial Instruments (Refer Note 48(d))	10.40	10.40
<b>Total</b>	<b>2,477.51</b>	<b>2,408.27</b>
Particulars	As at 30 June 2021	As at 31 March 2021
<b>(a) Capital Reserve (out of Amalgamation)</b>		
Opening Balance	8.23	8.23
Addition during the period / year		
<b>Closing Balance</b>	<b>8.23</b>	<b>8.23</b>
<b>(b) Securities Premium</b>		
Opening Balance	1,167.95	100.12
Addition for the period / year (Refer Note below)	-	1,069.68
Utilisation/Reversal during the period / year	-	(1.85)
<b>Closing Balance</b>	<b>1,167.95</b>	<b>1,167.95</b>
<b>(c) Special Reserve - SEZ Reinvestment Reserve</b>		
Opening Balance	337.41	256.60
Addition for the period / year (Refer Note below)	-	132.64
Utilisation / Reversal during the period / year	(1.97)	(51.83)
<b>Closing Balance</b>	<b>335.44</b>	<b>337.41</b>
<b>(d) Surplus in Statement of Profit and Loss</b>		
Opening Balance	884.28	645.08
Profit for the period / year	66.32	320.17
Other comprehensive income for the year, net of income tax	2.92	(0.16)
Transfer from Special Reserve - SEZ Reinvestment Reserve	1.97	51.83
Transfer to Special Reserve - SEZ Reinvestment Reserve	-	(132.64)
<b>Closing Balance</b>	<b>955.49</b>	<b>884.28</b>
<b>(e) Compulsorily Convertible Preference Shares treated as Equity Financial Instruments (Refer Note 16.5(b) &amp; Note 17.5)</b>		
Opening Balance	10.40	-
Issue of Preference Shares during the period / year	-	10.40
<b>Closing Balance</b>	<b>10.40</b>	<b>10.40</b>
<b>Total</b>	<b>2,477.51</b>	<b>2,408.27</b>
<b>Notes: Nature and purpose of other reserves</b>		
<b>17.1 Capital Reserve</b>		
The reserve has been created consequent to the amalgamation of 3G Wireless Private Limited with the Company.		
<b>17.2 Securities Premium</b>		
Securities premium is used to record the premium on issue of securities. The reserve is utilised in accordance with the provisions of the Act.		
<b>17.3 Special Reserve - SEZ Reinvestment Reserve</b>		
The Special Economic Zone (SEZ) Reinvestment Reserve has been created out of profit of eligible SEZ unit as per provisions of section 10AA(1)(ii) of the Income-tax Act, 1961 for acquiring new plant and machinery.		
<b>17.4 Retained Earnings</b>		
Retained Earnings represents Company's cumulative earnings since its formation less the dividends / Capitalisation, if any. These reserves are free reserves which can be utilised for any purpose as may be required.		
<b>17.5 Compulsorily Convertible Preference Shares treated as Equity Financial Instruments</b>		
Compulsorily Convertible Preference Shares treated as Equity Financial Instruments represents 0.01% Compulsorily Convertible Preference shares issued pursuant to the agreement entered into by the Company with South Asia Growth Fund II Holdings LLC and South Asia EBT Trust. These shares are convertible in the ratio of 1 equity share for every one preference share held in terms of Clause 1.2 of the said agreement based on a valuation process set out in schedule 7 of the agreement. Subsequent to the year end, the said conversion ratio has been modified to 1.02048 equity shares for every one preference share held. Also refer Note 48(d). These Preference Shares are entitled to a 0.01% dividend and are not entitled to any other form of distribution of profits by the Company until its conversion to equity shares.		

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**18 Borrowings (Non-Current)**

Particulars	As at 30 June 2021	As at 31 March 2021
(a) Term Loans (Secured) (Refer Notes 18.1 & 18.2)	216.29	244.98
<b>Total</b>	<b>216.29</b>	<b>244.98</b>

**18.1 Security**

**Term Loan from RBL:**

**Primary Security-**

Pari Passu hypothecation Over Unencumbered machinery and other moveable fixed assets belonging to the Company and exclusive charge on assets of Bawal Plant, Hararyana.

**Secondary Security-**

(a) Exclusive Charge by way of Equitable Mortgage of commercial property owned by Tancom Electronics:Unit No.1B, 5th Floor, Unified Infotech park, Plot No R-797, Savil Village, Navi Mumbai, TTCN Area having carpet area of 11492 Sq.ft.

(b) Exclusive charge by way of equitable mortgage of Flat no. 1, Merry Niketan, Mount Mary Road, Bandra Owned by Sandeep Tandon.

(c) Personal Guarantee by Mr. Manoharlal Tandon, Mr. Sandeep Tandon and Mrs. Veena Kumari Tandon.

(d) Corporate Guarantee by Tancom Electronics Private Limited.

**External Commercial Borrowings (ECB):**

**Primary Security-**

Exclusive charge on the Plant & Machinery funded out of the ECB.

**Secondary Security-**

Exclusive charge on Fixed Deposit of Rs. 100 Million and interest accrued thereon for the tenor of the ECB Loan.

Personal Guarantee by Mr.Manoharlal Tandon, Mr.Sandeep Tandon and Mrs. Veena Kumari Tandon.

**18.2 Terms of Secured Loan from Banks:**

**As at 30 June 2021**

Particulars	Interest Rate	No. of Installments Outstanding	Repayment Terms	Amount outstanding as at 30 June 2021
<b>(i) Term loan from RBL:</b>				
Loan 3 (EUR)	3.85%	13 quarters	Principal Quarterly & Interest Monthly	81.37
<b>(ii) External Commercial Borrowing from DBS Bank, Singapore (USD)</b>	2.87%	17 quarters	Principal & Interest Quarterly	209.76
<b>Total</b>				<b>291.13</b>
Less: Current Maturities of Long-Term Borrowings (Refer Note 21)				74.84
<b>Long Term Borrowings from Bank</b>				<b>216.29</b>

**As at 31 March 2021**

Particulars	Interest Rate	No. of Installments Outstanding	Repayment Terms	Amount outstanding as at 31 March 2021
<b>(i) Term loan from RBL:</b>				
Loan 1 (USD)	4.78%	1 quarter	Principal Quarterly & Interest Monthly	6.97
Loan 2 (USD)	3.30%	1 quarter		4.61
Loan 3 (EUR)	3.85%	14 quarters		84.59
Loan 5 (INR)	11.10%	3 quarters		1.70
<b>(ii) External Commercial Borrowing from DBS Bank, Singapore (USD)</b>	2.87%	18 quarters	Principal & Interest Quarterly	220.88
<b>Total</b>				<b>318.75</b>
Less: Current Maturities of Long-Term Borrowings (Refer Note 21)				73.77
<b>Long Term Borrowings from Bank</b>				<b>244.98</b>



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**18.3 Details of Redeemable Preference Shares**
**(a) Reconciliation of the Number of Redeemable Preference Shares and Amount Outstanding at the Beginning and at the End of the Reporting Period:**

Particulars	1% Cumulative Redeemable Non Convertible Preference Shares Rs. 100 Fully Paid - Refer Note 1		7% Cumulative Convertible Redeemable Preference Shares Rs. 100 Fully Paid - Refer Note 2	
	No. of shares (In full number)	Amount	No. of shares (In full number)	Amount
Shares / Amount outstanding as at the 1 April 2020	300,000	30.00	150,000	15.00
Add: Fresh issue of shares during the year	-	-	-	-
Less: Redemption of shares during the year	(300,000)	(30.00)	(150,000)	(15.00)
Shares / Amount outstanding as at the 31 March 2021	-	-	-	-
Add: Fresh issue of shares during the year	-	-	-	-
Less: Redemption of shares during the year	-	-	-	-
Shares / Amount outstanding as at the 30 June 2021	-	-	-	-

**Notes:**

- The 1% Cumulative Redeemable Preference shares are Non-Convertible in nature having a par value of Rs. 100 per share. These preference shares are non-participating in surplus funds and in surplus assets and profits, on winding-up which may remain after the entire capital has been repaid. The preference shares carry a preferential right vis-a-vis equity shares with respect to payment of dividend or repayment of capital and the payment of dividend on cumulative basis for the preference shares. The preference shares have a voting right as per the provisions of Section 47(2) of the Companies Act, 2013. The preference shares are redeemable on completion of 14 years from the date of allotment at par on the face Value of the preference shares or optional early redemption at the option of the Company. During the year ended 31 March 2020, the Company issued 4,50,000 1% Redeemable Non-Convertible Cumulative Preference Shares of Rs 100/- each on the same terms as stated above. The said Preference shares were redeemed during the year itself by exercising its option for early redemption. During the year ended 31 March 2021, the Company had redeemed the balance preference shares of 300,000 by exercising its option for early redemption.
- The 7% Cumulative Redeemable Preference shares numbering 150,000 of Rs. 100 each are issued and allotted pursuant to the order of the Hon'ble National Company Law Tribunal, Mumbai Bench passed on 22nd Day of June 2017 and in accordance with scheme of Amalgamation between M/s. Syrma Services And Solutions Private Limited, (First Transferor Company), and 3G Wireless Communications Private Limited, (Second Transferor Company) with Syrma Technology Private Limited to the preference shareholder of 3G Wireless Communications Private Limited. Preference Shareholder(s) shall have option to convert preference shares into equity shares as may be decided by the Board of Directors. If the preference shares are not converted into equity shares, the same shall be redeemable at any time at the option of the Board of Directors but not later than 20 years from the date of allotment. During the year ended 31 March 2021, the Company had redeemed the said preference shares by exercising its option for early redemption.

**18.4 Reconciliation of change in Liabilities arising from financing activities**
**a) For the period ended 30 June 2021**

Particulars	As at 1 April 2021	Cash flow	Exchange difference	Others^	New lease	As at 30 June 2021
Non current borrowings*	318.75	(29.41)	1.53	0.26	-	291.13
Current borrowings	242.46	(18.31)	0.69	-	-	224.84
Lease liability	52.40	(3.93)	-	1.35	-	49.82

**b) For the year ended 31 March 2021**

Particulars	As at 1 April 2020	Cash flow	Exchange difference	Others^	New lease	As at 31 March 2021
Non current borrowings*	260.01	56.68	2.17	(0.11)	-	318.75
Current borrowings	531.40	(273.82)	(15.12)	-	-	242.46
Redeemable Preference Shares	46.62	(45.00)	-	(1.62)	-	-
Lease liability	61.53	(15.17)	-	6.04	-	52.40

\* Long term borrowing includes current maturities of Long term borrowing.

^ Others includes amortisation of processing fees, interest on lease liability, fair value changes for redeemable preference shares.

**19 Other Financial Liabilities (Non-Current)**

Particulars	As at 30 June 2021	As at 31 March 2021
Liability towards (gains) / losses on financial instrument	7.77	6.80
<b>Total</b>	<b>7.77</b>	<b>6.80</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**20 Provisions (Non-Current)**

Particulars	As at 30 June 2021	As at 31 March 2021
Provision for employee benefits (Refer Note 36)		
- Provision for Gratuity	22.89	19.48
- Provision for Compensated Absences	13.25	12.41
<b>Total</b>	<b>36.14</b>	<b>31.89</b>

**21 Borrowings (Current)**

Particulars	As at 30 June 2021	As at 31 March 2021
(a) Working Capital Facilities from Banks - Secured (Refer Notes 21.1)	224.84	242.46
(b) Current Maturities of Long-term Borrowings (Refer Note 18.2)	74.84	73.77
<b>Total</b>	<b>299.68</b>	<b>316.23</b>

**21.1 Security**

- a) First pari-passu charge on present and future inventories and book debts.
- b) First pari-passu charge by way of equitable mortgage on Factory Land & Building property bearing survey number: SF 164/1 PART, situated at Plot no. B 27, Phase II, Zone B, MEPZ, Tambaram - 600045, owned by the Company.
- c) First pari-passu charge by way of equitable mortgage on Commercial Building bearing Survey number: 406, situated at Flat no. 406, 4th Floor, Dalamal Towers, Blackbay Reclamation Scheme, Nariman Point, Mumbai - 400021, owned by Tandon Magnetics (India) Private Limited.
- d) First pari-passu charge by way of equitable mortgage on Residential Building bearing Survey number :226/227, situated at Flat no. 1166, 16th Level Tower I, ESTANCIA, GST Road, Vallancheri & Potheri, Chengalpet, Vallancheri, 600145, owned by Tancom Electronics Pvt Ltd.
- e) First pari-passu charge by way of equitable mortgage on land bearing survey number: 43/1, situated at S no. 43/1 and 43/2, in Patwari Halka 26/1 situated in Gram Raukhadi, Tehsil Sanwer District, Indore, admeasuring total area: 8.08 acres, belonging to Mrs. Veena Kumari Tandon.
- f) First pari-passu charge by the way of equitable mortgage on commercial building situated at Flat no.13, Merry Niketan, Mount Mary Road, Bandra, Mumbai - 400035, admeasuring total area: 749.5 sq. ft., belonging to Tancom Electronics Pvt Ltd.
- g) First pari-passu charge on Fixed Assets (Unencumbered Machinery and other unencumbered movable assets) owned by the Company.
- h) Personal Guarantee by Mr. Manoharlal Tandon, Mr. Sandeep Tandon, Mrs. Veena Kumari Tandon.
- i) Corporate Guarantee from Tancom Electronics Pvt Ltd and Tandon Magnetics (India) Private Limited.

**21.2 Refer Note 44 (V) for the Comparison of Quarterly returns furnished to Banks with books of account.**

Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)						
Notes to the Restated Consolidated Financial Information						
(All amounts are in Million Indian Rupees unless otherwise stated)						
22 Trade Payables						
Particulars	As at 30 June 2021	As at 31 March 2021				
(a) Total outstanding dues of micro enterprises and small enterprises (Refer Note 22.3)	10.50	11.12				
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,463.58	1,137.30				
Total	1,474.08	1,148.42				
22.1 Trade payables are non-interest bearing and are normally settled as per due dates.						
22.2 The ageing schedule of trade payables is as follows:						
a) As at 30 June 2021						
Particulars	Outstanding for following periods from due date of payment				Not due	Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years		
(i) MSME	3.46	0.03	-	0.04	6.97	10.50
(ii) Others	353.23	31.12	4.56	93.20	981.47	1,463.58
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
b) As at 31 March 2021						
Particulars	Outstanding for following periods from due date of payment				Not due	Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years		
(i) MSME	2.93	0.02	0.05	0.04	8.08	11.12
(ii) Others	558.24	4.89	25.54	77.08	471.55	1,137.30
(iii) Disputed dues - MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
22.3 Disclosures Required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006						
Particulars	As at 30 June 2021	As at 31 March 2021				
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year / period	10.50	11.12				
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year / period	1.86	1.76				
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-				
(iv) The amount of interest due and payable for the year / period	0.10	1.66				
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year / period	1.86	1.76				
(vi) The amount of further interest remaining due and payable even in the succeeding years / period, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0.10	1.66				
Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management and relied by the auditors.						

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**23 Other Financial Liabilities (Current)**

Particulars	As at 30 June 2021	As at 31 March 2021
(a) Payable towards procurement of capital assets	3.63	2.35
(b) Interest accrued and due on loans from Related Party	4.30	4.30
(c) Interest accrued but not due on loans from banks	0.39	0.56
(d) Liability towards (gains) / losses on financial instrument	2.39	1.94
<b>Total</b>	<b>10.71</b>	<b>9.15</b>

**24 Provisions (Current)**

Particulars	As at 30 June 2021	As at 31 March 2021
(a) Provision for Warranty (Refer Note 42)	1.39	1.42
(b) Provision for Employee Benefits (Refer Note 36)		
- Provision for Gratuity	1.50	8.07
- Provision for Compensated Absences	1.59	2.98
(c) Provision for Contingencies (Refer Note 42)	16.00	16.00
<b>Total</b>	<b>20.48</b>	<b>28.47</b>

**25 Other Current Liabilities**

Particulars	As at 30 June 2021	As at 31 March 2021
(a) Deferred revenue (Refer Note below)	247.15	247.15
(b) Advance from Customers	107.08	117.80
(c) Statutory Remittances (Contributions to PF and ESI, Withholding Taxes, GST, etc.)	16.55	12.66
<b>Total</b>	<b>370.78</b>	<b>377.61</b>

**Note:** Deferred revenue represents tooling charges received in advance from one of the customers, recognised as tooling income on the basis of completion of projects and number of units sold to the customer during the respective years.

Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)		
Notes to the Restated Consolidated Financial Information		
(All amounts are in Million Indian Rupees unless otherwise stated)		
<b>26 Revenue from Operations</b>		
Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
(a) Sale of Products (net)		
- Manufactured goods	1,316.82	4,233.72
- Traded goods	2.09	41.59
(b) Sale of Services	5.06	18.16
(c) Other Operating Revenues:		
- Export Incentive	-	41.19
- Tooling Charges	4.36	32.63
- Sale of Scrap	3.57	12.41
- Income from Outsourcing Services	-	3.33
<b>Total Other Operating Revenues</b>	<b>7.93</b>	<b>89.56</b>
<b>Total</b>	<b>1,331.90</b>	<b>4,383.03</b>
<b>26.1 Disaggregation of Revenue information</b>		
The table below presents disaggregated revenues from contracts with customers which is recognised based on goods transferred at a point of time by geography and offerings of the Company.		
As per the management, the below disaggregation best depicts the nature, amount, timing and uncertainty of how revenues and cash flows are affected by industry, market and other economic factors.		
Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
<b>Revenue by Geography</b>		
India	579.11	1,313.32
Rest of the world	752.79	3,069.71
<b>Total Revenue from Operations</b>	<b>1,331.90</b>	<b>4,383.03</b>
Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
<b>Revenue by Segment</b>		
Electronic Manufacturing Services	1,324.75	4,323.28
Others	7.15	59.75
<b>Total Revenue from Operations</b>	<b>1,331.90</b>	<b>4,383.03</b>
<b>26.2 Timing of Recognition of Revenue</b>		
Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
Products / services transferred at point in time	1,331.90	4,341.84
Products / services transferred over a period in time	-	-
<b>Total revenue from contracts with customers</b>	<b>1,331.90</b>	<b>4,341.84</b>
<b>Note:</b> The aforesaid excludes export incentives recognised under Revenue from operations.		
<b>26.3 Contract balances</b>		
Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
Receivables, which are included in 'Trade receivables'*	1,373.70	1,301.27
Advance from customers, which are included in 'Other current liabilities'	107.08	117.80
Deferred revenue, which are included in 'Other current liabilities'	247.15	247.15
*Represents Gross Trade receivables without considering expected credit loss allowance		
<b>27 Other Income</b>		
Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
(a) Interest Income on financial assets carried at amortised cost		
-Bank deposits	3.21	8.29
-Security Deposits	0.57	0.91
<b>Total Interest Income</b>	<b>3.78</b>	<b>9.20</b>
(b) Foreign Exchange Gain (net)	17.04	48.90
(c) Insurance / Other Claims	-	0.04
(d) Liabilities No Longer Required Written back	-	1.94
(e) Others	-	1.69
<b>Total</b>	<b>20.82</b>	<b>61.77</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**28.1 Cost of Raw Materials Consumed**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
Opening Stock	532.64	426.78
Add: Purchases	1,274.31	2,869.79
	<b>1,806.95</b>	<b>3,296.57</b>
Less: Closing Stock (Refer Note 11)	764.41	532.64
<b>Consumption of Raw Materials</b>	<b>1,042.54</b>	<b>2,763.93</b>

**28.2 Purchase of Stock-in-Trade**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
Purchase of Stock-in-Trade	2.14	38.09
<b>Total</b>	<b>2.14</b>	<b>38.09</b>

**28.3 Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
(a) Inventories at the End of the period / year: (Refer Note 11)		
- Finished Goods	105.60	26.16
- Work-in-progress	232.42	201.31
- Stock-in-trade	1.60	0.90
<b>Sub-total</b>	<b>339.62</b>	<b>228.37</b>
(b) Inventories at the Beginning of the period / year:		
- Finished Goods	26.16	57.68
- Work-in-progress	201.31	186.13
- Stock-in-trade	0.90	3.42
<b>Sub-total</b>	<b>228.37</b>	<b>247.23</b>
<b>Net (Increase) / Decrease</b>	<b>(111.25)</b>	<b>18.86</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**29 Employee Benefits Expense**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
(a) Salaries, wages and bonus	70.37	234.65
(b) Contribution to provident and other funds (net) (Refer Note 36)	5.56	18.94
(c) Gratuity expense (Refer Note 36)	1.62	6.10
(d) Compensated absences expense	0.04	4.91
(e) Remuneration to Directors	6.00	24.00
(f) Staff welfare expenses	4.19	15.21
	<b>87.78</b>	<b>303.81</b>
Less: Recovery of Salaries from Related Parties (Refer Note 38.2)	(4.72)	(17.46)
<b>Total</b>	<b>83.06</b>	<b>286.35</b>

**30 Finance Costs**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
(a) Interest on borrowings	3.74	19.99
(b) Interest on lease liability	1.35	6.04
(c) Interest on Unsecured Loan	-	5.13
(d) Factoring Charges	2.48	11.50
(e) Interest on Redeemable Preference shares (net)	-	0.58
(f) Interest on delayed payment of taxes	-	0.34
(g) Interest on delayed payments to micro enterprises and small enterprises (Refer Note 22.3)	0.10	1.66
<b>Total</b>	<b>7.67</b>	<b>45.24</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**31 Other Expenses**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
Consumption of stores and spares	18.91	68.42
Stipend to Apprentices	18.68	47.29
Insurance	3.02	11.15
Power and fuel	11.37	39.93
Labour Charges	77.33	295.15
Sub-contracting charges	21.71	69.82
Freight outward & clearing	3.26	13.72
Rent	1.45	5.30
Repairs and maintenance		
- Plant and machinery	2.46	13.63
- Buildings	2.47	8.80
- Others	3.29	17.71
Advertising and sales promotion	17.70	77.44
Provision for Warranty (Refer Note 42)	0.01	0.10
Travelling and conveyance	1.98	8.27
Allowance for ECL	-	9.18
Bad debts Written Off	-	9.40
Less: Utilization of Allowance for ECL	-	(9.40)
Net Bad debts written off	-	-
Communication costs	0.98	3.63
Printing and stationery	0.60	2.58
Legal and professional fees	18.04	79.95
Payments to auditor (Refer Note 32)	0.82	5.60
Security charges	3.66	6.93
Bank charges	3.50	14.80
Corporate Social Responsibility (Refer Note 33)	0.10	6.71
Rates and Taxes	3.41	4.49
Mark-to-Market (MTM) loss / (gain) on financial instrument	1.42	8.74
Miscellaneous expenses	0.21	2.43
	<b>216.38</b>	<b>821.77</b>
Less: Claims for reimbursement with State Government	(0.40)	(3.34)
Less: Freight charges reimbursed by customers	(1.56)	(10.20)
<b>Total</b>	<b>214.42</b>	<b>808.23</b>

**32 Payment to Statutory auditors**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
Payments to auditors comprises:		
- For Statutory Audit	0.82	3.30
- For Certification and Other Services	-	2.25
- Reimbursement of Expenses	-	0.05
<b>Total</b>	<b>0.82</b>	<b>5.60</b>



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**33 Corporate Social Responsibility (CSR) expenditure**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
(a) Amount required to be spent by the Company during the period / year*	7.94	6.08
(b) Amount of expenditure incurred	0.10	6.71
(c) Shortfall at the end of the period / year #	-	-
(d) Total of previous years shortfall	-	-
(e) Reason for shortfall	NA	NA
<b>(f) Nature of CSR activities</b>		
(i) Promoting Education	-	3.50
(ii) Preventive health care w.r.t Covid-19	0.10	3.00
(iii) Prime Minister's National Relief Fund	-	0.21
(g) Details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	NA	NA
(h) Provisions w.r.t CSR Expenditure pursuant to contractual obligation	NA	NA

\* Amount required to be spent by the Company is pertaining for the whole Financial year.

# The variance between amount to be spent and actual spent is not considered as shortfall in June 2021, being an interim reporting period. The balance would be spent within the financial year 2021-22.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**34 Contingent Liabilities and Commitments (to the extent not specifically provided for)**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
(a) Claims against the Company not Acknowledged as Debt		
- Erstwhile customer (Refer Note (ii) below)	56.17	56.17
- Karnataka VAT related matters	14.02	14.02
(b) Company's share of associate contingent liability		
- Income Tax demands	1.02	1.02
- Civil matters	0.04	0.04
(c) Capital Commitments (Refer Note (iii) below)	193.71	125.30

**Notes:**

(i) The amounts shown above represent the best possible estimates arrived at on the basis of the available information. The uncertainties and possible reimbursement are dependent on the outcome of the various legal proceedings which have been initiated by the Company or the Claimants, as the case may be and, therefore, cannot be predicted accurately.

(ii) The Company has filed Special Leave Petition (SLP) before Honorable Supreme Court of India against the Madras High Court Judgment relating to direction to the Company to deposit 50% of the amount in the Court. Supreme court has stayed the order of Madras High court, to pay the said amount. Further, the erstwhile customer, has also filed a counter SLP before the Honorable Supreme Court of India against the Madras High Court Judgment referred above, which is pending hearing. Based on the assessment carried out by the Company, the Management expects a favorable decision in respect of the above. Further, petition against the Company before National Company Law Tribunal, Mumbai Bench, for initiation of Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code has been withdrawn.

(iii) Capital Commitments represents the estimated amounts of contracts remaining to be executed on capital account, net of advances and not provided.

**35 Information as required by Part III of General instructions to Schedule III to the Companies Act, 2013**
**As at and for the period ended 30 June 2021**

Name of the Entity	Net Assets (i.e. total assets minus total liabilities)	Share in profit and loss	Share in other comprehensive income	Share in total comprehensive income
Company: Syrma SGS Technology Limited				
As a % of consolidated	62%	84%	97%	84%
Amount	1,552.70	55.57	2.83	58.40
Associate Company: SGS Teknics Manufacturing Private Limited				
As a % of consolidated	38%	16%	3%	16%
Amount	932.29	10.75	0.09	10.84

**As at and for the year ended 31 March 2021**

Name of the Entity	Net Assets (i.e. total assets minus total liabilities)	Share in profit and loss	Share in other comprehensive income	Share in total comprehensive income
Company: Syrma SGS Technology Limited				
As a % of consolidated	62%	89%	113%	89%
Amount	1,494.30	286.15	(0.18)	285.97
Associate Company: SGS Teknics Manufacturing Private Limited				
As a % of consolidated	38%	11%	-13%	11%
Amount	921.45	34.02	0.02	34.04

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Notes to the Restated Consolidated Financial Information**  
(All amounts are in Million Indian Rupees unless otherwise stated)

**36 Employee Benefits**

**36.1 Defined Contribution Plan**

Company's (employer's) contribution to Defined Contribution Plans recognised as expenses in the Statement of Profit and Loss are:

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
Employer's Contribution to Provident Fund	4.91	16.52
Employer's Contributions to Employee State Insurance	0.16	0.45
Employer's Contribution to Superannuation Fund	0.50	1.73
<b>Total</b>	<b>5.57</b>	<b>18.70</b>

**36.2 Defined Benefit Plans**

The Company operates a gratuity plan covering qualifying employees. The benefit payable is the amount calculated as per the Payment of Gratuity Act, 1972. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting. The Company makes annual contribution to the group gratuity scheme administered by the Life Insurance Corporation of India.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. When there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit. Investments for these plans are carried out by Life Insurance Corporation of India.
Interest risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

In respect of the above plans, the actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out as at respective period / year ends by an independent member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

**(a) Amount recognised in the total comprehensive income in respect of the defined benefit plan are as follows:**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
<b>Gratuity:</b>		
Service Cost		
- Current Service Cost	1.14	4.62
- Interest expense on Defined Benefit Obligation	0.54	1.77
- Interest income on plan assets	(0.06)	(0.29)
<b>Components of defined benefit costs recognised in Statement of profit or loss (A)</b>	<b>1.62</b>	<b>6.10</b>
Remeasurement on the net defined benefit liability :		
Return on plan assets (excluding amount included in net interest expense)	0.09	0.20
Actuarial (gain) / loss arising from changes in financial assumptions	(1.95)	0.80
Actuarial (gain) arising from experience adjustments	(1.90)	(0.70)
Actuarial (gain) arising from demographic adjustments	(0.59)	(0.05)
<b>Components of defined benefit costs recognised in other comprehensive income (B)</b>	<b>(4.35)</b>	<b>0.25</b>
<b>Total (A) + (B)</b>	<b>(2.73)</b>	<b>6.35</b>

(i) The current service cost and interest expense for the relevant period / year are included in the "Employee Benefit Expenses" line item in the Statement of Profit & Loss.

(ii) The remeasurement of the net defined benefit liability is included in other comprehensive income.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Notes to the Restated Consolidated Financial Information**  
(All amounts are in Million Indian Rupees unless otherwise stated)

**(b) The amount included in the Balance Sheet arising from the entity's obligation in respect of defined benefit plan is as follows:**

Particulars	As at 30 June 2021	As at 31 March 2021
<b>Net (Asset) / Liability recognised in the Balance Sheet:</b>		
<b>Gratuity:</b>		
Present value of defined benefit obligation	27.96	31.54
Fair value of plan assets	3.57	3.99
(Surplus) / Deficit	24.39	27.55
Current portion of the above	1.50	8.07
Non current portion of the above	22.89	19.48

**(c) Movement in the present value of the defined benefit obligation are as follows:**

Particulars	As at 30 June 2021	As at 31 March 2021
<b>Change in the obligation during the period / year</b>		
<b>Gratuity:</b>		
Present value of defined benefit obligation at the beginning of the period / year	31.54	25.89
Expenses Recognised in the Statement of Profit and Loss:		
- Current Service Cost	1.14	5.13
- Interest Expense (Income)	0.54	1.77
Recognised in Other Comprehensive Income		
Remeasurement (gains) / losses	(4.69)	0.30
Benefit payments	(0.57)	(1.55)
<b>Present value of defined benefit obligation at the end of the period / year</b>	<b>27.96</b>	<b>31.54</b>

**(d) Movement in fair value of plan assets are as follows:**

Particulars	As at 30 June 2021	As at 31 March 2021
<b>Change in the fair value of assets during the period / year</b>		
<b>Gratuity:</b>		
Fair value of plan assets at the beginning of the period / year	3.99	4.59
Income Recognised in Statement of Profit and Loss Account:		
- Expected return on plan assets	0.06	0.29
Recognised in Other Comprehensive Income:		
Remeasurement gains / (losses)	(0.09)	(0.20)
Contributions by employer (including benefit payments recoverable)	0.18	0.86
Benefit payments	(0.57)	(1.55)
<b>Fair Value of Plan assets at the end of the period / year</b>	<b>3.57</b>	<b>3.99</b>

The actual return on Plan Assets as furnished by Insurer is Rs. 0.20 Million for 30 June 2021 & Rs. 0.25 Million for 31 March 2021.

**(e)** The entire Plan Assets are managed by the Insurer. The details with respect to the composition of investments in the fair value of Plan Assets have not been disclosed in the absence of the necessary information.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Notes to the Restated Consolidated Financial Information**  
(All amounts are in Million Indian Rupees unless otherwise stated)

**(f) The principal assumptions used for the purpose of actuarial valuation were as follows:**

Particulars	As at 30 June 2021	As at 31 March 2021
<b>Gratuity:</b>		
Discount rate	6.48% - 7.05%	6.55% - 7.08%
Expected rate of salary increase	6.20% - 8.60%	2.5% - 8%
Attrition Rate	7.17%-13.33%	10.63%-13.33%
Expected return on plan assets	6.55% - 7.08%	6.55% - 7.08%
Mortality tables*	Indian Assured Lives Mortality (2012-14) Ultimate	India Assured Life (2012-14) Ultimate

\* Based on India's standard mortality table with modification to reflect the expected changes in mortality / others.

(i) The estimate of future salary increase takes into account inflation, seniority, promotion and other relevant factors.

(ii) Discount rate is based on the prevailing market yields of Indian Government Bonds as at the respective Balance Sheet date for the estimated term of the obligation.

**(g)** Significant actuarial assumptions for the determination of defined benefit obligation are discount rate, expected salary increase rate and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the respective reporting period while holding all other assumptions constant:

**In respect of Gratuity:**

(Increase) / Decrease on the Defined benefit Obligation	As at 30 June 2021	As at 31 March 2021
<b>(i) Discount rate</b>		
Increase by 100 bps	2.62	2.22
Decrease by 100 bps	(3.13)	(2.56)
<b>(ii) Salary growth rate</b>		
Increase by 100 bps	(2.35)	(2.39)
Decrease by 100 bps	2.16	2.10
<b>(iii) Attrition rate</b>		
Increase by 100 bps	0.33	0.37
Decrease by 100 bps	(0.39)	(0.40)
<b>(iv) Mortality rate</b>		
Increase by 10%	0.01	0.01

(i) The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

(ii) Furthermore, in presenting the above sensitivity analysis the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of the respective reporting period which is the same as that applied in calculating the defined benefit obligation liability recognised in the Balance Sheet.

(iii) There is no change in the methods and assumptions used in preparing the sensitivity analysis across various periods / years.

**(h) Experience Adjustments**

Particulars	As at 30 June 2021	As at 31 March 2021
Projected Benefit Obligation	27.96	31.54
Fair Value of Plan Assets	3.57	3.99
Deficit / (Surplus)	(24.39)	(27.55)
Experience Adjustments on Plan Liabilities - (Gains) / losses	(4.69)	0.30
Experience Adjustments on Plan Assets - (Gains) / losses	(0.09)	(0.20)

**(i) Effect of Plan on Entity's Future Cash Flows**

**(i) Funding Arrangements and Funding Policy**

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance Company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

(ii) Expected contributions to post-employment benefit plans during the next one year from the respective period end / year end date is as follows:

Period / Year Ending	Amount
As at 30 June 2021	5.74
As at 31 March 2021	8.08

(iii) The weighted average duration of the defined benefit obligation during the respective period/ year end is as follows:

Period / Year Ending	Amount
As at 30 June 2021	9.88 to 13.50 years
As at 31 March 2021	6.40 to 12.48 years

(iv) Maturity profile of defined benefit obligation on an undiscounted basis is as follows:

Particulars	As at 30 June 2021	As at 31 March 2021
Year 1	2.02	4.96
Year 2	1.99	1.39
Year 3	1.69	3.65
Year 4	1.71	1.13
Year 5	1.61	1.95
Next 5 year pay-outs (6-10 years)	12.78	12.86
Pay - outs above ten years	50.49	36.42
<b>Total</b>	<b>72.29</b>	<b>62.36</b>

**36.3 Compensated Absences**

The compensated absences cover the Company's liability for earned leave. Based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. Accordingly the Company has accounted for provision for compensated absences as below

Particulars	As at 30 June 2021	As at 31 March 2021
Non-current portion	13.25	12.41
Current portion	1.59	2.98
<b>Total</b>	<b>14.84</b>	<b>15.39</b>

The key assumptions used in the computation of provision for compensated absences as per the actuarial valuation done by an Independent Actuary are as given below:

Particulars	As at 30 June 2021	As at 31 March 2021
<b>Assumptions</b>		
Discount rate	6.48% - 7.05%	6.55% - 7.08%
Expected rate of salary increase	6.20% - 8.60%	2.5% - 8%
Attrition Rate	7.17%-13.33%	10.63%-13.33%
Mortality tables	Indian Assured Lives (2012-14) Ultimate	India Assured Life (2012- 14) Ultimate

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**37 Segment Reporting**
**37.1 Business Segment**

The Chief Operating Decision Maker evaluates the performance of the Company based on the operating segments as Electronic Manufacturing Services (EMS) and Others. Therefore, there are only two reportable segment called EMS & Others in accordance with the requirement of Ind AS 108 "Operating Segments".

**a) As at 30 June 2021**

Particulars	EMS	Others	Total
<b>Revenue</b>	1,324.75	7.15	1,331.90
Segment Results before depreciation	101.10	(0.11)	100.99
Less: Depreciation	27.86	0.14	28.00
<b>Segment Results after depreciation</b>	<b>73.24</b>	<b>(0.25)</b>	<b>72.99</b>
Less: Unallocated expenses**			7.67
Add: Other Income^			20.82
<b>Profit before Tax</b>			<b>86.14</b>
Segment Assets	3,990.60	55.15	4,045.75
Unallocated Assets*			944.44
<b>Total Assets</b>			<b>4,990.19</b>
Segment Liabilities	1,963.15	6.63	1,969.78
Unallocated Liabilities #			535.42
Capital Employed			2,484.99
<b>Total Liabilities</b>			<b>4,990.19</b>
<b>Other disclosures</b>			
Addition to Non-current assets	6.15	0.17	6.32

**b) As at 31 March 2021**

Particulars	EMS	Others	Total
<b>Revenue</b>	4,323.28	59.75	4,383.03
Segment Results before depreciation	469.54	(1.97)	467.57
Less: Depreciation	120.18	0.56	120.74
<b>Segment Results after depreciation</b>	<b>349.36</b>	<b>(2.53)</b>	<b>346.83</b>
Less: Unallocated expenses**			45.24
Add: Other Income^			61.77
<b>Profit before Tax</b>			<b>363.36</b>
Segment Assets	3,620.97	81.92	3,702.89
Unallocated Assets*			931.23
<b>Total Assets</b>			<b>4,634.12</b>
Segment Liabilities	1,641.62	13.12	1,654.74
Unallocated Liabilities #			563.63
Capital Employed			2,415.75
<b>Total Liabilities</b>			<b>4,634.12</b>
<b>Other disclosures</b>			
Addition to Non-current assets	69.64	-	69.64

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

\*\* Unallocated expenses represents Finance costs

^ Other Income represents interest income, exchange gain etc

\* Unallocated assets represent Income tax asset (net), Deferred tax asset (net) and Investment in associate

# Unallocated Liabilities represent Deferred Tax Liability, Current tax liabilities and Borrowings

**37.2 Geographical Information**

The Company's revenue from external customers by location of operations and information about its non current assets by location of operations are detailed below. The geographical segments considered for disclosure are – India, USA , Germany and Rest of the World.

**Revenue by Geographic Market**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
India	579.11	1,313.32
USA	333.33	953.26
Germany	138.05	1,411.31
Rest of the world	281.41	705.14
<b>Total*</b>	<b>1,331.90</b>	<b>4,383.03</b>

Information about product revenue are as given in Note 26.

\* Represents Revenue from operations as per Note 26.

**Non-Current Assets\*\* by Geographic Market**

Particulars	As at 30 June 2021	As at 31 March 2021
India	903.53	925.21

\*\*Represents all Non-current assets other than financial assets, deferred tax assets and income tax assets.

**37.3 Information about major customers:**

Revenue from operations include revenue from major customers contributing individually to more than 10% of the Company's total revenue from operations as given below

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
No of customers	2	2
Amount	426.28	1,402.94

There is no other single customer who contributed more than 10% to the Company's revenue for the respective period / years.



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**38 Disclosure in respect of Related Parties****38.1 Names of Related Parties and Nature of Relationship**

Description of Relationship	Name of the Related Party
Holding Company	Tancom Electronics Private Limited
Associate	SGS Tekniks Manufacturing Private Limited (w.e.f. 05 November 2020)
Fellow Subsidiaries (in respect of which the Company has had transactions during the year)	Advance Power Devices Pvt Limited (Amalgamated into Reliable Consultancy Services Pvt Limited)* Advance Motors Technology Private Limited Infinx Services Private Limited Memory Electronics Private Limited Reliable Consultancy Services Pvt Limited Syrma Tech Singapore Pte Ltd Tandon Holdings Limited Tassel Trading LLP (erstwhile Tassel Trading Company Pvt Ltd) TIS International (USA) Inc Titus Trading and Agencies Limited
Key Management Personnel (KMP)	Mr. Sandeep Tandon (Director)
Relatives of KMP (with whom the Company has had transactions during the year)	Mrs. Veena Kumari Tandon

**Note:** Related party relationships are as identified by the Management and relied upon by the auditors.

\*The said related party has been amalgamated with Reliable Consultancy Services Pvt Limited with an appointed date of 1 February 2019 vide Order received from the National Company law Tribunal, Mumbai Bench.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**38.2 Transactions with the related parties**

Particulars	Name of the Related Party	For the period ended 30 June 2021	For the year ended 31 March 2021
<b>Income</b>			
Sales of Goods and Services	Infinx Services Private Limited	-	3.43
	TIS International (USA) Inc	-	0.47
<b>Expenses</b>			
Purchase of Goods and Services	TIS International (USA) Inc	10.14	-
	Memory Electronics Private Limited	-	0.03
	Tandon Holdings Limited	5.91	-
Interest on Unsecured Loan	Advance Power Devices Pvt Limited	-	0.04
	Tancom Electronics Private Limited	-	0.24
	Tassel Trading LLP	-	1.04
	Titus Trading and Agencies Limited	-	0.16
	Mrs. Veena Kumari Tandon	-	3.65
Other Expenses	TIS International (USA) Inc	-	36.70
Remuneration to KMP			
a) Salary	Mr. Sandeep Tandon	6.00	24.00
b) Contribution to PF and other funds	Mr. Sandeep Tandon	0.72	2.76
c) Perquisite	Mr. Sandeep Tandon	1.20	4.80
<b>Other transactions</b>			
Dividend Paid on Redeemable Preference Shares	Tandon Holdings Limited	-	0.71
	Reliable Consultancy Services Pvt Limited	-	1.05
Issue of equity share (Including securities premium)	Mrs. Veena Kumari Tandon	-	210.53
Redemption of preference share	Reliable Consultancy Services Private Limited	-	11.80
	Advance Motors Technology Private Limited	-	3.20
	Tandon Holdings Limited	-	30.00
Recovery of Expenses	Infinx Services Private Limited	4.72	13.97
	Syrma Tech Singapore Pte Ltd	-	-
Loans repaid	Advance Power Devices Pvt Limited	-	0.89
	Mr. Sandeep Tandon	-	0.48
	Tassel Trading LLP	-	22.06
	Titus Trading and Agencies Limited	-	9.10
	Mrs. Veena Kumari Tandon	-	81.80
	Tancom Electronics Private Limited	-	11.06

**38.3 Related Party balances as at the period / year end**

Assets at Year End	Name of the Related Party	As at 30 June 2021	As at 31 March 2021
Non-Current Investments	SGS Teknics Manufacturing Private Limited	887.41	887.41
Security Deposit	Reliable Consultancy Services Pvt. Limited	10.00	10.00
Advance to suppliers	Infinx Services Private Limited	19.22	23.29
	Memory Electronics Private Limited	0.12	0.09
	Reliable Consultancy Services Pvt Ltd	0.12	-
	Tandon Holdings Limited	0.47	0.47
Loans and advances	Reliable Consultancy Services Pvt Limited	1.06	1.06
	Memory Electronics Private Limited	-	-
	Tancom Electronics Private Limited	0.00	0.00
Trade Receivable	Infinx Services Private Limited	10.84	6.12
	TIS International (USA) Inc	18.62	18.28
	Syrma Tech Singapore Pte Ltd	-	0.15

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

Liabilities at Year End	Name of the Related Party	As at 30 June 2021	As at 31 March 2021
Interest payable on Unsecured Loans	Advance Power Devices Pvt Limited	0.04	0.04
	Tancom Electronics Private Limited	0.22	0.22
	Tassel Trading LLP	0.96	0.96
	Titus Trading and Agencies Limited	0.15	0.15
	Mrs. Veena Kumari Tandon	2.93	2.93
Trade Payable	Infinx Services Private Limited	1.52	1.52
	Reliable Consultancy Services Pvt Limited	0.68	0.93
	TIS International (USA) Inc	7.29	6.90

**Notes:**

- (a) As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, the amounts pertaining to KMP are not included above.
- (b) The Holding Company / certain other Related parties, incur certain common costs on behalf of the Company / other entities in the Group. These costs primarily relate to certain marketing, administration, infrastructure and other costs.
- (c) Refer Note 18.1 and 21.1 for guarantees provided by related parties in connection with loans availed by the Company.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**39 Leases**

- (a) The Company has adopted Ind AS 116 'Leases' w.e.f 1 April 2019 and has applied it to all long term leases using the modified retrospective method. At inception of a contract, the Company assesses whether a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In adopting Ind AS 116, the Company has applied the below practical expedients:

- (i) The Company has applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
  - (ii) The Company has treated the leases with remaining lease term of less than 12 months as if they were "short term leases".
  - (iii) The Company has not applied the requirements of Ind AS 116 for leases of low value assets.
  - (iv) The Company has excluded the initial direct costs from measurement of the right-of-use asset at the date of transition.
- (b) The Company has taken land and buildings on leases having remaining lease terms of more than 1 year to 10 years, with the option to extend the term of leases. Refer Note 4 for carrying amount of right-to-use assets at the end of the reporting period by class of underlying asset.
- (c) The following is the breakup of current and non-current lease liabilities as at :

Particulars	As at 30 June 2021	As at 31 March 2021
Current	11.13	10.78
Non-current	38.69	41.62
<b>Total</b>	<b>49.82</b>	<b>52.40</b>

- (d) The contractual maturities of lease liabilities on an undiscounted basis is as follows:

Particulars	As at 30 June 2021	As at 31 March 2021
Not Later than One Year	15.84	15.77
Later than one year but not later than Five Years	43.11	45.07
Later than Five Years	4.06	6.01
<b>Total</b>	<b>63.01</b>	<b>66.85</b>

- (e) Amounts recognised in the Statement of Profit and Loss:

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
Interest on lease liabilities	1.35	6.04
Expenses relating to short term leases	1.45	5.30
Depreciation on right-of-use assets	3.13	12.54
<b>Total</b>	<b>5.93</b>	<b>23.88</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

(f) Amounts recognised in the Cash Flow Statement:

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
Total cash outflow for leases	3.93	15.17

(g) The Company has used weighted average rate of 10.5% to recognise the present value of expected future lease payments as lease liabilities

**40 Earnings per Share (EPS)**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
<b>Earnings</b>		
Net profit attributable to equity shareholders for calculation of basic EPS (Rs in Million)	66.32	320.17
Net profit attributable to equity shareholders for calculation of diluted EPS (Rs in Million)	66.32	320.17
<b>Shares</b>		
Number of equity shares at the beginning of the period / year	748,041	702,063
Number of CCPS at the beginning of the period / year	106,132	-
Number of Equity Shares issued during the period/year	-	45,978
Number of CCPS issued during the period/year *	-	106,132
<b>Total number of shares outstanding at the end of the period / year</b>	<b>854,173</b>	<b>854,173</b>
Weighted average number of equity shares outstanding during the year for calculation of basic and diluted EPS (A)	748,041	722,463
Weighted average number of CCPS outstanding during the period / year for calculation of basic and diluted EPS (B)	106,132	43,034
Number of bonus shares issued corresponding to equity shares [Refer Note 48(e)] (C)	74,804,100	74,804,100
Number of bonus shares issued corresponding to CCPS [Refer Note 48(d) and Note 48(e)] (D)	10,613,200	10,613,200
<b>Weighted average number of shares outstanding during the year for calculation of basic EPS (E=A+B+C+D)</b>	<b>86,271,473</b>	<b>86,182,797</b>
Face value per share (in Rs.)	10	10
<b>Earnings per share</b>		
Basic (in Rs.)	0.77	3.72
Diluted (in Rs.)	0.77	3.72
	(non-annualised)	(annualised)

\* The total number of compulsorily convertible preference shares issued during the year ended 31 March 2021 is 104,002 and the number of equity shares issued subsequent to the latest reporting date based on revised conversion ratio is 106,132.

**41 Taxation**
**41.1 Tax Expense for the period**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
<b>Current Tax:</b>		
Current Income Tax Charge	28.47	96.33
Adjustments in respect of prior periods / year	-	3.78
<b>Total</b>	<b>28.47</b>	<b>100.11</b>
<b>Deferred Tax:</b>		
In respect of current year origination and reversal of temporary differences	2.10	(22.90)
<b>Total</b>	<b>2.10</b>	<b>(22.90)</b>
<b>Total tax expense recognised in Restated Statement of profit and loss</b>	<b>30.57</b>	<b>77.21</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**41.2 Income Tax on Other Comprehensive Income**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
<b>Deferred Tax:</b>		
Arising on income and expenses recognised in other comprehensive income:		
Remeasurement of defined benefit obligation (Refer Note 36)	1.52	(0.07)
	<b>1.52</b>	<b>(0.07)</b>
<b>Bifurcation of the income tax recognised in other comprehensive income into:</b>		
Items that will not be reclassified to Statement of profit and loss	1.52	(0.07)
Items that will be reclassified to Statement of profit and loss	-	-

**41.3 The income tax expense for the year can be reconciled to the accounting profit as follows:**

Particulars	For the period ended 30 June 2021		For the year ended 31 March 2021	
	Amount	Tax Amount	Amount	Tax Amount
Profit before tax from Operations	86.14	-	363.36	-
Income Tax using the Company's applicable Tax rate (Refer Note 1 & 2)		30.10	-	105.81
<b>Tax Effect of :</b>				
Benefit under section 10AA of Income Tax Act	-	-	132.64	(38.63)
Effect of expenses that are not deductible in determining taxable profit	0.20	0.07	8.37	2.44
Effect of change in tax rate (Refer Note 2)			NA	10.93
Others	1.15	0.40	(11.47)	(3.34)
		<b>30.57</b>		<b>77.21</b>

**Notes:**

1. The tax rate used w.r.t reconciliation above for the period ended June 21 is the Corporate tax rate of 34.94 % and for the year 2020-21 is 29.12% including applicable surcharge and cess payable by corporate entities in India on taxable profits under the Income tax Act, 1961.

2. The Company has measured its Deferred tax liability @ 34.94% being the substantively enacted rate (as at 31 March 2021) which will be the rate of income tax applicable for the next financial year 2021-22. Whereas the Deferred tax liability as at 31 March 2020 has been measured @ 29.12% being the applicable rate of income tax for the FY 2020-21.

3. Until year ended 31 March 2021, since certain divisions of the Company are in a Special Economic Zone (SEZ) , the Company has availed the deduction under Section 10AA of the Income Tax Act, wherein the Company is eligible for a deduction of 100% of export profits in first 5 years, 50% of the profits in the next five years and upto 50% of the profit which is transferred to SEZ Reinvestment Reserve in the next 5 Years.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**41.4 Following is the analysis of the deferred tax (asset) / liabilities presented in the Balance sheet.**
**(a) As at 30 June 2021**

Particulars	Opening balance	Recognised in Profit & Loss	Recognised in OCI	MAT utilization	Closing balance
Tax effect of items constituting deferred tax liabilities:					
Difference between carrying value in Tangible and Intangible assets as per Books of Account and Income Tax Act, 1961	76.20	(1.75)	-	-	74.45
Effective Interest Rate on borrowings	0.75	(0.45)	-	-	0.30
<b>Deferred Tax Liabilities (A)</b>	<b>76.95</b>	<b>(2.20)</b>	<b>-</b>	<b>-</b>	<b>74.75</b>
Tax effect of items constituting deferred tax assets:					
Employee Benefits	26.64	(2.65)	(1.52)	-	22.48
Provision for Contingencies	5.59	-	-	-	5.59
Lease liability net of Right-of-use assets	2.64	(2.15)	-	-	0.49
Expected Credit Loss	7.88	-	-	-	7.88
Mark-to-Market Loss on financial instrument	3.05	0.50	-	-	3.55
<b>Deferred Tax Assets (B)</b>	<b>45.80</b>	<b>(4.30)</b>	<b>(1.52)</b>	<b>-</b>	<b>39.99</b>
MAT Credit entitlement (C)	28.73	-	-	(13.42)	15.31
<b>Net Deferred Tax Liabilities / (Assets) (A-B-C)</b>	<b>2.42</b>	<b>2.10</b>	<b>1.52</b>	<b>13.42</b>	<b>19.45</b>

**(b) As at 31 March 2021**

Particulars	Opening balance	Recognised in Profit & Loss	Recognised in OCI	MAT utilization	Closing balance
Tax effect of items constituting deferred tax liabilities:					
Difference between carrying value in Tangible and Intangible assets as per Books of Account and Income Tax Act, 1961	65.12	11.08	-	-	76.20
Effective Interest Rate on borrowings	0.59	0.16	-	-	0.75
<b>Deferred Tax Liabilities (A)</b>	<b>65.71</b>	<b>11.24</b>	<b>-</b>	<b>-</b>	<b>76.95</b>
Tax effect of items constituting deferred tax assets:					
Employee Benefits	6.37	20.20	0.07	-	26.64
Provision for Contingencies	-	5.59	-	-	5.59
Lease liability net of Right-of-use assets	(1.96)	4.60	-	-	2.64
Expected Credit Loss	6.63	1.25	-	-	7.88
Mark-to-Market Loss on financial instrument	-	3.05	-	-	3.05
<b>Deferred Tax Assets (B)</b>	<b>11.04</b>	<b>34.69</b>	<b>0.07</b>	<b>-</b>	<b>45.80</b>
MAT Credit entitlement (C)	62.13	(0.55)	-	(32.85)	28.73
<b>Net Deferred Tax Liabilities / (Assets) (A-B-C)</b>	<b>(7.46)</b>	<b>(22.90)</b>	<b>(0.07)</b>	<b>32.85</b>	<b>2.42</b>

**41.5 International Transactions**

The Company has entered into international transactions with its Associated Enterprises. The Management is of the opinion that the Company maintains the necessary documents as prescribed by the Income Tax Act, 1961 to prove that these international transactions are at arm's length and believes that the same will not have any impact on the financial statements, particularly on the amount of tax expense for the period ended 30 June 2021 and year ended 31 March 2021.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**42 Provisions**

The Company has made provision for contractual warranty obligations and provision for possible contingencies based on the assessment of the amount it expects to incur to meet such obligations. The details of the same are given below:

**Provision for Warranty:**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
Opening balance	1.42	1.58
Provision created during the period / year	0.01	0.10
Provision utilized during the period / year	(0.04)	(0.26)
<b>Closing balance</b>	<b>1.39</b>	<b>1.42</b>

**Provision for Contingencies:**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021
Opening balance	16.00	16.00
Provision created during the period / year	-	-
Provision utilized during the period/ year	-	-
<b>Closing balance</b>	<b>16.00</b>	<b>16.00</b>

**Notes:**

- (i) Provision for warranties is estimated in accordance with the Company's accounting policy (Refer Note 2.16) and is expected to be settled as and when the claims are received.
- (ii) Whilst the provision for contingencies is considered as short term in nature, the actual outflow with regard to the contingencies depends on various future developments.



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**43 Financial Instruments**
**43.1 Capital Management**

The Company manages its capital to ensure that it is able to continue as a going concern while maximizing the return to the stakeholders through the optimization of the debt and equity balance. The Company determines the amount of capital required on the basis of an annual budgeting exercise, future capital projects outlay etc. The funding requirements are met through equity, internal accruals and borrowings (short term / long term).

**Gearing Ratio:**

Particulars	As at 30 June 2021	As at 31 March 2021
Debt*	515.97	561.21
Cash and Cash equivalents**	(240.48)	(279.63)
<b>Net Debt</b>	<b>275.49</b>	<b>281.58</b>
Total Equity	2,484.99	2,415.75
<b>Net Debt to equity ratio (in times)</b>	<b>0.11</b>	<b>0.12</b>

\* Debt is defined as long-term borrowings (including redeemable preference shares) and short-term borrowings.

\*\* Equity includes all capital and reserves of the Company that are managed as capital.

**43.2 Categories of Financial Instruments**
**Financial Assets:**

Particulars	As at 30 June 2021	As at 31 March 2021
<b>Non-Current Financial Asset</b>		
<b>At Cost</b>		
- Investment in associate	932.29	921.45
<b>At Amortised Cost</b>		
- Security Deposits	26.31	24.64
- Other bank deposits	106.15	104.87
	<b>1,064.75</b>	<b>1,050.96</b>
<b>Current Financial Asset</b>		
<b>At Amortised Cost</b>		
- Trade receivables	1,351.15	1,278.72
- Cash and Cash equivalents	240.48	279.63
- Other Financial Asset	53.55	54.65
	<b>1,645.18</b>	<b>1,613.00</b>
<b>Total</b>	<b>2,709.93</b>	<b>2,663.96</b>

**Financial Liabilities:**

Particulars	As at 30 June 2021	As at 31 March 2021
<b>Non-Current Financial Liability</b>		
<b>Measured at amortised cost</b>		
- Borrowings	216.29	244.98
- Lease Liabilities	38.69	41.62
<b>Measured at FVTPL</b>		
- Other financial liabilities	7.77	6.80
	<b>262.75</b>	<b>293.40</b>
<b>Current Financial Liability</b>		
- Borrowings	299.68	316.23
- Trade payables	1,474.08	1,148.42
- Lease liabilities	11.13	10.78
- Other financial liabilities	7.93	6.65
<b>Measured at FVTPL</b>		
- Other financial liabilities	2.39	1.94
	<b>1,795.21</b>	<b>1,484.02</b>
<b>Total</b>	<b>2,057.96</b>	<b>1,777.42</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**43.3 Financial Risk Management Framework:**

The Company's Treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company. These risks include market risk (including currency risk, interest rate risk and other price risk) and credit risk.

**43.4 Market Risk:**

The Company's activities are exposed to finance risk, interest risk & Credit risk. However, the Company is primarily exposed to the financial risks of changes in foreign currency exchange rates. Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

**43.5 Foreign Currency Risk Management:**

The Company undertakes transactions denominated in foreign currencies and consequently exposures to exchange rate fluctuation arises. These exposures are reviewed periodically with reference to the risk management policy followed by the Company.

The Company does trade financial instruments including derivative financial instruments for hedging its foreign currency risk on borrowings which are not designated as hedges for accounting purposes, but provide an economic hedge of the particular transaction risk or a risk component of the transaction. Fair Value Changes in such Derivative Instruments are recognised in the Statement of Profit & Loss.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of each reporting period are as follows :

The period-end foreign currency exposures that have been hedged by a derivative instrument or otherwise are given below:

**A. Outstanding liabilities as at 30 June 2021**

Particulars	Currency	Foreign Currency in Million	Rs. in Million
<b>Non - qualifying hedges / economic hedge</b>			
Long-term Borrowings	USD	2.83	211.65

The period-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

**Outstanding assets as at 30 June 2021**

Particulars	Currency	Foreign Currency in Million	Rs. in Million
Bank Balance - EEFC	USD	0.48	35.50
	EUR	0.20	17.63
Receivables (including other receivables from customers)	EUR	1.13	98.57
	USD	8.08	596.43
Supplier Advance	USD	0.50	36.72
	EUR	0.00	0.28
	GBP	0.01	1.29
	CAD	0.05	2.75
	AUD	0.00	0.10
	JPY	0.08	0.05

**Outstanding liabilities as at 30 June 2021**

Particulars	Currency	Foreign Currency in Million	Rs. in Million
Long-term Borrowings	EUR	0.91	81.37
Short-term Borrowings	USD	2.20	164.10
Payables (including Payables on purchase of fixed assets)	EUR	0.25	22.48
	USD	10.49	783.86
	JPY	0.01	0.01
	GBP	0.01	0.99
Advance received from Customer	USD	0.83	61.94
	EUR	0.02	1.54

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Notes to the Restated Consolidated Financial Information**  
 (All amounts are in Million Indian Rupees unless otherwise stated)

**B. Outstanding liabilities as at 31 March 2021**

Particulars	Currency	Foreign Currency in Million	Rs. in Million
<b>Non - qualifying hedges / economic hedge</b>			
Long-term Borrowings	USD	3.00	222.00

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

**Outstanding assets as at 31 March 2021**

Particulars	Currency	Foreign Currency in Million	Rs. in Million
Bank Balance - EEFC	USD	0.72	52.24
	EUR	0.22	18.80
Receivables (including other receivables from customers)	GBP	0.00	0.18
	EUR	0.67	56.96
	USD	8.43	611.18
Supplier Advance	USD	2.73	202.19
	EUR	0.10	8.83
	GBP	0.00	0.18
	JPY	0.08	0.05

**Outstanding liabilities as at 31 March 2021**

Particulars	Currency	Foreign Currency in Million	Rs. in Million
Long-term Borrowings	EUR	0.98	85.66
Short-term Borrowings	USD	2.94	217.92
Payables (including Payables on purchase of fixed assets)	EUR	0.08	6.65
	USD	8.31	614.65
	GBP	0.01	0.83
Advance received from Customer	USD	1.27	92.25
	EUR	0.02	1.52

**43.6 Foreign Currency sensitivity analysis :**

The Company is mainly exposed to the currencies of USD, EUR and GBP.

The following table details the Company's sensitivity to a 5% increase and decrease in the Indian Rupees against the relevant foreign currencies. 5% is the rate used in order to determine the sensitivity analysis considering the past trends and expectation of the management for changes in the foreign currency exchange rate. The sensitivity analysis includes the outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Indian Rupees strengthens 5% against the relevant currency. For a 5% weakening of the Indian Rupees against the relevant currency, there would be a comparable impact on the profit or equity and balance below would be negative.

**Impact on Profit / (Loss) and Equity**

Particulars	As at 30 June 2021		As at 31 March 2021	
	Increase by 5%	Decrease by 5%	Increase by 5%	Decrease by 5%
USD	(11.06)	11.06	69.29	(69.29)
EUR	0.36	(0.36)	5.80	(5.80)
GBP	(0.03)	0.03	0.04	(0.04)

**Note :**

This is mainly attributable to the exposure of receivable and payable outstanding in the above mentioned currencies to the Company at the end of the respective reporting period.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**43.7 Interest Rate Risk Management:**

Interest rate is the risk that an upward / downward movement in interest rates would adversely / favourably affect the borrowing costs of the Company.

**Fair value sensitivity analysis for Floating-rate instruments**

The sensitivity analysis below have been determined based on exposure to the interest rates for financial instruments at the end of the respective reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the respective reporting period in case of instruments that have floating rates.

The sensitivity analysis have been carried out based on the exposure to interest rates for term loans from banks, debt securities and borrowings carried at variable rate. If interest rates had been 25 basis points higher or lower and all other variables were constant, the Company's profit after tax would have changed by the following:

**Impact on Profit / (Loss) and Equity**

Particulars	As at 30 June 2021		As at 31 March 2021	
	25 bps increase	25 bps decrease	25 bps increase	25 bps decrease
Impact on profit for the period / year	(0.48)	0.48	(0.91)	0.91

**43.8 Liquidity Risk Management:**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and borrowing facilities, by continuously monitoring forecast and actual cash flows and by matching maturing profiles of financial assets and financial liabilities in accordance with the risk management policy of the Company. The Company invests its surplus funds in bank fixed deposits.

**Liquidity and Interest Risk Tables:**

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table below represents principal and interest cash flows. To the extent that interest rates are floating, the undiscounted amount is derived from interest rate curves at the end of the respective reporting periods. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Particulars	Less than 1 year	1 to 5 years	5 years and above	Total contractual cash flows	Carrying amount
<b>As at 30 June 2021</b>					
Non-interest bearing instruments	1,484.79	7.77	-	1,492.56	1,492.56
Variable interest rate instruments	252.25	58.45	-	310.70	306.21
Fixed interest rate instruments	71.11	212.92	4.06	288.09	259.58
<b>Total</b>	<b>1,808.15</b>	<b>279.14</b>	<b>4.06</b>	<b>2,091.35</b>	<b>2,058.35</b>
<b>As at 31 March 2021</b>					
Non-interest bearing instruments	1,155.63	-	-	1,155.63	1,155.63
Variable interest rate instruments	282.88	63.80	-	346.68	340.33
Fixed interest rate instruments	57.59	240.13	6.01	303.73	273.28
<b>Total</b>	<b>1,496.10</b>	<b>303.93</b>	<b>6.01</b>	<b>1,806.04</b>	<b>1,769.24</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Particulars	Less than 1 year	1-5 year	5 years and above	Total contractual cash flows	Carrying amount
<b>As at 30 June 2021</b>					
Non-interest bearing instruments	1472.96	10.00	907.20	2,390.16	2,386.68
Fixed interest rate instruments	209.45	106.15	-	315.60	315.60
<b>Total</b>	<b>1,682.41</b>	<b>116.15</b>	<b>907.20</b>	<b>2,705.76</b>	<b>2,702.28</b>
<b>As at 31 March 2021</b>					
Non-interest bearing instruments	1,459.39	10.00	905.77	2,375.16	2,371.44
Fixed interest rate instruments	190.83	104.87	-	295.70	295.70
<b>Total</b>	<b>1,650.22</b>	<b>114.87</b>	<b>905.77</b>	<b>2,670.86</b>	<b>2,667.14</b>

The amounts included above for variable interest rate instruments for both non-derivative financial assets and liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the respective reporting periods.

**43.9 Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties. The Company uses other publicly available financial information and its own trading records to rate its major customers. The Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved on a regular basis.

**43.10 Fair Value Measurement**

The management assessed that fair value of cash and cash equivalents, trade receivables, loans, borrowings, trade payables and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value / amortized cost:

1) Long-term fixed-rate borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, individual losses and creditworthiness of the receivables.

2) The fair value of unquoted instruments, loans from banks and other financial liabilities, as well as other non-current financial liabilities are estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

3) Fair values of the Company's interest-bearing borrowings and loans are determined by using Discounted Cash Flow (DCF) method using discount rate that reflects the issuer's borrowing rate as at the end of the respective reporting periods. The own non-performance risk as at 30 June 2021 & 31 March 2021 was assessed to be insignificant.

**(i) Financial Assets and Financial Liabilities that are measured at fair value through Profit or loss:**

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at the following period:

Financial assets / Financial liabilities	Amount		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at 30 June 2021	As at 31 March 2021		
Derivative contracts entered to mitigate foreign currency risk	10.16	8.74	Level II	The fair value is calculated based on mark to market confirmation received from lender bank at the period end.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**(ii) Financial Assets and Financial Liabilities that are not measured at fair value:**

Financial assets / Financial liabilities	Amount	
	As at 30 June 2021	As at 31 March 2021
Investment in associate	932.29	921.45

The aforesaid value represents the value carried in books under the equity method as per the accounting policy of the Company and includes the share of post acquisition profit including other comprehensive income of the associate accounted in these Restated Consolidated Financial Information of the Company amounting to Rs. 10.84 Million and Rs. 34.04 Million for the period ended 30 June 2021 and year ended 31 March 2021 respectively. Refer Note 7.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**44 Additional regulatory information as required by Schedule III to the Companies Act, 2013**

**I. Ratio Analysis and its elements**

The Company has not annualised the numbers extracted from the Statement of Profit and Loss for the period ended 30 June 2021 as considered in the computation of below ratios. Consequently the % change given below is only for indicative purposes and does not reflect the actual variance and cannot be considered as an indicator of financial performance. Accordingly wherever one of the components of the below ratio is extracted from the Statement of Profit and Loss, explanation for any change in ratio more than 25% when compared to the year ended 31 March 2021 has not been given since the same are not comparable on account of the reasons stated above. However, where both the components of ratio are extracted from the statement of assets and liabilities, the reason of variance has been given for variance greater than 25% in the ratio for the period ended June 30, 2021, when compared to the ratio for year ended 31 March, 2021.

**a) Current Ratio = Current Assets divided by Current Liabilities**

Particulars	As at 30 June 2021	As at 31 March 2021
Current Assets	3,009.76	2,648.17
Current Liabilities	2,186.86	1,890.66
<b>Ratio (In times)</b>	<b>1.38</b>	<b>1.40</b>
<b>% Change from previous period / year</b>	<b>-1.74%</b>	

**Reason for change more than 25%: NA**

**b) Debt Equity ratio = Long term debt divided by average equity**

Particulars	As at 30 June 2021	As at 31 March 2021
Long term debt*	291.13	318.75
Total Equity**	2,484.99	2,415.75
<b>Ratio (In times)</b>	<b>0.12</b>	<b>0.19</b>
<b>% Change from previous period / year</b>	<b>-36.84%</b>	

\*Long term debt includes long term borrowing and current maturities of long-term borrowings and redeemable preference shares treated as financial liability.

\*\*Average equity represents the average of opening and closing total equity.

**Reason for change more than 25%:**

For the period ended 30 June 2021 the ratio has increased from 0.19 to 0.12 since the Company has not availed any new long term borrowings whereas has repaid certain instalments of its existing long term borrowings.

**c) Debt Service Coverage Ratio = Earnings available for debt services divided by total interest and principal repayments**

Particulars	As at 30 June 2021 (Not annualised)	As at 31 March 2021
Profit after tax* (A)	66.32	320.17
<b>Add: Non cash operating expenses and finance cost</b>		
-Depreciation and amortisation (B)	28.00	120.74
-Finance cost (C)	7.67	45.24
<b>Total Non cash operating expenses and finance cost (Pre-tax) (D= B+C)</b>	<b>35.67</b>	<b>165.98</b>
<b>Total Non cash operating expenses and finance cost (Post-tax) (E = D* (1-Tax rate))</b>	<b>23.21</b>	<b>117.65</b>
<b>Earnings available for debt services (F = A+E)</b>	<b>89.53</b>	<b>437.82</b>
Expected interest outflow on long term borrowings (G)	7.83	8.47
Principal repayments (H)	74.84	73.77
<b>Total Interest and principal repayments (I = G + H)</b>	<b>82.67</b>	<b>82.24</b>
<b>Ratio (In times) (J = F/ I)</b>	<b>1.08</b>	<b>5.32</b>
<b>% Change from previous period / year</b>	<b>-79.70%</b>	

\*Profit after tax for the three months period ended 30 June 2021 was not annualized.

Expected interest outflow on long term borrowings and principal repayments represent the expected outflows during next one year from the period end / year end.

**d) Return on Equity Ratio = Net profit after tax divided by average equity**

Particulars	As at 30 June 2021 (Not annualised)	As at 31 March 2021
Net profit after tax*	66.32	320.17
Total equity**	2,484.99	2,415.75
<b>Ratio</b>	<b>3%</b>	<b>19%</b>
<b>% Change from previous period / year</b>	<b>-85.50%</b>	

\*Net Profit after tax for the three months period ended 30 June 2021 was not annualized.

\*\*Average equity represents the average of opening and closing total equity.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**e) Inventory Turnover Ratio = Cost of materials consumed divided by average inventory**

Particulars	As at 30 June 2021 (Not annualised)	As at 31 March 2021
Cost of materials consumed*	933.43	2,820.88
Average Inventory**	943.30	726.50
<b>Ratio (In times)</b>	<b>0.99</b>	<b>3.88</b>
<b>% Change from previous period / year</b>	<b>-74.48%</b>	

\*Cost of materials consumed for the three months period ended 30 June 2021 was not annualized. Cost of material consumed comprises of cost of raw materials consumed, purchases of stock-in-trade and changes in Inventories

\*\*Average Inventory represents the average of opening and closing inventory.

**f) Trade Receivables turnover ratio = Credit Sales divided by average trade receivables**

Particulars	As at 30 June 2021 (Not annualised)	As at 31 March 2021
Credit Sales*	1,369.69	4,425.76
Average Trade Receivables #	1,225.05	1,104.80
<b>Ratio (In times)</b>	<b>1.12</b>	<b>4.01</b>
<b>% Change from previous period / year</b>	<b>-72.07%</b>	

\* Credit sales for the three months period ended 30 June 2021 was not annualized. Credit sales includes sale of products, services, scrap sales and GST component on such sales.

# Trade receivables is included gross of ECL and net of customer advances. Average Trade receivables represents the average of opening and closing trade receivables.

**g) Trade payables turnover ratio = Credit purchases divided by average trade payables**

Particulars	As at 30 June 2021 (Not annualised)	As at 31 March 2021
Credit Purchases*	1,482.44	3,681.37
Closing Trade Payables#	1,295.95	1,112.43
<b>Ratio (In times)</b>	<b>1.14</b>	<b>3.31</b>
<b>% Change from previous period / year</b>	<b>-65.56%</b>	

\*Credit Purchases for the three months period ended 30 June 2021 was not annualized. Credit purchases includes purchases of raw-material, stock-in-trade and all other expenses except cash and non-cash transaction like rates and taxes, bank charges, CSR and Mark-to-Market loss.

#Trade Payables excludes employee benefits payables. Average Trade payables represents the average of opening and closing trade payables.

**h) Net Capital Turnover Ratio = Sales divided by Net Working capital**

Particulars	As at 30 June 2021 (Not annualised)	As at 31 March 2021
Sales* (A)	1,352.72	4444.8
Current Assets (B)	3,009.76	2,648.17
Current Liabilities (C)	2,186.86	1,890.66
Net Working Capital (D = B + C)	822.90	757.51
<b>Ratio (In times) (E = A / D)</b>	<b>1.64</b>	<b>5.87</b>
<b>% Change from previous period / year</b>	<b>-72.06%</b>	

\* Sales for the three months period ended 30 June 2021 was not annualized.

\* Sales represents Total Income.

**i) Net profit ratio = Net profit before tax divided by Sales**

Particulars	As at 30 June 2021 (Not annualised)	As at 31 March 2021
Net profit before tax*	86.14	363.36
Sales	1,352.72	4,444.80
<b>Ratio</b>	<b>6%</b>	<b>8%</b>
<b>% Change from previous period / year</b>	<b>-25.00%</b>	

\* Net profit before tax for the three months period ended 30 June 2021 was not annualized.



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**j) Return on Capital employed (pre -tax) = Earnings before interest and taxes (EBIT) divided by average Capital Employed**

Particulars	As at 30 June 2021 (Not annualised)	As at 31 March 2021
Profit before tax* (A)	86.14	363.36
Finance Costs* (B)	7.67	45.24
<b>EBIT (C) = (A)+(B)</b>	<b>93.81</b>	<b>408.60</b>
Total Assets (D )^	4,068.74	3,712.67
Current Liabilities (E)	2,186.86	1,890.66
<b>Capital Employed (F)=(D)-(E)</b>	<b>1,881.88</b>	<b>1,822.01</b>
<b>Ratio (In %)</b>	<b>5.00%</b>	<b>41.00%</b>
<b>% Change from previous period / year</b>	<b>-87.80%</b>	

\* Amount for the three months period ended 30 June 2021 was not annualized.

^ Total assets is excluding the non-current investment in the associate.

#Average Capital Employed represents the average of opening and closing Capital Employed.

**k) Return on Investment**

The Company believes that Return on equity ratio as disclosed above is an apt measure of Return on investment ratio as well.

Particulars	As at 30 June 2021 (Not annualised)	As at 31 March 2021
Net profit after tax*	66.32	320.17
Total equity**	2,484.99	2,415.75
<b>Ratio (In times)</b>	<b>0.03</b>	<b>0.19</b>
<b>% Change from previous period / year</b>	<b>-85.50%</b>	

\*Net Profit after tax for the three months period ended 30 June 2021 was not annualized.

\*\*Average equity represents the average of opening and closing total equity.

**44. Additional regulatory information as required by Schedule III to the Companies Act, 2013 (Contd.)**

**II. Loans or advances in the nature of loans granted to promoters, directors, KMPs and related parties'**

**As at 30 June 2021**

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	In the nature of loan / advance	Percentage to the total Loans and advances in the nature of loans	Repayable on Demand / Without specifying any terms or period of repayment
Related Parties	19.94	Advance	NA	To be adjusted against subsequent supply of goods or services.

**As at 31 March 2021**

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	In the nature of loan / advance	Percentage to the total Loans and advances in the nature of loans	Repayable on Demand / Without specifying any terms or period of repayment
Related Parties	23.86	Advance	NA	To be adjusted against subsequent supply of goods or services.

**III. Capital work in progress (CWIP) ageing**

There is no CWIP as on 30 June 2021 and 31 March 2021, and hence the ageing schedule has not been provided.

**IV. Other Statutory Information**

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company did not have any transactions with Companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the respective financial years / period.

(v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

(vii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(viii) The Company has not been declared willful defaulter by any bank or financial Institution or other lender.

(ix) The Company does not have any Scheme of Arrangements which have been approved by the Competent Authority in terms of sections 230 to 237 of the Act.

(x) The Company has complied with the the number of layers prescribed under of Section 2(87) of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Restated Consolidated Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**V . Comparison of Quarterly returns furnished to Banks with books of account**

The Company is filing statement of inventories and trade receivables as per covenants stated in sanction letter to the banks for working capital loan. The below is summary of quarterly statement filed with the banks duly compared with the books of accounts.

Quarter Ended	Inventory			Receivables		
	As per Quarterly Return (A)	As per Books (Refer Note 3) (B)	Difference (C= B - A)	As per Quarterly Return (D)	As per Books (Refer Note 4) (E)	Difference (F = E - D)
30-Jun-20	514.48	687.81	(173.33)	432.23	679.47	(247.24)
30-Sep-20	538.22	616.82	(78.60)	539.19	1,007.22	(468.03)
31-Dec-20	595.72	731.62	(135.90)	1,265.01	1,316.63	(51.62)
31-Mar-21	487.46	525.71	(38.25)	999.62	1,166.92	(167.30)
30-Jun-21	628.68	859.45	(230.77)	1,202.03	1,361.79	(159.76)

**Notes:**

1. The variance in inventories is on account of certain period end adjustments such as overhead and labour allocation and other adjustment entries recorded in books post filing of the returns with the banks.
2. The variance in receivables is on account of certain aged debtors more than one year, receivables of certain divisions as well as period end adjustments such as restatement of foreign currency receivables, reconciliation based on confirmation, etc. being carried out in books post filing of the returns with the banks.
3. Inventory as per books of accounts disclosed above excludes goods in transit, inventory of certain divisions of the Company and allowance for obsolete and non-moving inventory.
4. Receivable excludes allowance for expected credit losses and receivables of certain division of the Company.
5. The amounts as per books of account disclosed above for the quarters ended March 31, 2021 and June 30, 2021 are based on audited trial balance, while other quarters are based on unaudited books of account.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

Notes to the Restated Consolidated Financial Information

(All amounts are in Million Indian Rupees unless otherwise stated)

**45 Statement of adjustments to audited Consolidated financial statements**

The total equity as at 31 March 2021 and 30 June 2021 as per the audited consolidated financial statements is the same as the total equity as per the Restated Consolidated Financial Information and hence no reconciliation is required to be presented.

**46 Foreign Exchange Management Act, 1999**

The Company has approached the designated authority and is in the process of filing the required documents as may be required with the designated authority in connection with the various foreign exchange transactions of earlier years, relating to certain long outstanding payables to foreign parties and receivable from export customers etc., to ensure compliance with the Foreign Exchange Management Act, 1999.

The Management is confident of completing all the required formalities and obtaining the required approvals / ratification from the designated authority (AD Bank / RBI as the case may be) and does not estimate any outflow of cash on account of the same.

**47 COVID-19**

The outbreak of the Covid-19 pandemic and the consequent lock down has impacted the regular business operations of the Company. The Company has assessed the impact of the pandemic on its financial position based on the internal and external information, to the extent known and available up to the date of approval of these financial statements. Based on such assessment, the Company believes no additional adjustments is required as at 31 March 2021 and 30 June 2021 to the carrying value of trade receivables, inventories, property, plant & equipment, deferred tax asset and other financial assets. Further, the Company has also assessed its liquidity position and based on the cash flows available on balance sheet and unutilized credit lines with banks, the Company will be able to meet all its obligations. The impact of the pandemic may be different from that assessed as at the date of approval of these financial statements and the Company will continue to monitor any material changes to future economic conditions.

**48 Events after the latest Reporting Date, i.e., period ended 30 June 2021**

- (a) Subsequent to the period ended 30 June 2021, the Company has acquired Controlling interest in certain companies, the details of which is given below:

Particulars	Acquiree 1	Acquiree 2
Name of the acquiree	SGS Tekniiks Manufacturing Private Limited ("SGS")*	Perfect ID India Private Limited ("Perfect")
Description of the acquiree	SGS is engaged in the business of providing electronic manufacturing goods and related services.  SGS is having four manufacturing locations in India along with design and development center at Stuttgart, Germany and Gurugram, India. The production facilities are located at Gurugram, Manesar, Baddi and Bangalore.	Perfect is India's first fully automated RFID tag manufacturing company and is a leading developer and manufacturer of high quality and smart UHF RAIN RFID inlays and tags.  The Company's Manufacturing facility is located in Ghaziabad.
Acquisition date	16 September 2021	21 October 2021
Percentage of voting equity interests acquired	100%	75%
Primary reasons for the business combination	Synergy in operations, expansion and reduced competition	Synergy in operations and expansion
Description of how the acquirer (i.e Company) obtained control	By virtue of share purchase agreement, equity stake of 100% was acquired from the existing shareholders of the acquiree	By virtue of share purchase agreement, equity stake of 75% was acquired from the existing shareholders of the acquiree

\* Pursuant to share purchase agreement dated 23 October 2020 between the Company, SGS, existing shareholders of SGS, Tancom Electronics Private Limited, Mr. Sandeep Tandon and Mrs. Veena Kumari Tandon, the Company agreed to purchase 20% stake in SGS from existing shareholders. The Company and SGS also decided to merge both the Companies and decided to file application with respective National Company Law Tribunal (NCLT) for necessary approvals. Subsequent to the period ended 30 June 2021, the Company and SGS decided to withdraw merger application from NCLT as both the parties agreed not to proceed with the proposed merger.

Further, to the period ended 30 June 2021, both SGS & Perfect have become subsidiaries of the Company.

The Company is in the process of completing the initial accounting for the business combinations on the date of issue of these financial statements by assessing fair value of assets / liabilities acquired including identifiable intangible assets and goodwill. The initial accounting of the business combination would be done in the financial year ending 31 March 2022. Accordingly the disclosures as provided in Para B64(e)-(q) of Ind AS 103 will be made in the general-purpose financial statements for the financial year ending 31 March 2022.

- (b) The members at the Extra Ordinary General Meeting held on 19 October 2021 have approved the Syrma SGS Employee Stock Option Plan, 2020 ("the Plan") for grant of options to the eligible employees of the Company, Holding and / or subsidiaries / Group Companies not exceeding 3% of issued share capital as on 19 October 2021. Consequently, Syrma SGS Employee Stock Option Scheme 2020 - Scheme 1 and Syrma SGS Employee Stock Option Scheme 2020 - Scheme 2 have been notified under the plan. The Company has granted 23,859 options to the eligible employees under the aforesaid schemes.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

Notes to the Restated Consolidated Financial Information

(All amounts are in Million Indian Rupees unless otherwise stated)

- (c) The Company has increased its authorised share capital subsequent to end of 30 June 2021 as below:-

Particulars	As at 30 June 2021		As on date of issue of financial statements	
	Number of shares	Amount	Number of shares	Amount
Equity Shares of Rs. 10/- each	5,550,000	55.50	200,000,000	2,000.00
Preference Shares of Rs. 100/- each	1,200,000	120.00	1,200,000	120.00
<b>Total</b>		<b>175.50</b>		<b>2,120.00</b>

- (d) The members at the Extra Ordinary General Meeting held on 19 October 2021 have approved the modification in the conversion ratio of 0.1% Cumulative Compulsorily Convertible Preference shares from 1:1 as defined in Schedule 7 of the Share Subscription Agreement to 1:1.02048. Consequently, the Board of Directors in their meeting held on 19 October 2021 have approved the conversion of 104,002 preference shares of Rs. 100 each into 106,132 equity shares of Rs. 10 each.

- (e) The members at the Extra Ordinary General Meeting held on 28 October 2021 have approved the issue of bonus shares in the ratio of 100 equity shares for every 1 equity share as on the date of EGM. Consequently, the number of shares has increased from 1,362,553 equity shares of Rs. 10 each prior to bonus issue to 137,617,853 equity shares of Rs. 10 each post bonus issue with the number of bonus shares issued being 136,255,300.

- (f) The Company's paid-up capital has undergone the following changes:

Particulars	As at 30 June 2021		As on date of issue of restated Consolidated financial statements	
	Number of shares	Amount	Number of shares	Amount
Equity Shares of Rs. 10/- each	748,041	7.48	137,617,853	1,376.18
Preference Shares of Rs. 100/- each	104,002	10.40		
<b>Total</b>		<b>17.88</b>		<b>1,376.18</b>

In addition to the Bonus issue (mentioned in (e) above) and conversion of preference shares into equity (mentioned in (d) above), the Company has also issued 508,380 equity shares of Rs. 10 each on a preferential basis subsequent to the period ended 30 June 2021.

- (g) The name of the Company has been changed from Syrma Technology Private Limited to Syrma SGS Technology Private Limited with effect from 14 September 2021. Subsequently, w.e.f 20 October 2021, the Company has changed its constitution from private limited Company to public limited Company resulting in change of name to Syrma SGS Technology Limited.

For and on behalf of the Board of Directors of  
**Syrma SGS Technology Limited**

**Sandeep Tandon**  
Executive Chairman  
DIN: 00054553  
Place : Mumbai  
Date : 9 December 2021

**J S Gujral**  
Managing Director  
DIN: 00198825  
Place : Gurugram  
Date : 9 December 2021

**Bijay Kumar Agrawal**  
Chief Financial Officer

**Rahul Sinnarkar**  
Company Secretary

Place : Gurugram  
Date : 9 December 2021

Place : Mumbai  
Date : 9 December 2021

**PROFORMA FINANCIAL INFORMATION**

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# Deloitte Haskins & Sells LLP

## INDEPENDENT AUDITOR'S ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The Board of Directors,  
Syrma SGS Technology Limited (Formerly Known as Syrma SGS Technology Private Limited)

1. We have completed our assurance engagement to report on the compilation of Proforma Condensed Combined Financial Information of Syrma SGS Technology Limited (Formerly Known as Syrma SGS Technology Private Limited) (the "Company") and its associate and SGS Teknics Manufacturing Private Limited ("SGS") and its subsidiaries (collectively, the "SGS Teknics Group") and Perfect ID India Private Limited ("Perfect ID") and its Limited Liability Partnership (collectively, the "Perfect ID Group") (collectively, the "Proforma Group") prepared by the Company. The Pro forma Condensed Combined Financial Information consists of the special purpose pro forma condensed combined balance sheet as at June 30, 2021 and as at March 31, 2021, 2020 and 2019, special purpose pro forma condensed combined statements of profit and loss (including other comprehensive income) and special purpose pro forma condensed combined cash flow statement for the three month period ended June 30, 2021 and for the years ended March 31, 2021, 2020 and 2019 and selected explanatory notes (collectively, "Pro forma Condensed Combined Financial Information") as set out in the Draft Red Herring Prospectus ("DRHP") prepared by the Company in connection with its proposed Initial Public Offering of the equity shares ("Offering"). The applicable criteria on the basis of which the Company has compiled the Pro forma Condensed Combined Financial Information is described in Note 2 to the Pro forma Condensed Combined Financial Information. Because of its nature, the Pro forma Condensed Combined Financial Information does not represent the actual financial position, financial performance and cash flows of the Proforma Group.
2. The Proforma Condensed Combined Financial Information has been compiled by the Company to illustrate the impact of the acquisition by the Company of SGS Teknics Group and Perfect ID Group as set out in Note 2 to the Pro forma Condensed Combined Financial Information on the Company's financial position as at June 30, 2021 and as at March 31, 2021, 2020 and 2019, the Company's financial performance and cash flows for the three month period ended June 30, 2021 and for the years ended March 31, 2021, 2020 and 2019 as if the acquisition by the Company of SGS Teknics Group and Perfect ID Group had taken place at April 1, 2018 for purposes of this illustration. As part of this process, information about the financial position, financial performance and cash flows as at and for the three month period ended June 30, 2021 and as at and for the years ended March 31, 2021, 2020 and 2019 of the Proforma Group have been compiled by the Company from the historical (a) restated consolidated Financial Information of the Company and its associate as at and three month period ended June 30, 2021 and as at and for the year ended March 31, 2021 and restated financial information of the Company as at and for the years ended March 31, 2020 and 2019 on which we have issued examination reports dated December 09, 2021 ("Company Restated Financial Information"); (b) restated consolidated financial information of SGS Teknics Group as at and for the three month period ended June 30, 2021 and as at and for the years ended March 31, 2021, 2020 and 2019 on which other auditors have issued an examination report dated December 08, 2021 ("SGS Restated Financial Information"); and (c) restated consolidated financial information of Perfect ID Group as at and for the three month period ended June 30, 2021 and as at and for the years ended March 31, 2021, 2020 and 2019 on which other auditors have issued an examination report dated December 06, 2021 ("Perfect ID Restated Financial Information").

Our audit reports on the underlying financial statements of the Company used for preparation of Company Restated Financial Information as mentioned above included following explanatory paragraphs:

I. As at and for the year ended March 31, 2020

i. Other Matter paragraph

Due to COVID-19 related lock down, Management carried out the physical verification of inventories subsequent to the year end. Consequently, we have performed alternative procedures to audit the existence of Inventories as per the guidance provided in SA 501 "Audit Evidence – Specific Consideration for Selected Items" and as per specific guidance i.e Physical Inventory Verification, Key Audit Considerations amid COVID-19 issued by The Institute of Chartered Accountants of India and have obtained sufficient appropriate audit evidence.

Our report is not modified in respect of this matter.

**Management's Responsibility for the Pro forma Condensed Combined Financial Information**

3. The Board of Directors of the Company is responsible for compiling the Pro forma Condensed Combined Financial Information on the basis set out in the Note 2 to the Pro forma Condensed Combined Financial Information. This responsibility includes the responsibility for designing, implementing and maintaining internal control relevant for compiling the Pro forma Condensed Combined Financial Information on the basis as set out in Note 2 to the Pro forma Condensed Combined Financial Information that is free from material misstatement, whether due to fraud or error. The Board of Directors of the Company are also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations for the compilation of Pro forma Condensed Combined Financial Information.

**Auditor's Responsibilities**

4. Our responsibility is to express an opinion, about whether the Pro forma Condensed Combined Financial Information has been compiled, in all material respects, by the Company on the basis set out in the Note 2 to the Proforma Condensed Combined Financial Information.
5. We conducted our engagement in accordance with Standard on Assurance Engagements (SAE) 3420, Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus, issued by the Institute of Chartered Accountants of India. This Standard requires that the auditor comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Company has compiled, in all material respects, the Pro forma Condensed Combined Financial Information on the basis set out in the Note 2 to the Pro forma Condensed Combined Financial Information.
6. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro forma Condensed Combined Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro forma Condensed Combined Financial Information.



7. The SGS Restated Financial Information and Perfect ID Restated Financial Information referred in paragraph 2 above have been examined by other auditors whose examination reports have been furnished to us by the Management and our reporting on the Pro forma Condensed Combined Financial Information, in so far as it relates to the amounts and disclosures included in respect of the SGS Restated Financial Information and Perfect ID Restated Financial Information is solely based on the examination reports of the other auditors.
8. The purpose of Pro forma Condensed Combined Financial Information included in the DRHP is solely to illustrate the impact of the above mentioned acquisition by the Company of SGS Teknics Group and Perfect ID Group on the unadjusted Company Restated Financial Information as if the acquisition by the Company of SGS Teknics Group and Perfect ID Group on historical basis had occurred at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the above mentioned acquisition by the Company of SGS Teknics Group and Perfect ID Group at selected dates as described in Note 2 to the Pro forma Condensed Combined Financial Information, would have been as presented.
9. A reasonable assurance engagement to report on whether the Proforma Condensed Combined Financial Information has been compiled, in all material respects, on the basis of the applicable criteria as specified in Note 2 to the Proforma Condensed Combined Financial Information, involves performing procedures to assess whether the applicable criteria used by the Company in the compilation of the Proforma Condensed Combined Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the acquisition by the Company of SGS Teknics Group and Perfect ID Group, and to obtain sufficient appropriate evidence about whether the related pro forma adjustments give appropriate effect to those criteria as specified in Note 2 to the Pro forma Condensed Combined Financial Information and whether the Pro forma Condensed Combined Financial Information reflects the proper application of those adjustments to the unadjusted Company Restated Financial Information.
10. The procedures selected depend on the Auditor's judgment, having regard to the Auditor's understanding of the nature of the Company, the event or transaction in respect of which the Pro forma Condensed Combined Financial Information has been compiled, and other relevant engagement circumstances.
11. Because the above procedures do not constitute either an audit or a review made in accordance with the generally accepted auditing standards in India, we do not express any assurance on the Pro forma Condensed Combined Financial Information.
12. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.
13. This report is issued for the sole purpose of the proposed Offering. Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside India, including in the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. US securities regulations do not require proforma financial information for additional periods presented on voluntarily basis as mentioned above. This report should not be relied upon by prospective investors in the United States of America, including persons who are Qualified Institutional Buyers as defined under Rule 144A under the United States Securities Act of 1933 participating in the Offering. We accept no responsibility and deny any liability to any person who seeks to rely on this report and who may seek to make a claim in connection with any offering of securities on the basis that they had acted in reliance on such information under the protections afforded by United States of America law and regulation.

**Opinion**

14. In our opinion, the Pro forma Condensed Combined Financial Information has been compiled, in all material respects, on the basis set out in Note 2 to the Proforma Condensed Combined Financial Information.

**Restriction of use**

15. Our report is intended solely for use of the Company for inclusion in the DRHP to be filed with the Securities and Exchange Board of India in connection with the proposed Offering. 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 **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
Firm's Registration No. 117366W/W-100018

**Ananthi Amarnath**  
Partner  
Membership No.209252  
UDIN: 21209252AAAAJZ4103

Place: Chennai  
Date: December 09, 2021

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Proforma Condensed Combined Statement of Assets and Liabilities as at 30 June 2021**

(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
			(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>A</b>	<b>ASSETS</b>									
<b>I</b>	<b>Non-Current Assets</b>									
	(a) Property, plant and equipment	3.1	736.48	927.07	52.42	1,715.97	-	-	-	1,715.97
	(b) Right-of-use assets	4	46.45	42.73	1.45	90.63	-	-	-	90.63
	(c) Capital work-in-progress		-	-	-	-	-	-	-	-
	(d) Goodwill		-	1,059.29	-	1,059.29	-	-	-	1,059.29
	(e) Other Intangible assets	5.1	9.08	5.05	3.46	17.59	-	-	-	17.59
	(f) Investment Property		-	2.30	-	2.30	-	-	-	2.30
	(g) Financial assets									
	(i) Investments	6	932.29	29.88	2.54	964.71	-	(932.29)	(932.29)	32.42
	(ii) Other financial assets	7	132.46	11.71	-	144.17	-	-	-	144.17
	(h) Income tax asset (net)		12.15	-	-	12.15	19.47	-	19.47	31.62
	(i) Deferred tax asset (net)		-	-	0.27	0.27	-	-	-	0.27
	(j) Other non-current assets	8	111.52	27.56	-	139.08	(19.47)	-	(19.47)	119.61
	<b>Total non-current assets</b>		<b>1,980.43</b>	<b>2,105.59</b>	<b>60.14</b>	<b>4,146.16</b>	<b>-</b>	<b>(932.29)</b>	<b>(932.29)</b>	<b>3,213.87</b>
<b>II</b>	<b>Current Assets</b>									
	(a) Inventories	9	1,115.84	1,389.65	53.55	2,559.04	-	-	-	2,559.04
	(b) Financial assets									
	(i) Investment	10	-	372.52	-	372.52	-	-	-	372.52
	(ii) Trade receivables	11	1,351.15	667.04	26.30	2,044.49	-	-	-	2,044.49
	(iii) Cash and cash equivalents	12	240.48	30.77	207.99	479.24	-	-	-	479.24
	(iv) Other Bank balances	13	37.23	72.65	2.03	111.91	-	-	-	111.91
	(v) Other financial assets	14	53.55	1.25	2.01	56.81	-	-	-	56.81
	(c) Other current assets	15	211.51	212.99	2.70	427.20	-	-	-	427.20
	<b>Total current assets</b>		<b>3,009.76</b>	<b>2,746.87</b>	<b>294.58</b>	<b>6,051.21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,051.21</b>
	<b>Total assets</b>		<b>4,990.19</b>	<b>4,852.46</b>	<b>354.72</b>	<b>10,197.37</b>	<b>-</b>	<b>(932.29)</b>	<b>(932.29)</b>	<b>9,265.08</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Proforma Condensed Combined Statement of Assets and Liabilities as at 30 June 2021**

(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
			(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>B</b>	<b>EQUITY AND LIABILITIES</b>									
<b>I</b>	<b>Equity</b>									
	(a) Equity Share Capital		7.48	16.13	22.55	46.16	-	(38.68)	(38.68)	7.48
	(b) Other equity	16	2,477.51	3,370.59	254.19	6,102.29	-	(962.80)	(962.80)	5,139.49
	Equity attributable to shareholders of the Company		<b>2,484.99</b>	<b>3,386.72</b>	<b>276.74</b>	<b>6,148.45</b>	-	<b>(1,001.48)</b>	<b>(1,001.48)</b>	<b>5,146.97</b>
	Non-controlling interests		-	7.92	-	7.92	-	69.19	69.19	77.11
	<b>Total equity</b>		<b>2,484.99</b>	<b>3,394.64</b>	<b>276.74</b>	<b>6,156.37</b>	-	<b>(932.29)</b>	<b>(932.29)</b>	<b>5,224.08</b>
<b>II</b>	<b>Liabilities</b>									
<b>1</b>	<b>Non-current liabilities</b>									
	(a) Financial liabilities									
	(i) Borrowings	17	216.29	4.39	3.89	224.57	-	-	-	224.57
	(ii) Lease liabilities		38.69	44.77	1.37	84.83	-	-	-	84.83
	(iii) Other financial liabilities	18	7.77	-	-	7.77	-	-	-	7.77
	(b) Provisions	19	36.14	27.35	0.43	63.92	-	-	-	63.92
	(c) Deferred tax liabilities (net)		19.45	59.55	-	79.00	-	-	-	79.00
	(d) Non-current Liabilities	20	-	32.06	-	32.06	-	-	-	32.06
	<b>Total non-current liabilities</b>		<b>318.34</b>	<b>168.12</b>	<b>5.69</b>	<b>492.15</b>	-	-	-	<b>492.15</b>
<b>2</b>	<b>Current liabilities</b>									
	(a) Financial liabilities									
	(i) Borrowings	21	299.68	492.36	-	792.04	-	-	-	792.04
	(ii) Lease liabilities		11.13	4.49	0.32	15.94	-	-	-	15.94
	(iii) Trade payables									
	- Total outstanding dues of micro enterprises and small enterprises		10.50	40.79	-	51.29	-	-	-	51.29
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,463.58	611.14	60.18	2,134.90	63.81	-	63.81	2,198.71
	(iv) Other financial liabilities	22	10.71	65.97	-	76.68	(63.81)	-	(63.81)	12.87

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Proforma Condensed Combined Statement of Assets and Liabilities as at 30 June 2021**

(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars	Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
		(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(b) Provisions	23	20.48	6.02	0.01	26.51	-	-	-	26.51
(c) Current tax liabilities (net)		-	16.93	2.08	19.01	-	-	-	19.01
(d) Other Current liabilities	24	370.78	52.00	9.70	432.48	-	-	-	432.48
<b>Total current liabilities</b>		<b>2,186.86</b>	<b>1,289.70</b>	<b>72.29</b>	<b>3,548.85</b>	-	-	-	<b>3,548.85</b>
<b>Total liabilities</b>		<b>2,505.20</b>	<b>1,457.82</b>	<b>77.98</b>	<b>4,041.00</b>	-	-	-	<b>4,041.00</b>
<b>Total equity and liabilities</b>		<b>4,990.19</b>	<b>4,852.46</b>	<b>354.72</b>	<b>10,197.37</b>	-	(932.29)	(932.29)	<b>9,265.08</b>

In terms of our report attached  
**For Deloitte Haskins & Sells LLP**  
 Firm Registration no. 117366W/W-100018  
 Chartered Accountants

For and on behalf of the Board of Directors  
**Syrma SGS Technology Limited**

**Ananthi Amarnath**  
 Partner

**Sandeep Tandon**  
 Executive Chairman  
 DIN : 00054553  
 Place : Mumbai  
 Date : 9 December 2021

**J S Gujral**  
 Managing Director  
 DIN : 00198825  
 Place : Gurugram  
 Date : 9 December 2021

**Bijay Kumar Agrawal**  
 Chief Financial Officer

**Rahul Sinnarkar**  
 Company Secretary

Place : Chennai  
 Date : 9 December 2021

Place : Gurugram  
 Date : 9 December 2021

Place : Mumbai  
 Date : 9 December 2021

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Proforma Condensed Combined Statement of Assets and Liabilities as at 31 March 2021**

(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
			(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>A</b>	<b>ASSETS</b>									
<b>I</b>	<b>Non-Current Assets</b>									
	(a) Property, plant and equipment	3.1	750.89	933.87	53.25	1,738.01	-	-	-	1,738.01
	(b) Right-of-use assets	4	49.58	44.29	1.53	95.40	-	-	-	95.40
	(c) Capital work-in-progress		-	0.17	-	0.17	-	-	-	0.17
	(d) Goodwill		-	1,059.29	-	1,059.29	-	-	-	1,059.29
	(e) Other Intangible assets	5.1	13.22	5.84	3.57	22.63	-	-	-	22.63
	(f) Investment Property		-	2.30	-	2.30	-	-	-	2.30
	(g) Financial assets					-				
	(i) Investments	6	921.45	29.02	2.03	952.50	-	(921.45)	(921.45)	31.05
	(ii) Other financial assets	7	129.51	11.63	-	141.14	-	-	-	141.14
	(h) Income tax asset (net)		9.78	-	6.75	16.53	19.47	-	19.47	36.00
	(i) Deferred tax asset (net)		-	-	0.42	0.42	-	-	-	0.42
	(j) Other non-current assets	8	111.52	27.17	-	138.69	(19.47)	-	(19.47)	119.22
	<b>Total non-current assets</b>		<b>1,985.95</b>	<b>2,113.58</b>	<b>67.55</b>	<b>4,167.08</b>	<b>-</b>	<b>(921.45)</b>	<b>(921.45)</b>	<b>3,245.63</b>
<b>II</b>	<b>Current Assets</b>									
	(a) Inventories	9	770.75	990.57	27.43	1,788.75	-	-	-	1,788.75
	(b) Financial assets									
	(i) Investment	10	-	363.34	-	363.34	-	-	-	363.34
	(ii) Trade receivables	11	1,278.72	765.39	40.23	2,084.34	-	-	-	2,084.34
	(iii) Cash and cash equivalents	12	279.63	171.59	181.82	633.04	-	-	-	633.04
	(iv) Other Bank balances	13	22.43	72.05	1.04	95.52	-	-	-	95.52
	(v) Other financial assets	14	54.65	1.55	1.99	58.19	-	-	-	58.19
	(c) Other current assets	15	241.99	163.32	3.21	408.52	-	-	-	408.52
	<b>Total current assets</b>		<b>2,648.17</b>	<b>2,527.81</b>	<b>255.72</b>	<b>5,431.70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,431.70</b>
	<b>Total assets</b>		<b>4,634.12</b>	<b>4,641.39</b>	<b>323.27</b>	<b>9,598.78</b>	<b>-</b>	<b>(921.45)</b>	<b>(921.45)</b>	<b>8,677.33</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Assets and Liabilities as at 31 March 2021**  
(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
			(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>B</b>	<b>EQUITY AND LIABILITIES</b>									
<b>I</b>	<b>Equity</b>									
	(a) Equity Share Capital		7.48	16.13	22.55	46.16	-	(38.68)	(38.68)	7.48
	(b) Other equity	16	2,408.27	3,316.40	221.07	5,945.74	-	(943.68)	(943.68)	5,002.06
	Equity attributable to shareholders of the Company		2,415.75	3,332.53	243.62	5,991.90	-	(982.36)	(982.36)	5,009.54
	Non-controlling interests		-	5.48	-	5.48	-	60.91	60.91	66.39
	<b>Total equity</b>		<b>2,415.75</b>	<b>3,338.01</b>	<b>243.62</b>	<b>5,997.38</b>	<b>-</b>	<b>(921.45)</b>	<b>(921.45)</b>	<b>5,075.93</b>
<b>II</b>	<b>Liabilities</b>									
<b>1</b>	<b>Non-current liabilities</b>									
	(a) Financial liabilities									
	(i) Borrowings	17	244.98	7.54	3.33	255.85	-	-	-	255.85
	(ii) Lease liabilities		41.62	45.98	1.46	89.06	-	-	-	89.06
	(iii) Other financial liabilities	18	6.80	-	-	6.80	-	-	-	6.80
	(b) Provisions	19	31.89	27.15	0.48	59.52	-	-	-	59.52
	(c) Deferred tax liabilities (net)		2.42	60.27	-	62.69	-	-	-	62.69
	(d) Non-current Liabilities	20	-	29.91	-	29.91	-	-	-	29.91
	<b>Total non-current liabilities</b>		<b>327.71</b>	<b>170.85</b>	<b>5.27</b>	<b>503.83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>503.83</b>
<b>2</b>	<b>Current liabilities</b>									
	(a) Financial liabilities									
	(i) Borrowings	21	316.23	342.13	10.74	669.10	-	-	-	669.10
	(ii) Lease liabilities		10.78	4.29	0.31	15.38	-	-	-	15.38
	(iii) Trade payables									
	- Total outstanding dues of micro enterprises and small enterprises		11.12	53.55	-	64.67	-	-	-	64.67
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,137.30	584.31	51.73	1,773.34	64.45	-	64.45	1,837.79
	(iv) Other financial liabilities	22	9.15	71.88	-	81.03	(64.45)	-	(64.45)	16.58

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Proforma Condensed Combined Statement of Assets and Liabilities as at 31 March 2021**

(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars	Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
		(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(b) Provisions	23	28.47	5.81	0.02	34.30	-	-	-	34.30
(c) Current tax liabilities (net)		-	14.25	-	14.25	-	-	-	14.25
(d) Other Current liabilities	24	377.61	56.31	11.58	445.50	-	-	-	445.50
<b>Total current liabilities</b>		<b>1,890.66</b>	<b>1,132.53</b>	<b>74.38</b>	<b>3,097.57</b>	-	-	-	<b>3,097.57</b>
<b>Total liabilities</b>		<b>2,218.37</b>	<b>1,303.38</b>	<b>79.65</b>	<b>3,601.40</b>	-	-	-	<b>3,601.40</b>
<b>Total equity and liabilities</b>		<b>4,634.12</b>	<b>4,641.39</b>	<b>323.27</b>	<b>9,598.78</b>	-	<b>(921.45)</b>	<b>(921.45)</b>	<b>8,677.33</b>

In terms of our report attached  
**For Deloitte Haskins & Sells LLP**  
 Firm Registration no. 117366W/W-100018  
 Chartered Accountants

For and on behalf of the Board of Directors  
**Syrma SGS Technology Limited**

**Ananthi Amarnath**  
 Partner

**Sandeep Tandon**  
 Executive Chairman  
 DIN : 00054553  
 Place : Mumbai  
 Date : 9 December 2021

**J S Gujral**  
 Managing Director  
 DIN : 00198825  
 Place : Gurugram  
 Date : 9 December 2021

**Bijay Kumar Agrawal**  
 Chief Financial Officer

**Rahul Sinnarkar**  
 Company Secretary

Place : Chennai  
 Date : 9 December 2021

Place : Gurugram  
 Date : 9 December 2021

Place : Mumbai  
 Date : 9 December 2021



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Proforma Condensed Combined Statement of Assets and Liabilities as at 31 March 2020**

(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
			(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>A</b>	<b>ASSETS</b>									
<b>I</b>	<b>Non-Current Assets</b>									
	(a) Property, plant and equipment	3.1	779.15	916.63	53.59	1,749.37	-	-	-	1,749.37
	(b) Right-of-use assets	4	62.12	50.57	1.86	114.55	-	-	-	114.55
	(c) Capital work-in-progress		4.26	7.76	-	12.02	-	-	-	12.02
	(d) Goodwill		-	1,059.29	-	1,059.29	-	-	-	1,059.29
	(e) Other Intangible assets	5.1	23.52	4.44	3.45	31.41	-	-	-	31.41
	(f) Investment Property		-	2.30	-	2.30	-	-	-	2.30
	(g) Financial assets					-				
	(i) Investments	6	-	23.02	2.70	25.72	-	-	-	25.72
	(ii) Other financial assets	7	28.90	10.57	-	39.47	-	-	-	39.47
	(h) Income tax asset (net)		-	-	4.99	4.99	36.22	-	36.22	41.21
	(i) Deferred tax asset (net)		7.46	-	0.37	7.83	-	-	-	7.83
	(j) Other non-current assets	8	122.10	44.59	-	166.69	(36.22)	-	(36.22)	130.47
	<b>Total non-current assets</b>		<b>1,027.51</b>	<b>2,119.17</b>	<b>66.96</b>	<b>3,213.64</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,213.64</b>
<b>II</b>	<b>Current Assets</b>									
	(a) Inventories	9	682.25	729.31	7.65	1,419.21	-	-	-	1,419.21
	(b) Financial assets									
	(i) Investment	10	-	275.11	-	275.11	-	-	-	275.11
	(ii) Trade receivables	11	1,163.59	615.76	24.99	1,804.34	-	-	-	1,804.34
	(iii) Cash and cash equivalents	12	307.68	180.96	184.50	673.14	-	-	-	673.14
	(iv) Other Bank balances	13	43.98	61.25	1.58	106.81	-	-	-	106.81
	(v) Other financial assets	14	36.52	9.73	0.47	46.72	-	-	-	46.72
	(c) Other current assets	15	205.42	122.93	1.49	329.84	-	-	-	329.84
	<b>Total current assets</b>		<b>2,439.44</b>	<b>1,995.05</b>	<b>220.68</b>	<b>4,655.17</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,655.17</b>
	<b>Total assets</b>		<b>3,466.95</b>	<b>4,114.22</b>	<b>287.64</b>	<b>7,868.81</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,868.81</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Proforma Condensed Combined Statement of Assets and Liabilities as at 31 March 2020**

(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
			(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>B</b>	<b>EQUITY AND LIABILITIES</b>									
<b>I</b>	<b>Equity</b>									
	(a) Equity Share Capital		7.02	16.13	22.55	45.70	-	(38.68)	(38.68)	7.02
	(b) Other equity	16	1,010.03	3,038.19	134.10	4,182.32	-	(0.49)	-0.49	4,181.83
	Equity attributable to shareholders of the Company		1,017.05	3,054.32	156.65	4,228.02	-	(39.17)	(39.17)	4,188.85
	Non-controlling interests		-	1.88	-	1.88	-	39.17	39.17	41.05
	<b>Total equity</b>		<b>1,017.05</b>	<b>3,056.20</b>	<b>156.65</b>	<b>4,229.90</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,229.90</b>
<b>II</b>	<b>Liabilities</b>									
<b>1</b>	<b>Non-current liabilities</b>									
	(a) Financial liabilities									
	(i) Borrowings	17	242.14	25.32	51.80	319.26	-	-	-	319.26
	(ii) Lease liabilities		52.38	49.91	1.76	104.05	-	-	-	104.05
	(iii) Other financial liabilities	18	-	-	-	-	-	-	-	-
	(b) Provisions	19	24.90	22.60	0.44	47.94	-	-	-	47.94
	(c) Deferred tax liabilities (net)		-	49.83	-	49.83	-	-	-	49.83
	(d) Non-current Liabilities	20	-	-	-	-	-	-	-	-
	<b>Total non-current liabilities</b>		<b>319.42</b>	<b>147.66</b>	<b>54.00</b>	<b>521.08</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>521.08</b>
<b>2</b>	<b>Current liabilities</b>									
	(a) Financial liabilities									
	(i) Borrowings	21	595.89	218.24	0.68	814.81	-	-	-	814.81
	(ii) Lease liabilities		9.15	3.55	0.28	12.98	-	-	-	12.98
	(iii) Trade payables									
	- Total outstanding dues of micro enterprises and small enterprises		3.87	30.29	-	34.16	-	-	-	34.16
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,064.25	505.20	71.88	1,641.33	55.76	-	55.76	1,697.09
	(iv) Other financial liabilities	22	19.78	83.08	-	102.86	(55.76)	-	(55.76)	47.10

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Proforma Condensed Combined Statement of Assets and Liabilities as at 31 March 2020**

(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
			(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(b) Provisions		23	26.12	5.23	0.04	31.39	-	-	-	31.39
(c) Current tax liabilities (net)			23.27	22.20	-	45.47	-	-	-	45.47
(d) Other Current liabilities		24	388.15	42.57	4.11	434.83	-	-	-	434.83
<b>Total current liabilities</b>			<b>2,130.48</b>	<b>910.36</b>	<b>76.99</b>	<b>3,117.83</b>	-	-	-	<b>3,117.83</b>
<b>Total liabilities</b>			<b>2,449.90</b>	<b>1,058.02</b>	<b>130.99</b>	<b>3,638.91</b>	-	-	-	<b>3,638.91</b>
<b>Total equity and liabilities</b>			<b>3,466.95</b>	<b>4,114.22</b>	<b>287.64</b>	<b>7,868.81</b>	-	-	-	<b>7,868.81</b>

In terms of our report attached  
**For Deloitte Haskins & Sells LLP**  
 Firm Registration no. 117366W/W-100018  
 Chartered Accountants

**Ananthi Amarnath**  
 Partner

Place : Chennai  
 Date : 9 December 2021

For and on behalf of the Board of Directors  
**Syrma SGS Technology Limited**

**Sandeep Tandon**  
 Executive Chairman  
 DIN : 00054553  
 Place : Mumbai  
 Date : 9 December 2021

**J S Gujral**  
 Managing Director  
 DIN : 00198825  
 Place : Gurugram  
 Date : 9 December 2021

**Bijay Kumar Agrawal**  
 Chief Financial Officer

Place : Gurugram  
 Date : 9 December 2021

**Rahul Sinnarkar**  
 Company Secretary

Place : Mumbai  
 Date : 9 December 2021

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Assets and Liabilities as at 31 March 2019**  
(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
			(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>A</b>	<b>ASSETS</b>									
<b>I</b>	<b>Non-Current Assets</b>									
	(a) Property, plant and equipment	3.1	752.39	827.40	39.60	1,619.39	-	-	-	1,619.39
	(b) Right-of-use assets	4	70.42	22.57	2.19	95.18	-	-	-	95.18
	(c) Capital work-in-progress		4.56	-	-	4.56	-	-	-	4.56
	(d) Goodwill		-	1,059.29	-	1,059.29	-	-	-	1,059.29
	(e) Other Intangible assets	5.1	32.54	5.65	1.89	40.08	-	-	-	40.08
	(f) Investment Property		-	2.30	-	2.30	-	-	-	2.30
	(g) Financial assets									
	(i) Investments	6	-	4.95	2.67	7.62	-	-	-	7.62
	(ii) Other financial assets	7	26.26	64.36	-	90.62	-	-	-	90.62
	(h) Income tax asset (net)		9.02	-	4.24	13.26	36.29	-	36.29	49.55
	(i) Deferred tax asset (net)		-	-	0.32	0.32	-	-	-	0.32
	(j) Other non-current assets	8	3.12	43.17	-	46.29	(36.29)	-	(36.29)	10.00
	<b>Total non-current assets</b>		<b>898.31</b>	<b>2,029.69</b>	<b>50.91</b>	<b>2,978.91</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,978.91</b>
<b>II</b>	<b>Current Assets</b>									
	(a) Inventories	9	636.78	787.84	2.76	1,427.38	-	-	-	1,427.38
	(b) Financial assets									
	(i) Investment	10	-	265.87	-	265.87	-	-	-	265.87
	(ii) Trade receivables	11	992.34	829.50	7.85	1,829.69	-	-	-	1,829.69
	(iii) Cash and cash equivalents	12	61.49	59.36	44.69	165.54	-	-	-	165.54
	(iv) Other Bank balances	13	80.78	3.36	-	84.14	-	-	-	84.14
	(v) Other financial assets	14	68.09	1.52	0.38	69.99	-	-	-	69.99
	(c) Other current assets	15	126.37	135.56	1.97	263.90	-	-	-	263.90
	Asset held for Sale		-	0.16	-	0.16	-	-	-	0.16
	<b>Total current assets</b>		<b>1,965.85</b>	<b>2,083.17</b>	<b>57.65</b>	<b>4,106.67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,106.67</b>
	<b>Total assets</b>		<b>2,864.16</b>	<b>4,112.86</b>	<b>108.56</b>	<b>7,085.58</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,085.58</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Assets and Liabilities as at 31 March 2019**  
(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
			(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>B</b>	<b>EQUITY AND LIABILITIES</b>									
<b>I</b>	<b>Equity</b>									
	(a) Equity Share Capital		7.02	16.13	22.55	45.70	-	(38.68)	(38.68)	7.02
	(b) Other equity	16	564.91	2,707.11	11.99	3,284.01	-	30.04	30.04	3,314.05
	Equity attributable to shareholders of the Company		571.93	2,723.24	34.54	3,329.71	-	(8.64)	(8.64)	3,321.07
	Non-controlling interests			1.16		1.16		8.64	8.64	9.80
	<b>Total equity</b>		<b>571.93</b>	<b>2,724.40</b>	<b>34.54</b>	<b>3,330.87</b>	-	-	-	<b>3,330.87</b>
<b>II</b>	<b>Liabilities</b>									
<b>1</b>	<b>Non-current liabilities</b>									
	(a) Financial liabilities									
	(i) Borrowings	17	385.92	36.99	59.40	482.31	-	-	-	482.31
	(ii) Lease liabilities		61.54	22.57	2.04	86.15	-	-	-	86.15
	(iii) Other financial liabilities	18	-	-	-	-	-	-	-	-
	(b) Provisions	19	25.80	16.28	0.15	42.23	-	-	-	42.23
	(c) Deferred tax liabilities (net)		4.55	65.73	-	70.28	-	-	-	70.28
	(d) Other Non-current Liabilities	20	-	-	-	-	-	-	-	-
	<b>Total non-current liabilities</b>		<b>477.81</b>	<b>141.57</b>	<b>61.59</b>	<b>680.97</b>	-	-	-	<b>680.97</b>
<b>2</b>	<b>Current liabilities</b>									
	(a) Financial liabilities									
	(i) Borrowings	21	557.54	500.51	-	1,058.05	-	-	-	1,058.05
	(ii) Lease liabilities		7.67	2.26	0.25	10.18	-	-	-	10.18
	(iii) Trade payables									
	- Total outstanding dues of micro enterprises and small enterprises		5.71	38.22	-	43.93	-	-	-	43.93
	- Total outstanding dues of creditors other than micro enterprises and small enterprises		905.79	593.30	11.10	1,510.19	50.30	-	50.30	1,560.49
	(iv) Other financial liabilities	22	102.68	73.41	-	176.09	(50.30)	-	(50.30)	125.79

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Assets and Liabilities as at 31 March 2019**  
(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
			(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(b) Provisions (c) Current tax liabilities (net) (d) Other Current liabilities (e) Liabilities directly associated with assets held for sale <b>Total current liabilities</b>  <b>Total liabilities</b>  <b>Total equity and liabilities</b>		23	13.30	3.62	0.02	16.94	-	-	-	16.94
			-	9.15	-	9.15	-	-	-	9.15
		24	221.73	26.00	1.06	248.79	-	-	-	248.79
			-	0.42	-	0.42	-	-	-	0.42
			<b>1,814.42</b>	<b>1,246.89</b>	<b>12.43</b>	<b>3,073.74</b>	-	-	-	<b>3,073.74</b>
			<b>2,292.23</b>	<b>1,388.46</b>	<b>74.02</b>	<b>3,754.71</b>	-	-	-	<b>3,754.71</b>
			<b>2,864.16</b>	<b>4,112.86</b>	<b>108.56</b>	<b>7,085.58</b>	-	-	-	<b>7,085.58</b>

In terms of our report attached  
**For Deloitte Haskins & Sells LLP**  
Firm Registration no. 117366W/W-100018  
Chartered Accountants

For and on behalf of the Board of Directors  
**Syrma SGS Technology Limited**

**Ananthi Amarnath**  
Partner

**Sandeep Tandon**  
Executive Chairman  
DIN : 00054553  
Place : Mumbai  
Date : 9 December 2021

**J S Gujral**  
Managing Director  
DIN : 00198825  
Place : Gurugram  
Date : 9 December 2021

**Bijay Kumar Agrawal**  
Chief Financial Officer

**Rahul Sinnarkar**  
Company Secretary

Place : Chennai  
Date : 9 December 2021

Place : Gurugram  
Date : 9 December 2021

Place : Mumbai  
Date : 9 December 2021

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Profit and Loss for the period ended 30 June 2021**  
(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
			(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
1	Revenue from operations	25	1,331.90	1,022.55	98.32	2,452.77	-	-	-	2,452.77
2	Other income	26	20.82	21.73	1.40	43.95	0.30	-	0.30	44.25
3	<b>Total income (1+2)</b>		<b>1,352.72</b>	<b>1,044.28</b>	<b>99.72</b>	<b>2,496.72</b>	<b>0.30</b>	<b>-</b>	<b>0.30</b>	<b>2,497.02</b>
4	<b>Expenses</b>									
	(a) Cost of materials consumed	27.1	1,042.54	877.75	34.28	1,954.57	-	-	-	1,954.57
	(b) Purchases of stock-in-trade		2.14	-	-	2.14	-	-	-	2.14
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	27.2	(111.25)	(128.74)	9.47	(230.52)	-	-	-	-230.52
	(d) Employee benefits expense	28	83.06	131.13	3.88	218.07	-	-	-	218.07
	(e) Finance costs	29	7.67	5.19	0.16	13.02	-	-	-	13.02
	(f) Depreciation and amortisation expense	30	28.00	24.76	2.42	55.18	-	-	-	55.18
	(g) Other Expenses	31	214.42	59.74	5.96	280.12	0.30	-	0.30	280.42
	<b>Total expenses</b>		<b>1,266.58</b>	<b>969.83</b>	<b>56.17</b>	<b>2,292.58</b>	<b>0.30</b>	<b>-</b>	<b>0.30</b>	<b>2,292.88</b>
5	<b>Profit before tax (3-4)</b>		<b>86.14</b>	<b>74.45</b>	<b>43.55</b>	<b>204.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>204.14</b>
6	<b>Tax expense:</b>									
	- Current tax		28.47	18.97	10.81	58.25	-	-	-	58.25
	- Tax pertaining to previous years		-	-	-	-	-	-	-	-
	- Deferred tax (Net)		2.10	(0.74)	0.14	1.50	-	-	-	1.50
	<b>Total tax expense</b>		<b>30.57</b>	<b>18.23</b>	<b>10.95</b>	<b>59.75</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>59.75</b>
7	<b>Share of Post-acquisition Profit of Associate</b>		10.75	-	0.51	11.26	-	(10.75)	(10.75)	0.51
8	<b>Profit for the period (5 - 6 + 7)</b>		<b>66.32</b>	<b>56.22</b>	<b>33.11</b>	<b>155.65</b>	<b>-</b>	<b>-10.75</b>	<b>-10.75</b>	<b>144.90</b>
9	<b>Other comprehensive income</b>									
	<b>(A) Items that will not be reclassified to profit or loss</b>									
	(i) Remeasurement of the defined benefit plans		4.35	0.10	0.01	4.46	-	-	-	4.46
	(ii) Income tax expenses relating to the above		(1.52)	(0.02)	-	(1.54)	-	-	-	-1.54
	(iii) Share of Equity Accounted Investee		0.02	-	-	0.02	-	(0.02)	(0.02)	-
			<b>2.85</b>	<b>0.08</b>	<b>0.01</b>	<b>2.94</b>	<b>-</b>	<b>(0.02)</b>	<b>(0.02)</b>	<b>2.92</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Profit and Loss for the period ended 30 June 2021**  
(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
			(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
10	<b>(B) Items that will be reclassified to profit or loss</b>									
	(i) Exchange differences in translating financial statements of foreign operations		-	0.34	-	0.34	-	-	-	0.34
	(ii) Share of Equity Accounted Investee		0.07	-	-	0.07	-	(0.07)	(0.07)	-
			<b>0.07</b>	<b>0.34</b>	-	<b>0.41</b>	-	<b>(0.07)</b>	<b>(0.07)</b>	<b>0.34</b>
	<b>Total other comprehensive income for the period (A + B)</b>		<b>2.92</b>	<b>0.42</b>	<b>0.01</b>	<b>3.35</b>	-	<b>-0.09</b>	<b>-0.09</b>	<b>3.26</b>
	<b>Total comprehensive income for the period (8 + 9)</b>		<b>69.24</b>	<b>56.64</b>	<b>33.12</b>	<b>159.00</b>	-	<b>(10.84)</b>	<b>(10.84)</b>	<b>148.16</b>
11	<b>Profit for the period/year attributable to</b>									
	Owners of the Company		66.32	53.77	33.11	153.20	-	(19.03)	(19.03)	134.17
	Non-controlling interests		-	2.45	-	2.45	-	8.28	8.28	10.73
			<b>66.32</b>	<b>56.22</b>	<b>33.11</b>	<b>155.65</b>	-	<b>-10.75</b>	<b>-10.75</b>	<b>144.90</b>
12	<b>Total other comprehensive income for the period/year attributable to</b>									
	Owners of the Company		2.92	0.42	0.01	3.35	-	(0.09)	(0.09)	3.26
	Non-controlling interests		-	-	-	-	-	-	-	-
			<b>2.92</b>	<b>0.42</b>	<b>0.01</b>	<b>3.35</b>	-	<b>(0.09)</b>	<b>(0.09)</b>	<b>3.26</b>



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Profit and Loss for the period ended 30 June 2021**  
(All amounts are in Million Indian Rupees unless otherwise stated)

	Particulars	Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
			(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>13</b>	<b>Total comprehensive income for the period/year attributable to</b>									
	Owners of the Company		69.24	54.19	33.12	156.55	-	(19.12)	156.55	313.10
	Non-controlling interests		-	2.45	-	2.45	-	8.28	2.45	4.90
			<b>69.24</b>	<b>56.64</b>	<b>33.12</b>	<b>-</b>	<b>-</b>	<b>(10.84)</b>	<b>(10.84)</b>	<b>318.00</b>
<b>14</b>	<b>Proforma Earnings per equity share</b>	34								<b>0.97</b> (Not-Annualised)

In terms of our report attached  
**For Deloitte Haskins & Sells LLP**  
Firm Registration no. 117366W/W-100018  
Chartered Accountants

**Ananthi Amarnath**  
Partner

Place : Chennai  
Date : 9 December 2021

For and on behalf of the Board of Directors  
**Syrma SGS Technology Limited**

**Sandeep Tandon**  
Executive Chairman  
DIN : 00054553  
Place : Mumbai  
Date : 9 December 2021

**Bijay Kumar Agrawal**  
Chief Financial Officer

Place : Gurugram  
Date : 9 December 2021

**J S Gujral**  
Managing Director  
DIN : 00198825  
Place : Gurugram  
Date : 9 December 2021

**Rahul Sinnarkar**  
Company Secretary

Place : Mumbai  
Date : 9 December 2021

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Profit and Loss for the year ended 31 March 2021**  
(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
			(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
1	Revenue from operations	25	4,383.03	4,181.75	293.07	8,857.85	16.14	-	16.14	8,873.99
2	Other income	26	61.77	104.18	10.93	176.88	(7.96)	-	(7.96)	168.92
3	<b>Total income (1+2)</b>		<b>4,444.80</b>	<b>4,285.93</b>	<b>304.00</b>	<b>9,034.73</b>	<b>8.18</b>	<b>-</b>	<b>8.18</b>	<b>9,042.91</b>
4	<b>Expenses</b>									
	(a) Cost of materials consumed	27.1	2,763.93	2,991.07	140.14	5,895.14	-	-	-	5,895.14
	(b) Purchases of stock-in-trade		38.09	-	-	38.09	-	-	-	38.09
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	27.2	18.86	37.63	(9.47)	47.02	-	-	-	47.02
	(d) Employee benefits expense	28	286.35	488.57	14.92	789.84	-	-	-	789.84
	(e) Finance costs	29	45.24	25.04	1.19	71.47	-	-	-	71.47
	(f) Depreciation and amortisation expense	30	120.74	95.39	11.39	227.52	-	-	-	227.52
	(g) Other Expenses	31	808.23	261.10	27.25	1,096.58	8.18	-	8.18	1,104.76
	<b>Total expenses</b>		<b>4,081.44</b>	<b>3,898.80</b>	<b>185.42</b>	<b>8,165.66</b>	<b>8.18</b>	<b>-</b>	<b>8.18</b>	<b>8,173.84</b>
5	<b>Profit before tax (3-4)</b>		<b>363.36</b>	<b>387.13</b>	<b>118.58</b>	<b>869.07</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>869.07</b>
6	<b>Tax expense:</b>									
	- Current tax		96.33	94.22	30.98	221.53	-	-	-	221.53
	- Tax pertaining to previous years		3.78	-		3.78	-	-	-	3.78
	- Deferred tax (Net)		(22.90)	10.59	(0.04)	(12.35)	-	-	-	-12.35
	<b>Total tax expense</b>		<b>77.21</b>	<b>104.81</b>	<b>30.94</b>	<b>212.96</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>212.96</b>
7	<b>Share of Post-acquisition Profit of Associate</b>		34.02	-	(0.67)	33.35	-	-34.02	-34.02	(0.67)
8	<b>Profit for the year (5 - 6 + 7)</b>		<b>320.17</b>	<b>282.32</b>	<b>86.97</b>	<b>689.46</b>	<b>-</b>	<b>(34.02)</b>	<b>(34.02)</b>	<b>655.44</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Profit and Loss for the year ended 31 March 2021**  
(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
			(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>9</b>	<b>Other comprehensive income</b>									
	<b>(A) Items that will not be reclassified to profit or loss</b>									
	(i) Remeasurement of the defined benefit plans		(0.25)	(0.61)	-	(0.86)	-	-	-	(0.86)
	(ii) Income tax expenses relating to the above		0.07	0.15	-	0.22	-	-	-	0.22
	(iii) Share of Equity Accounted Investee		0.03	-	-	0.03	-	-0.03	-0.03	-
			<b>(0.15)</b>	<b>(0.46)</b>	<b>-</b>	<b>(0.61)</b>	<b>-</b>	<b>(0.03)</b>	<b>(0.03)</b>	<b>(0.64)</b>
	<b>(B) Items that will be reclassified to profit or loss</b>									
	(i) Exchange differences in translating financial statements of foreign operations		-	(0.05)	-	(0.05)	-	-	-	(0.05)
	(ii) Share of Equity Accounted Investee		(0.01)	-	-	(0.01)	-	0.01	0.01	-
			<b>(0.01)</b>	<b>(0.05)</b>	<b>-</b>	<b>(0.06)</b>	<b>-</b>	<b>0.01</b>	<b>0.01</b>	<b>-0.05</b>
	<b>Other comprehensive income for the year (A+B)</b>		<b>(0.16)</b>	<b>(0.51)</b>	<b>-</b>	<b>(0.67)</b>	<b>-</b>	<b>(0.02)</b>	<b>(0.02)</b>	<b>(0.69)</b>
<b>10</b>	<b>Total comprehensive income for the year (8 + 9)</b>		<b>320.01</b>	<b>281.81</b>	<b>86.97</b>	<b>688.79</b>	<b>-</b>	<b>(34.04)</b>	<b>(34.04)</b>	<b>654.75</b>
<b>11</b>	<b>Profit for the period/year attributable to</b>									
	Owners of the Company		320.17	278.72	86.97	685.86	-	(55.76)	<b>(55.76)</b>	<b>630.10</b>
	Non-controlling interests		-	3.60	-	3.60	-	21.74	<b>21.74</b>	<b>25.34</b>
			<b>320.17</b>	<b>282.32</b>	<b>86.97</b>	<b>689.46</b>	<b>-</b>	<b>(34.02)</b>	<b>(34.02)</b>	<b>655.44</b>
<b>12</b>	<b>Total other comprehensive income for the period/year attributable to</b>									
	Owners of the Company		(0.16)	(0.51)	-	<b>(0.67)</b>	-	(0.02)	(0.02)	<b>(0.69)</b>
	Non-controlling interests		-	-	-	-	-	-	-	-
			<b>(0.16)</b>	<b>(0.51)</b>	<b>-</b>	<b>(0.67)</b>	<b>-</b>	<b>(0.02)</b>	<b>(0.02)</b>	<b>(0.69)</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Profit and Loss for the year ended 31 March 2021**  
(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars	Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
		(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>13 Total comprehensive income for the period / year attributable to</b>									
Owners of the Company		320.01	278.21	86.97	<b>685.19</b>	-	(55.78)	(55.78)	<b>629.41</b>
Non-controlling interests		-	3.60	-	<b>3.60</b>	-	21.74	21.74	<b>25.34</b>
		<b>320.01</b>	<b>281.81</b>	<b>86.97</b>	<b>688.79</b>	-	<b>(34.04)</b>	<b>(34.04)</b>	<b>654.75</b>
<b>11 Proforma Earning per equity share</b>	34								<b>4.58</b> (Annualised)

In terms of our report attached  
**For Deloitte Haskins & Sells LLP**  
Firm Registration no. 117366W/W-100018  
Chartered Accountants

For and on behalf of the Board of Directors  
**Syrma SGS Technology Limited**

**Ananthi Amarnath**  
Partner

**Sandeep Tandon**  
Executive Chairman  
DIN : 00054553  
Place : Mumbai  
Date : 9 December 2021

**J S Gujral**  
Managing Director  
DIN : 00198825  
Place : Gurugram  
Date : 9 December 2021

**Bijay Kumar Agrawal**  
Chief Financial Officer

**Rahul Sinnarkar**  
Company Secretary

Place : Chennai  
Date : 9 December 2021

Place : Gurugram  
Date : 9 December 2021

Place : Mumbai  
Date : 9 December 2021

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Profit and Loss for the year ended 31 March 2020**  
(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
			(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
1	Revenue from operations	25	3,970.76	4,222.40	427.40	8,620.56	35.94	-	35.94	8,656.50
2	Other income	26	78.06	101.57	3.39	183.02	(39.98)	-	(39.98)	143.04
3	<b>Total income (1+2)</b>		<b>4,048.82</b>	<b>4,323.97</b>	<b>430.79</b>	<b>8,803.58</b>	<b>(4.04)</b>	-	<b>(4.04)</b>	<b>8,799.54</b>
4	<b>Expenses</b>									
	(a) Cost of materials consumed	27.1	2,218.46	3,177.51	199.08	5,595.05	-	-	-	5,595.05
	(b) Purchases of stock-in-trade		26.92	-	-	26.92	-	-	-	26.92
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	27.2	27.63	(108.24)	-	(80.61)	-	-	-	(80.61)
	(d) Employee benefits expense	28	263.52	472.16	14.54	750.22	-	-	-	750.22
	(e) Finance costs	29	79.70	46.71	1.87	128.28	-	-	-	128.28
	(f) Depreciation and amortisation expense	30	96.99	84.26	9.55	190.80	-	-	-	190.80
	(g) Other Expenses	31	757.30	205.38	40.65	1,003.33	(4.04)	-	(4.04)	999.29
	<b>Total expenses</b>		<b>3,470.52</b>	<b>3,877.78</b>	<b>265.69</b>	<b>7,613.99</b>	<b>(4.04)</b>	-	<b>(4.04)</b>	<b>7,609.95</b>
5	<b>Profit before exceptional items and tax (3 - 4)</b>		<b>578.30</b>	<b>446.19</b>	<b>165.10</b>	<b>1,189.59</b>	-	-	-	<b>1,189.59</b>
6	Exceptional items	32	55.99	-	-	55.99	-	-	-	55.99
7	<b>Profit before tax (3-4)</b>		<b>522.31</b>	<b>446.19</b>	<b>165.10</b>	<b>1,133.60</b>	-	-	-	<b>1,133.60</b>
8	<b>Tax expense:</b>									
	- Current tax		96.53	108.22	43.04	247.79	-	-	-	247.79
	- Tax pertaining to previous years		1.55	-		1.55	-	-	-	1.55
	- Deferred tax (Net)		(14.57)	(16.13)	(0.05)	(30.75)	-	-	-	(30.75)
	<b>Total tax expense</b>		<b>83.51</b>	<b>92.09</b>	<b>42.99</b>	<b>218.59</b>	-	-	-	<b>218.59</b>
9	<b>Share of Post-acquisition Profit of Associate</b>		-	-	0.02	0.02	-	-	-	0.02
10	<b>Profit for the year (7 - 8 + 9)</b>		<b>438.80</b>	<b>354.10</b>	<b>122.13</b>	<b>915.03</b>	-	-	-	<b>915.03</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Profit and Loss for the year ended 31 March 2020**  
(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
			(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>11</b>	<b>Other comprehensive income</b>									
	<b>(A) Items that will not be reclassified to profit or loss</b>									
	(i) Remeasurement of the defined benefit plans		4.64	(2.24)	(0.02)	2.38	-	-	-	2.38
	(ii) Income tax expenses relating to the above		(1.35)	0.56	-	(0.79)	-	-	-	(0.79)
			<b>3.29</b>	<b>(1.68)</b>	<b>(0.02)</b>	<b>1.59</b>	-	-	-	<b>1.59</b>
	<b>(B) Items that will be reclassified to profit or loss</b>									
	(i) Exchange differences in translating financial statements of foreign operations		-	(0.10)	-	(0.10)	-	-	-	(0.10)
	<b>Other comprehensive income for the year (A+B)</b>		<b>3.29</b>	<b>(1.78)</b>	<b>(0.02)</b>	<b>1.49</b>	-	-	-	<b>1.49</b>
<b>12</b>	<b>Total comprehensive income for the year (10 + 11)</b>		<b>442.09</b>	<b>352.32</b>	<b>122.11</b>	<b>916.52</b>	-	-	-	<b>916.52</b>
<b>13</b>	<b>Profit for the period/year attributable to</b>									
	Owners of the Company		438.80	353.38	122.13	<b>914.31</b>	-	(30.53)	<b>(30.53)</b>	<b>883.78</b>
	Non-controlling interests		-	0.72	-	<b>0.72</b>	-	30.53	<b>30.53</b>	<b>31.25</b>
			<b>438.80</b>	<b>354.10</b>	<b>122.13</b>	<b>915.03</b>	-	-		<b>915.03</b>
<b>14</b>	<b>Total other comprehensive income for the period/year</b>									
	Owners of the Company		3.29	(1.78)	(0.02)	1.49	-	-	-	1.49
	Non-controlling interests		-	-	-	-	-	-	-	-
			<b>3.29</b>	<b>(1.78)</b>	<b>(0.02)</b>	<b>1.49</b>	-	-	-	<b>1.49</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Profit and Loss for the year ended 31 March 2020**  
(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
			(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>15</b>	<b>Total comprehensive income for the period / year attributable to</b>									
	Owners of the Company		442.09	351.60	122.11	<b>915.80</b>	-	(30.53)	<b>(30.53)</b>	<b>885.27</b>
	Non-controlling interests		-	0.72	-	<b>0.72</b>	-	30.53	<b>30.53</b>	<b>31.25</b>
			<b>442.09</b>	<b>352.32</b>	<b>122.11</b>	<b>916.52</b>	-	-	-	<b>916.52</b>
<b>16</b>	<b>Proforma Earning per equity share</b>	34								<b>6.42</b> (Annualised)

In terms of our report attached  
**For Deloitte Haskins & Sells LLP**  
Firm Registration no. 117366W/W-100018  
Chartered Accountants

**Ananthi Amarnath**  
Partner

Place : Chennai  
Date : 9 December 2021

For and on behalf of the Board of Directors  
**Syrma SGS Technology Limited**

**Sandeep Tandon**  
Executive Chairman  
DIN : 00054553  
Place : Mumbai  
Date : 9 December 2021

**Bijay Kumar Agrawal**  
Chief Financial Officer

Place : Gurugram  
Date : 9 December 2021

**J S Gujral**  
Managing Director  
DIN : 00198825  
Place : Gurugram  
Date : 9 December 2021

**Rahul Sinnarkar**  
Company Secretary

Place : Mumbai  
Date : 9 December 2021

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Profit and Loss for the year ended 31 March 2019**  
(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
			(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
1	Revenue from operations	25	3,539.97	4,243.72	108.60	7,892.29	55.11	-	55.11	7,947.40
2	Other income	26	33.98	136.27	1.34	171.59	(56.61)	-	(56.61)	114.98
3	<b>Total income (1+2)</b>		<b>3,573.95</b>	<b>4,379.99</b>	<b>109.94</b>	<b>8,063.88</b>	<b>(1.50)</b>	<b>-</b>	<b>(1.50)</b>	<b>8,062.38</b>
4	<b>Expenses</b>									
	(a) Cost of materials consumed	27.1	1,985.30	3,134.56	52.72	5,172.58	-	-	-	5,172.58
	(b) Purchases of stock-in-trade		348.85	-	-	348.85	-	-	-	348.85
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	27.2	(144.82)	58.50	-	(86.32)	-	-	-	(86.32)
	(d) Employee benefits expense	28	244.50	418.96	9.71	673.17	-	-	-	673.17
	(e) Finance costs	29	60.32	54.37	3.89	118.58	-	-	-	118.58
	(f) Depreciation and amortisation expense	30	97.47	71.38	8.54	177.39	-	-	-	177.39
	(g) Other Expenses	31	709.36	210.63	16.97	936.96	(1.50)	-	(1.50)	935.46
	<b>Total expenses</b>		<b>3,300.98</b>	<b>3,948.40</b>	<b>91.83</b>	<b>7,341.21</b>	<b>(1.50)</b>	<b>-</b>	<b>(1.50)</b>	<b>7,339.71</b>
5	<b>Profit before tax (3-4)</b>		<b>272.97</b>	<b>431.59</b>	<b>18.11</b>	<b>722.67</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>722.67</b>
6	<b>Tax expense:</b>									
	- Current tax		60.84	113.12	3.84	177.80	-	-	-	177.80
	- Tax pertaining to previous years		1.56	-	-	1.56	-	-	-	1.56
	- Deferred tax (Net)		0.90	13.79	(0.21)	14.48	-	-	-	14.48
	<b>Total tax expense</b>		<b>63.30</b>	<b>126.91</b>	<b>3.63</b>	<b>193.84</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>193.84</b>
7	<b>Share of Post-acquisition Profit of Associate</b>		<b>-</b>	<b>-</b>	<b>(0.58)</b>	<b>(0.58)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.58)</b>
8	<b>Profit for the year (5 - 6 + 7)</b>		<b>209.67</b>	<b>304.68</b>	<b>13.90</b>	<b>528.25</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>528.25</b>



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Profit and Loss for the year ended 31 March 2019**  
(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
			(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>9</b>	<b>Other comprehensive income</b>									
	<b>(A) Items that will not be reclassified to profit or loss</b>									
	(i) Remeasurement of the defined benefit plans		(6.79)	(3.49)	-	(10.28)	-	-	-	(10.28)
	(ii) Income tax expenses relating to the above		1.98	1.22	-	3.20	-	-	-	3.20
			<b>(4.81)</b>	<b>(2.27)</b>	-	<b>(7.08)</b>	-	-	-	<b>(7.08)</b>
	<b>(B) Items that will be reclassified to profit or loss</b>									
	(i) Exchange differences in translating financial statements of foreign operations		-	0.12	-	0.12	-	-	-	0.12
	<b>Other comprehensive income for the year (A+B)</b>		<b>(4.81)</b>	<b>(2.15)</b>	-	<b>(6.96)</b>	-	-	-	<b>(6.96)</b>
<b>10</b>	<b>Total comprehensive income for the year (8 + 9)</b>		<b>204.86</b>	<b>302.53</b>	<b>13.90</b>	<b>521.29</b>	-	-	-	<b>521.29</b>
<b>11</b>	<b>Profit for the period/year attributable to</b>									
	Owners of the Company		209.67	304.62	13.90	<b>528.19</b>	-	(3.48)	<b>(3.48)</b>	<b>524.71</b>
	Non-controlling interests		-	0.06	-	<b>0.06</b>	-	3.48	<b>3.48</b>	<b>3.54</b>
			<b>209.67</b>	<b>304.68</b>	<b>13.90</b>	<b>528.25</b>	-	-	-	<b>528.25</b>
<b>12</b>	<b>Total other comprehensive income for the period/year attributable to</b>									
	Owners of the Company		<b>(4.81)</b>	<b>(2.15)</b>	-	<b>(6.96)</b>	-	-	-	<b>(6.96)</b>
	Non-controlling interests		-	-	-	-	-	-	-	-
			<b>(4.81)</b>	<b>(2.15)</b>	-	<b>(6.96)</b>	-	-	-	<b>(6.96)</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Profit and Loss for the year ended 31 March 2019**  
(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars		Note No.	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
			(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>13</b>	<b>Total comprehensive income for the period/year attributable to</b>									
	Owners of the Company		204.86	302.47	13.90	521.23	-	(3.48)	(3.48)	517.75
	Non-controlling interests		-	0.06	-	0.06	-	3.48	3.48	3.54
			204.86	302.53	13.90	521.29	-	-	-	521.29
<b>14</b>	<b>Proforma Earning per equity share</b>	34								3.81 (Annualised)

In terms of our report attached  
**For Deloitte Haskins & Sells LLP**  
Firm Registration no. 117366W/W-100018  
Chartered Accountants

For and on behalf of the Board of Directors  
**Syrma SGS Technology Limited**

**Ananthi Amarnath**  
Partner

**Sandeep Tandon**  
Executive Chairman  
DIN : 00054553  
Place : Mumbai  
Date : 9 December 2021

**J S Gujral**  
Managing Director  
DIN : 00198825  
Place : Gurugram  
Date : 9 December 2021

**Bijay Kumar Agrawal**  
Chief Financial Officer

**Rahul Sinnarkar**  
Company Secretary

Place : Chennai  
Date : 9 December 2021

Place : Gurugram  
Date : 9 December 2021

Place : Mumbai  
Date : 9 December 2021

<b>Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)</b> <b>Proforma Condensed Combined Statement of Cash Flows for the period ended 30 June 2021</b> (All amounts are in Million Indian Rupees unless otherwise stated)								
Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniiks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>A. Cash flow from operating activities</b>								
Profit before tax	86.14	74.45	43.55	204.14	-	-	-	204.14
Adjustments for :								
Depreciation and amortisation expense	28.00	24.76	2.42	55.18	-	-	-	55.18
Interest Income	(3.78)	(7.20)	(0.98)	(11.96)	-	-	-	(11.96)
Finance costs	7.67	5.19	0.16	13.02	-	-	-	13.02
Dividend income	-	(0.76)	-	(0.76)	-	-	-	(0.76)
Unrealised Exchange Loss/ (Gain) (net)	(18.34)	(5.35)	-	(23.69)	-	-	-	(23.69)
Mark-to-Market Loss / (Gain) on Financial Instrument	1.42	0.30	-	1.72	-	-	-	1.72
Net loss/(gain) on account of sale of investment	-	(0.04)	-	(0.04)	-	-	-	(0.04)
(Profit) / Loss on Sale / Discard of Property, Plant and Equipment (Net)	-	(0.01)	-	(0.01)	-	-	-	(0.01)
(Appreciation)/ diminution in value of investment	-	(9.23)	-	(9.23)	-	-	-	(9.23)
Allowance for Expected Credit Losses (Net)	-	4.39	-	4.39	-	-	-	4.39
<b>Operating Profit Before Working Capital/Other Changes</b>	<b>101.11</b>	<b>86.50</b>	<b>45.15</b>	<b>232.76</b>	-	-	-	<b>232.76</b>
<i>Adjustments for (increase)/decrease in operating assets:</i>								
Inventories	(345.09)	(399.08)	(26.12)	(770.29)	-	-	-	(770.29)
Trade Receivables	(55.90)	89.96	13.95	48.01	-	-	-	48.01
Other Current Financial Assets	1.60	0.30	(0.02)	1.88	-	-	-	1.88
Other Non Current Financial Assets	(1.43)	(0.01)	-	(1.44)	-	-	-	(1.44)
Other Current Assets	41.86	(49.97)	0.51	(7.60)	-	-	-	(7.60)
Other Non Current Assets	-	(0.11)	-	(0.11)	-	-	-	(0.11)
<i>Adjustments for increase/(decrease) in operating liabilities:</i>								
Trade Payables	318.18	12.69	8.45	339.32	(0.64)	-	(0.64)	338.68
Other Financial Liabilities (Current and Non-Current)	-	(0.64)	-	(0.64)	0.64	-	0.64	-
Other Liabilities ( Current and Non-Current)	(9.35)	(2.19)	(1.88)	(13.42)	-	-	-	(13.42)
Provisions (Current and Non-Current)	0.61	0.48	(0.05)	1.04	-	-	-	1.04
<b>Cash (used in) / generated from operations</b>	<b>51.59</b>	<b>(262.07)</b>	<b>39.99</b>	<b>(170.49)</b>	-	-	-	<b>(170.49)</b>
Direct Taxes Paid (net)	(17.42)	(16.26)	(1.98)	(35.66)	-	-	-	(35.66)
<b>Net cash (used in) / generated from operating activities (A)</b>	<b>34.17</b>	<b>(278.33)</b>	<b>38.01</b>	<b>(206.15)</b>	-	-	-	<b>(206.15)</b>

<b>Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)</b> <b>Proforma Condensed Combined Statement of Cash Flows for the period ended 30 June 2021</b> (All amounts are in Million Indian Rupees unless otherwise stated)								
Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniiks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>B. Cash flow from investing activities</b>								
Capital expenditure (including capital advances, net of payables on purchase of Property, plant and equipment and Intangible assets)	(5.04)	(21.03)	(1.40)	(27.47)	-	-	-	(27.47)
Proceeds from sale of property, plant and equipment	-	0.06	-	0.06	-	-	-	0.06
Purchase of non - current Investments	-	-	-	-	-	-	-	-
Purchase of current investments (net)	-	(0.77)	-	(0.77)	-	-	-	(0.77)
Fixed deposits matured	-	7.51	-	7.51	-	-	-	7.51
Investment in fixed deposits	-	(7.51)	-	(7.51)	-	-	-	(7.51)
Dividend received	-	0.76	-	0.76	-	-	-	0.76
Interest received	-	6.54	-	6.54	-	-	-	6.54
(Increase)/Decrease in Deposits under lien and margin money	-	-	(0.99)	(0.99)	-	-	-	(0.99)
<b>Net cash (used in) / generated from investing activities (B)</b>	<b>(5.04)</b>	<b>(14.44)</b>	<b>(2.39)</b>	<b>(21.87)</b>	-	-	-	<b>(21.87)</b>
<b>C. Cash flow from financing activities</b>								
Proceeds from short-term borrowings	-	201.63	-	201.63	-	-	-	201.63
Repayment of short-term borrowings	-	(40.46)	(10.74)	(51.20)	-	-	-	(51.20)
(Repayment)/Proceeds from Short Term Borrowings (net)	(18.31)	-	-	(18.31)	-	-	-	(18.31)
Long Term Borrowings Taken	-	-	0.56	0.56	-	-	-	0.56
Long Term Borrowings Repaid	(29.41)	(4.40)	-	(33.81)	-	-	-	(33.81)
Finance Costs Paid	(6.23)	(3.77)	(0.12)	(10.12)	-	-	-	(10.12)
Payment of lease liability	(3.93)	(2.15)	(0.13)	(6.21)	-	-	-	(6.21)
(Increase)/Decrease in Deposits in Lien Marked/Margin Money deposits	(16.08)	-	-	(16.08)	-	-	-	(16.08)
Interest Received on Lien Marked/Margin Money deposits	3.04	-	0.98	4.02	-	-	-	4.02
<b>Net cash (used in) / generated from financing activities (C)</b>	<b>(70.92)</b>	<b>150.85</b>	<b>(9.45)</b>	<b>70.48</b>	-	-	-	<b>70.48</b>

<b>Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)</b> <b>Proforma Condensed Combined Statement of Cash Flows for the period ended 30 June 2021</b> (All amounts are in Million Indian Rupees unless otherwise stated)								
Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(41.79)	(141.92)	26.17	(157.54)	-	-	-	(157.54)
Cash and cash equivalents at the beginning of the year	279.63	171.59	181.82	633.04	-	-	-	633.04
Add: Effect of exchange differences on restatement of foreign currency cash and cash equivalents	2.64	1.10	-	3.74	-	-	-	3.74
<b>Cash and cash equivalents at the end of the year</b>	<b>240.48</b>	<b>30.77</b>	<b>207.99</b>	<b>479.24</b>	-	-	-	<b>479.24</b>
<b>Cash and cash equivalents at the end of the year:</b>	<b>240.48</b>	<b>30.77</b>	<b>207.99</b>	<b>479.24</b>	-	-	-	<b>479.24</b>
As per our report of even date attached.  In terms of our report attached <b>For Deloitte Haskins &amp; Sells LLP</b> Firm Registration no. 117366W/W-100018 Chartered Accountants								
<b>Ananthi Amarnath</b> Partner				For and on behalf of the Board of Directors <b>Syrma SGS Technology Limited</b>			<b>J S Gujral</b> Managing Director DIN : 00198825 Place : Gurugram Date : 9 December 2021	
Place : Chennai Date : 9 December 2021				<b>Sandeep Tandon</b> Executive Chairman DIN : 00054553 Place : Mumbai Date : 9 December 2021			<b>Bijay Kumar Agrawal</b> Chief Financial Officer Place : Gurugram Date : 9 December 2021	
							<b>Rahul Sinnarkar</b> Company Secretary Place : Mumbai Date : 9 December 2021	

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Cash Flows for the year ended 31 March 2021**  
(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>A. Cash flow from operating activities</b>								
Profit before tax	363.36	387.13	118.58	869.07	-	-	-	869.07
Adjustments for :								
Depreciation and amortisation expense	120.74	95.39	11.39	227.52	-	-	-	227.52
Interest Income	(9.20)	(4.28)	(6.26)	(19.74)	-	-	-	(19.74)
Finance costs	45.24	25.04	1.19	71.47	-	-	-	71.47
Dividend income	-	(3.92)	-	(3.92)	-	-	-	(3.92)
Unrealised Exchange Loss/ (Gain) (net)	(23.45)	0.55	-	(22.90)	-	-	-	(22.90)
Mark-to-Market Loss / (Gain) on Financial Instrument	8.74	8.18	-	16.92	-	-	-	16.92
Net loss/(gain) on account of sale of investment	-	(7.98)	-	(7.98)	-	-	-	(7.98)
(Profit) / Loss on Sale / Discard of Property, Plant and Equipment (Net)	-	(0.64)	-	(0.64)	-	-	-	(0.64)
(Appreciation)/ diminution in value of investment	-	(35.04)	-	(35.04)	-	-	-	(35.04)
Bad debts written off	-	-	0.11	0.11	-	-	-	0.11
Allowance for Expected Credit Losses (Net)	(0.22)	(1.05)	-	(1.27)	-	-	-	(1.27)
Liabilities No Longer Required Written Back	(1.94)	(1.79)	-	(3.73)	-	-	-	(3.73)
<b>Operating Profit Before Working Capital/Other Changes</b>	<b>503.27</b>	<b>461.59</b>	<b>125.01</b>	<b>1,089.87</b>	-	-	-	<b>1,089.87</b>
<i>Adjustments for (increase)/decrease in operating assets:</i>								
Inventories	(88.50)	(261.25)	(19.78)	(369.53)	-	-	-	(369.53)
Trade Receivables	(108.47)	(144.85)	(15.36)	(268.68)	-	-	-	(268.68)
Other Current Financial Assets	(15.26)	8.18	(1.52)	(8.60)	-	-	-	(8.60)
Other Non Current Financial Assets	(3.01)	(0.07)	-	(3.08)	-	-	-	(3.08)
Other Current Assets	(36.58)	(48.60)	(1.72)	(86.90)	-	-	-	(86.90)
Other Non Current Assets	-	0.94	-	0.94	-	-	-	0.94
<i>Adjustments for increase/(decrease) in operating liabilities:</i>								
Trade Payables	88.85	105.72	(20.15)	174.42	8.68	-	8.68	183.10
Other Financial Liabilities (Current and Non-Current)	-	8.68	-	8.68	(8.68)	-	(8.68)	-
Other Liabilities ( Current and Non-Current)	(10.54)	43.65	7.47	40.58	-	-	-	40.58
Provisions (Current and Non-Current)	9.09	4.61	0.02	13.72	-	-	-	13.72
<b>Cash (used in) / generated from operations</b>	<b>338.85</b>	<b>178.60</b>	<b>73.97</b>	<b>591.42</b>	-	-	-	<b>591.42</b>
Direct Taxes Paid (net)	(100.31)	(87.23)	(32.74)	(220.28)	-	-	-	(220.28)
<b>Net cash (used in) / generated from operating activities (A)</b>	<b>238.54</b>	<b>91.37</b>	<b>41.23</b>	<b>371.14</b>	-	-	-	<b>371.14</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Cash Flows for the year ended 31 March 2021**  
(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>B. Cash flow from investing activities</b>								
Capital expenditure (including capital advances, net of payables on purchase of Property, plant and equipment and Intangible assets)	(56.77)	(126.21)	(10.84)	(193.82)	-	-	-	(193.82)
Proceeds from sale of property, plant and equipment	-	6.54	-	6.54	-	-	-	6.54
Purchase of current investments (net)	-	(51.21)	-	(51.21)	-	-	-	(51.21)
Fixed deposits matured	-	1.23	-	1.23	-	-	-	1.23
Investment in fixed deposits	-	(14.20)	-	(14.20)	-	-	-	(14.20)
Dividend received	-	3.92	-	3.92	-	-	-	3.92
Interest received	-	5.47	-	5.47	-	-	-	5.47
Investments in Associate	(887.41)	-	-	(887.41)	-	-	-	(887.41)
<b>Net cash (used in) / generated from investing activities (B)</b>	<b>(944.18)</b>	<b>(174.46)</b>	<b>(10.84)</b>	<b>(1,129.48)</b>	-	-	-	<b>(1,129.48)</b>
<b>C. Cash flow from financing activities</b>								
Proceeds from issue of Equity Share Capital (including Securities Premium)	331.25	-	-	331.25	-	-	-	331.25
Proceeds from issue of Compulsorily Convertible Preference shares (including Securities Premium)	749.28	-	-	749.28	-	-	-	749.28
Utilisation of Securities Premium	(1.85)	-	-	(1.85)	-	-	-	(1.85)
Redemption of preference shares	(45.00)	-	-	(45.00)	-	-	-	(45.00)
Proceeds from short-term borrowings	-	728.24	10.06	738.30	-	-	-	738.30
Repayment of short-term borrowings	-	(597.61)	-	(597.61)	-	-	-	(597.61)
(Repayment)/Proceeds from Short Term Borrowings (net)	(273.82)	-	-	(273.82)	-	-	-	(273.82)
Long Term Borrowings Taken	219.84	-	-	219.84	-	-	-	219.84
Long Term Borrowings Repaid	(37.77)	(30.21)	(48.47)	(116.45)	-	-	-	(116.45)
Finance Costs Paid	(51.53)	(17.64)	(0.99)	(70.16)	-	-	-	(70.16)
Payment of lease liability	(15.17)	(7.95)	(0.47)	(23.59)	-	-	-	(23.59)
Long Term Borrowings repaid to Related Party	(125.39)	-	-	(125.39)	-	-	-	(125.39)
(Increase)/Decrease in Deposits in Lien Marked/Margin Money deposits	(75.14)	-	0.54	(74.60)	-	-	-	(74.60)
Interest Received on Lien Marked/Margin Money deposits	5.42	-	6.26	11.68	-	-	-	11.68
<b>Net cash (used in) / generated from financing activities (C)</b>	<b>680.12</b>	<b>74.83</b>	<b>(33.07)</b>	<b>721.88</b>	-	-	-	<b>721.88</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Cash Flows for the year ended 31 March 2021**  
(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(25.52)	(8.26)	(2.68)	(36.46)	-	-	-	<b>(36.46)</b>
Cash and cash equivalents at the beginning of the year	307.68	180.96	184.50	673.14	-	-	-	<b>673.14</b>
Add: Effect of exchange differences on restatement of foreign currency cash and cash equivalents	(2.53)	(1.11)	-	(3.64)	-	-	-	<b>(3.64)</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>279.63</b>	<b>171.59</b>	<b>181.82</b>	<b>633.04</b>	-	-	-	<b>633.04</b>
<b>Cash and cash equivalents at the end of the year:</b>	<b>279.63</b>	<b>171.59</b>	<b>181.82</b>	<b>633.04</b>	-	-	-	<b>633.04</b>

As per our report of even date attached.

In terms of our report attached

**For Deloitte Haskins & Sells LLP**

Firm Registration no. 117366W/W-100018

Chartered Accountants

**Ananthi Amarnath**

Partner

Place : Chennai

Date : 9 December 2021

For and on behalf of the Board of Directors

**Syrma SGS Technology Limited**

**Sandeep Tandon**

Executive Chairman

DIN : 00054553

Place : Mumbai

Date : 9 December 2021

**Bijay Kumar Agrawal**

Chief Financial Officer

Place : Gurugram

Date : 9 December 2021

**J S Gujral**

Managing Director

DIN : 00198825

Place : Gurugram

Date : 9 December 2021

**Rahul Sinnarkar**

Company Secretary

Place : Mumbai

Date : 9 December 2021



<b>Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)</b> <b>Proforma Condensed Combined Statement of Cash Flows for the year ended 31 March 2020</b> (All amounts are in Million Indian Rupees unless otherwise stated)								
Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>A. Cash flow from operating activities</b>								
Profit before tax	522.31	446.19	165.09	1,133.59	-	-	-	1,133.59
Adjustments for :								
Depreciation and amortisation expense	96.99	84.26	9.55	190.80	-	-	-	190.80
Interest Income	(3.98)	(4.66)	(2.84)	(11.48)	-	-	-	(11.48)
Finance costs	79.70	46.71	1.87	128.28	-	-	-	128.28
Exceptional item - Bad receivables written off	55.99	-	-	55.99	-	-	-	55.99
Dividend income	-	(3.70)	-	(3.70)	-	-	-	(3.70)
Unrealised Exchange Loss/ (Gain) (net)	(21.42)	7.88	-	(13.54)	-	-	-	(13.54)
Mark-to-Market Loss / (Gain) on Financial Instrument	-	(8.22)	-	(8.22)	-	-	-	(8.22)
Net loss/(gain) on account of sale of investment	-	(12.42)	-	(12.42)	-	-	-	(12.42)
(Profit) / Loss on Sale / Discard of Property, Plant and Equipment (Net)	(1.27)	(0.44)	-	(1.71)	-	-	-	(1.71)
(Appreciation)/ diminution in value of investment	-	5.52	-	5.52	-	-	-	5.52
Allowance for Expected Credit Losses (Net)	5.62	2.97	-	8.59	-	-	-	8.59
Liabilities No Longer Required Written Back	(7.57)	-	-	(7.57)	-	-	-	(7.57)
<b>Operating Profit Before Working Capital/Other Changes</b>	<b>726.37</b>	<b>564.09</b>	<b>173.67</b>	<b>1,464.13</b>	-	-	-	<b>1,464.13</b>
<i>Adjustments for (increase)/decrease in operating assets:</i>								
Inventories	(45.47)	58.52	(4.89)	8.16	-	-	-	8.16
Trade Receivables	(179.95)	227.32	(17.14)	30.23	-	-	-	30.23
Other Current Financial Assets	27.09	(8.22)	(0.47)	18.40	-	-	-	18.40
Other Non Current Financial Assets	(3.94)	(2.55)	-	(6.49)	-	-	-	(6.49)
Other Current Assets	(79.05)	20.87	0.48	(57.70)	-	-	-	(57.70)
Other Non Current Assets	-	(0.18)	-	(0.18)	-	-	-	(0.18)
<i>Adjustments for increase/(decrease) in operating liabilities:</i>								
Trade Payables	146.05	(104.19)	60.78	102.64	5.46	-	5.46	108.10
Other Financial Liabilities (Current and Non-Current)	-	(3.17)	-	(3.17)	(5.46)	-	(5.46)	(8.63)
Other Liabilities ( Current and Non-Current)	166.42	16.57	3.05	186.04	-	-	-	186.04
Provisions (Current and Non-Current)	16.56	6.15	0.29	23.00	-	-	-	23.00
<b>Cash (used in) / generated from operations</b>	<b>774.08</b>	<b>775.22</b>	<b>215.77</b>	<b>1,765.07</b>	-	-	-	<b>1,765.06</b>
Direct Taxes Paid (net)	(65.79)	(97.54)	(43.79)	(207.12)	-	-	-	-
<b>Net cash (used in) / generated from operating activities (A)</b>	<b>708.29</b>	<b>677.68</b>	<b>171.98</b>	<b>1,557.95</b>	-	-	-	<b>1,765.06</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Cash Flows for the year ended 31 March 2020**  
(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>B. Cash flow from investing activities</b>								
Capital expenditure (including capital advances, net of payables on purchase of Property, plant and equipment and Intangible assets)	(295.64)	(163.95)	(24.77)	(484.36)	-	-	-	(484.36)
Proceeds from sale of property, plant and equipment	5.13	0.36	-	5.49	-	-	-	5.49
Purchase of non - current Investments	-	(18.07)	-	(18.07)	-	-	-	(18.07)
Purchase of current investments (net)	-	(2.35)	-	(2.35)	-	-	-	(2.35)
Fixed deposits matured	-	1.24	-	1.24	-	-	-	1.24
Investment in fixed deposits	-	(0.44)	-	(0.44)	-	-	-	(0.44)
Dividend received	-	3.70	-	3.70	-	-	-	3.70
Interest received	-	0.91	-	0.91	-	-	-	0.91
<b>Net cash (used in) / generated from investing activities (B)</b>	<b>(290.51)</b>	<b>(178.60)</b>	<b>(24.77)</b>	<b>(493.88)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(493.88)</b>
<b>C. Cash flow from financing activities</b>								
Proceeds from issue of Redeemable Preference shares	45.00	-	-	45.00	-	-	-	45.00
Redemption of preference shares	(90.00)	-	-	(90.00)	-	-	-	(90.00)
Proceeds from short-term borrowings	-	325.48	0.68	326.16	-	-	-	326.16
Repayment of short-term borrowings	-	(625.75)	-	(625.75)	-	-	-	(625.75)
(Repayment)/Proceeds from Short Term Borrowings (net)	11.65	-	-	11.65	-	-	-	11.65
Long Term Borrowings Taken	31.75	-	-	31.75	-	-	-	31.75
Long Term Borrowings Repaid	(51.63)	(11.33)	(7.60)	(70.56)	-	-	-	(70.56)
Finance Costs Paid	(80.18)	(37.51)	(1.64)	(119.33)	-	-	-	(119.33)
Dividend paid on equity shares	-	(20.42)	-	(20.42)	-	-	-	(20.42)
Payment of lease liability	(14.59)	(6.73)	(0.48)	(21.80)	-	-	-	(21.80)
Long Term Borrowings taken from Related Party	67.25	-	-	67.25	-	-	-	67.25
Long Term Borrowings repaid to Related Party	(172.21)	-	-	(172.21)	-	-	-	(172.21)
(Increase)/Decrease in Deposits in Lien Marked/Margin Money deposits	38.92	-	(1.58)	37.34	-	-	-	37.34
Interest Received on Lien Marked/Margin Money deposits	7.64	-	3.22	10.86	-	-	-	10.86
<b>Net cash (used in) / generated from financing activities (C)</b>	<b>(206.40)</b>	<b>(376.26)</b>	<b>(7.40)</b>	<b>(590.06)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(590.06)</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Cash Flows for the year ended 31 March 2020**  
(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	211.38	122.82	139.81	474.01	-	-	-	<b>474.01</b>
Cash and cash equivalents at the beginning of the year	61.49	59.36	44.69	165.54	-	-	-	<b>165.54</b>
Add: Effect of exchange differences on restatement of foreign currency cash and cash equivalents	34.81	(1.22)	-	33.59	-	-	-	<b>33.59</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>307.68</b>	<b>180.96</b>	<b>184.50</b>	<b>673.14</b>	-	-	-	<b>673.14</b>
<b>Cash and cash equivalents at the end of the year:</b>	<b>307.68</b>	<b>180.96</b>	<b>184.50</b>	<b>673.14</b>	-	-	-	<b>673.14</b>

As per our report of even date attached.

In terms of our report attached

**For Deloitte Haskins & Sells LLP**

Firm Registration no. 117366W/W-100018

Chartered Accountants

For and on behalf of the Board of Directors

**Syrma SGS Technology Limited**

**Ananthi Amarnath**  
**Partner**

**Sandeep Tandon**  
Executive Chairman  
DIN : 00054553  
Place : Mumbai  
Date : 9 December 2021

**J S Gujral**  
Managing Director  
DIN : 00198825  
Place : Gurugram  
Date : 9 December 2021

**Bijay Kumar Agrawal**  
Chief Financial Officer

**Rahul Sinnarkar**  
Company Secretary

Place : Chennai  
Date : 9 December 2021

Place : Gurugram  
Date : 9 December 2021

Place : Mumbai  
Date : 9 December 2021

<b>Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)</b> <b>Proforma Condensed Combined Statement of Cash Flows for the year ended 31 March 2019</b> (All amounts are in Million Indian Rupees unless otherwise stated)								
Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknicks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>A. Cash flow from operating activities</b>								
Profit before tax	272.97	431.59	18.11	722.67	-	-	-	<b>722.67</b>
Adjustments for :								
Depreciation and amortisation expense	97.47	71.38	8.54	177.39	-	-	-	<b>177.39</b>
Interest Income	(7.72)	(5.51)	(1.06)	(14.29)	-	-	-	<b>(14.29)</b>
Finance costs	60.32	54.37	3.89	118.58	-	-	-	<b>118.58</b>
Dividend income	-	(2.72)	-	(2.72)	-	-	-	<b>(2.72)</b>
Unrealised Exchange Loss/ (Gain) (net)	33.92	13.43	-	47.35	-	-	-	<b>47.35</b>
Mark-to-Market Loss / (Gain) on Financial Instrument	-	0.61	-	0.61	-	-	-	<b>0.61</b>
Net loss/(gain) on account of sale of investment	-	2.25	-	2.25	-	-	-	<b>2.25</b>
(Profit) / Loss on Sale / Discard of Property, Plant and Equipment (Net)	0.83	(55.67)	-	(54.84)	-	-	-	<b>(54.84)</b>
(Appreciation)/ diminution in value of investment	-	(6.85)	-	(6.85)	-	-	-	<b>(6.85)</b>
Investment written off	-	4.28	-	4.28	-	-	-	<b>4.28</b>
Allowance for Expected Credit Losses (Net)	11.23	(1.82)	-	9.41	-	-	-	<b>9.41</b>
Mutual funds income	-	-	(0.28)	(0.28)	-	-	-	<b>(0.28)</b>
<b>Operating Profit Before Working Capital/Other Changes</b>	<b>469.02</b>	<b>505.34</b>	<b>29.20</b>	<b>1,003.56</b>	-	-	-	<b>1,003.56</b>
<i>Adjustments for (increase)/decrease in operating assets:</i>								
Inventories	(181.74)	(59.46)	0.37	(240.83)	-	-	-	<b>(240.83)</b>
Trade Receivables	(274.09)	(151.75)	(5.59)	(431.43)	-	-	-	<b>(431.43)</b>
Other Non Current Financial Assets	(60.32)	(1.10)	-	(61.42)	-	-	-	<b>(61.42)</b>
Other Current Financial Assets	(2.84)	0.61	-	(2.23)	-	-	-	<b>(2.23)</b>
Other Current Assets	(33.93)	35.48	6.25	7.80	-	-	-	<b>7.80</b>
Other Non Current Assets	-	(2.66)	-	(2.66)	-	-	-	<b>(2.66)</b>
<i>Adjustments for increase/(decrease) in operating liabilities:</i>								
Trade Payables	292.70	(80.37)	(1.30)	211.03	(1.12)	-	(1.12)	<b>209.91</b>
Other Financial Liabilities (Current and Non-Current)	-	(1.31)	-	(1.31)	1.12	-	1.12	<b>(0.19)</b>
Other Liabilities ( Current and Non-Current)	(47.93)	(29.99)	(1.43)	(79.35)	-	-	-	<b>(79.35)</b>
Provisions (Current and Non-Current)	18.64	6.84	0.17	25.65	-	-	-	<b>25.65</b>
<b>Cash (used in) / generated from operations</b>	<b>179.51</b>	<b>221.63</b>	<b>27.67</b>	<b>428.81</b>	-	-	-	<b>428.81</b>
Direct Taxes Paid (net)	(79.12)	(109.67)	(9.41)	(198.20)	-	-	-	<b>(198.20)</b>
<b>Net cash (used in) / generated from operating activities (A)</b>	<b>100.39</b>	<b>111.96</b>	<b>18.26</b>	<b>230.61</b>	-	-	-	<b>230.61</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Cash Flows for the year ended 31 March 2019**  
(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>B. Cash flow from investing activities</b>								
Capital expenditure (including capital advances, net of payables on purchase of Property, plant and equipment and Intangible assets)	(222.64)	(171.85)	(4.46)	(398.95)	-	-	-	(398.95)
Proceeds from sale of property, plant and equipment	1.18	55.67	13.34	70.19	-	-	-	70.19
Purchase of current investments (net)	-	(40.38)	(3.25)	(43.63)	-	-	-	(43.63)
Fixed deposits matured	-	114.36	-	114.36	-	-	-	114.36
Investment in fixed deposits	-	(113.10)	-	(113.10)	-	-	-	(113.10)
Dividend received	-	2.72	-	2.72	-	-	-	2.72
Interest received	-	5.05	-	5.05	-	-	-	5.05
<b>Net cash (used in) / generated from investing activities (B)</b>	<b>(221.46)</b>	<b>(147.53)</b>	<b>5.63</b>	<b>(363.36)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(363.36)</b>
<b>C. Cash flow from financing activities</b>								
Proceeds from issue of Redeemable Preference shares	30.00	-	-	30.00	-	-	-	30.00
Redemption of preference shares	(30.00)	-	-	(30.00)	-	-	-	(30.00)
Proceeds from short-term borrowings	-	370.70	-	370.70	-	-	-	370.70
Repayment of short-term borrowings	-	(240.59)	-	(240.59)	-	-	-	(240.59)
(Repayment)/Proceeds from Short Term Borrowings (net)	123.98	-	-	123.98	-	-	-	123.98
Long Term Borrowings Taken	77.37	-	5.08	82.45	-	-	-	82.45
Long Term Borrowings Repaid	(41.68)	(50.94)	-	(92.62)	-	-	-	(92.62)
Finance Costs Paid	(36.48)	(49.16)	(3.64)	(89.28)	-	-	-	(89.28)
Dividend paid on equity shares	-	(13.61)	-	(13.61)	-	-	-	(13.61)
Payment of lease liability	(13.60)	(3.99)	(0.48)	(18.07)	-	-	-	(18.07)
Long Term Borrowings taken from Related Party	142.31	-	-	142.31	-	-	-	142.31
Long Term Borrowings repaid to Related Party	(96.95)	-	-	(96.95)	-	-	-	(96.95)
(Increase)/Decrease in Deposits in Lien Marked/Margin Money deposits	(23.92)	-	-	(23.92)	-	-	-	(23.92)
Interest Received on Lien Marked/Margin Money deposits	2.34	-	1.01	3.35	-	-	-	3.35
<b>Net cash (used in) / generated from financing activities (C)</b>	<b>133.37</b>	<b>12.41</b>	<b>1.97</b>	<b>147.75</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>147.75</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**  
**Proforma Condensed Combined Statement of Cash Flows for the year ended 31 March 2019**  
(All amounts are in Million Indian Rupees unless otherwise stated)

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	12.30	(23.16)	25.86	15.00	-	-	-	<b>15.00</b>
Cash and cash equivalents at the beginning of the year	43.73	82.40	18.83	144.96	-	-	-	<b>144.96</b>
Add: Effect of exchange differences on restatement of foreign currency cash and cash equivalents	5.46	0.12	-	5.58	-	-	-	<b>5.58</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>61.49</b>	<b>59.36</b>	<b>44.69</b>	<b>165.54</b>	-	-	-	<b>165.54</b>
<b>Cash and cash equivalents at the end of the year:</b>	<b>61.49</b>	<b>59.36</b>	<b>44.69</b>	<b>165.54</b>	-	-	-	<b>165.54</b>

As per our report of even date attached.

In terms of our report attached

**For Deloitte Haskins & Sells LLP**

Firm Registration no. 117366W/W-100018

Chartered Accountants

For and on behalf of the Board of Directors

**Syrma SGS Technology Limited**

**Ananthi Amarnath**

Partner

**Sandeep Tandon**

Executive Chairman

DIN : 00054553

Place : Mumbai

Date : 9 December 2021

**J S Gujral**

Managing Director

DIN : 00198825

Place : Gurugram

Date : 9 December 2021

**Bijay Kumar Agrawal**

Chief Financial Officer

Place : Gurugram

Date : 9 December 2021

**Rahul Sinnarkar**

Company Secretary

Place : Mumbai

Date : 9 December 2021

Place : Chennai

Date : 9 December 2021

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**1 Background of entities forming part of Proforma Condensed Combined Financial Information**

Syrma SGS Technology Limited ("Syrma" or "the Company") is a Limited Company domiciled and incorporated in India under the Companies Act, 2013. The registered office of the Company is located at Unit F601, Floral Deck Plaza, Andheri East, Mumbai. The Company is engaged in the business of manufacturing various electronic sub-assemblies, assemblies and box builds, disk drives, memory modules, power supplies/adapters, fiber optic assemblies, magnetic induction coils and RFID products and other electronic products. The Company has 5 state of the art manufacturing facilities most of which hold all key accreditations required for the industry.

SGS Teknics Manufacturing Private Limited ("SGS Teknics") is a private limited company domiciled in India. SGS is engaged in the business of providing electronic manufacturing goods and related services. SGS is having four manufacturing locations in India along with design and development center at Stuttgart, Germany and Gurgaon, India. The production facilities are located at Gurgaon, Manesar, Baddi and Bangalore. SGS has two Subsidiaries, SGS Infosystem Private Limited (Operating in India) and SGS Solution GMBH (Operating in Deutschland).

Perfect ID India Private Limited ("Perfect") is a Private Limited Company domiciled in India and incorporated under the provisions of Companies Act, 2013. It is India's first fully automated RFID tag manufacturing company and is a leading developer and manufacturer of high quality and smart UHF RAIN RFID inlays and tags. Perfect has invested in Perfect IOT Wireless Solutions LLP to the extent of 50% share in profits and has treated the investment in LLP as an investment in associate.

**1.1 Background of transaction**

Name of entity	Date of transaction	% stake acquired	Amount of consideration paid	Relationship since date of transaction
SGS Teknics	05-Nov-20	20%	887.41	Associate - Refer (a) below
SGS Teknics	16-Sep-21	80%	2,777.41	Wholly owned subsidiary - Refer (a) below
Perfect	22-Oct-21	75%	339.23	Subsidiary - Refer (b') below

Hereafter, all the three entities to be collectively know as 'Proforma group' for the purpose of Proforma Condensed Combined financial information.

(a) The Company had initially acquired 322,557 shares of SGS constituting 20% of the share capital of SGS vide Shareholders' agreement dated 23rd October 2020 between the Company, promoters of Company, SGS Teknics and erstwhile promoters of SGS Teknics. Subsequently, vide Shareholders' agreement dated 16 September 2021 between the Company, SGS Teknics and erstwhile promoters of SGS Teknics, the Company has acquired the balance 1,290,228 shares constituting 80% of the share capital of SGS Teknics pursuant to which SGS has become a wholly owned subsidiary of the Company.

(b) The Company has acquired 1,690,613 shares of Perfect ID constituting 75% of the share capital of Perfect ID vide Investment agreement dated 11th October 2021 between the Company, Perfect ID and erstwhile promoters of Perfect ID.

**2 Purpose and Basis of Preparation****2.1 Purpose of Preparation**

These Proforma Condensed Combined Financial Information have been prepared by the management of the Company for the purpose of inclusion in the draft red herring prospectus (the "DRHP") prepared by the Company in connection with its proposed Initial Public Offer ("IPO").

As per clause (11)(I)(B)(iii) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the "ICDR Regulations"), the Company is required to present Proforma financial information for the last completed financial year and the stub period, if any (i.e. for the year ended March 31, 2021 and for the three month period ended June 30, 2021). However, the Company has presented additional proforma information for the years ended March 31, 2020 and 2019 on a voluntary basis.

These Proforma Condensed Combined Financial Information have been approved by the Board of Directors on 9 December 2021.

**2.2 Basis of Preparation**

The proforma condensed combined financial information of the Company comprising the proforma condensed combined statement of assets and liabilities as at 30 June 2021, 31 March 2021, 31 March 2020 and 31 March 2019, proforma condensed combined statement of profit and loss (including other comprehensive income) and proforma condensed combined cash flow statement for the three month period ended 30 June 2021 and for the year ended 31 March 2021, 31 March 2020, 31 March 2019, read with selected explanatory notes to the proforma condensed combined financial statements (collectively "Proforma condensed Combined Financial Information"), have been prepared in accordance with the Guidance Note on Combined and Carve Out Financial Statements and Guide to Reporting on Proforma Financial Statements issued by the Institute of Chartered Accountants of India ('ICAI') ('Guidance Note').

SGS Teknics and Perfect ID have been considered in these Pro Forma Condensed Combined Financial Information as if they had been controlled by the Company for all the periods presented herein.

The Proforma Condensed Combined Financial Information has been prepared solely to illustrate what the balance sheet as at June 30, 2021, March 31, 2021, 2020 and 2019 and statement of profit and loss (including other comprehensive income) and cash flow statement for the three month period ended June 30, 2021 and for the years ended March 31, 2021, 2020 and 2019 for the Proforma Group might have been, had SGS Teknics and Perfect ID had been controlled by the Company and accounted for as subsidiaries from April 1, 2018. Accordingly, the Pro Forma Condensed Combined Financial Information are not intended to present the financial position or income or cashflows that the business would have actually achieved had any of the above described effects taken effect on the reported dates; nor are they to show an actual financial position or the business's results at any future date or in any future period.

The proforma adjustments are based upon available information and assumptions that the management of the Company believes to be reasonable. Such proforma financial information has not been prepared in accordance with auditing or other standards and practices generally accepted in other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices. Accordingly, the degree of reliance placed by investors in other jurisdictions on such proforma information should be limited. In addition, the rules and regulations related to the preparation of proforma financial information in other jurisdictions may also vary significantly from the basis of preparation as set out in paragraphs below to prepare these Proforma Condensed Combined financial information.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)****Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

The Proforma Financial Information for the above mentioned Period is not a complete set of financial statements of Proforma Group and does not include all disclosures in accordance with the Indian Accounting Standards (referred to as 'IndAS') prescribed under Section 133 of the Companies Act, 2013 (referred to as 'the Act') and Schedule III of the Act, as applicable and is not intended to give true and fair view of the financial position or the financial performance of the Proforma Group for the Period, in accordance with IndAS prescribed under Section 133 of the Act. As a result, these Proforma Financial Information may not be comparable and suitable for any other purpose as stated above in Note 2.1 above. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Proforma Group's financial position and performance. Hence, these Proforma Financial information have been indicated as Condensed Financial information.

Further since these financial information present the combined historical financial information of companies that do not historically comprise a group (i.e parent and subsidiaries) and considering that the Company has not prepared/presented this consolidated financial information under Ind AS 110 - Consolidated financial statements these financial information have been indicated as Combined financial information and not Consolidated financial information.

The Proforma Condensed Combined Financial Information have been compiled by the Company from the

(a) restated consolidated Financial Information of the Company and its associate as at and three month period ended June 30, 2021 and as at and for the year ended March 31, 2021 and restated standalone financial information of the Company as at and for the years ended March 31, 2020 and 2019 which have been approved by the Board of Directors of the Company on 9 December 2021 ("Company Restated Financial Information");

(b) restated consolidated financial information of SGS Teknics Group as at and for the three month period ended June 30, 2021 and as at and for the years ended March 31, 2021, 2020 and 2019 which have been approved by the Board of Directors of SGS Teknics on 8 December 2021 ("SGS Teknics Restated Financial Information"). The examination report provided by the auditors of SGS Teknics states that restated consolidated financial information of SGS Teknics does not require any adjustments for the matters giving rise to modifications in the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub section (11) of section 143 of the Act which have been disclosed in Annexure VI to the Restated Consolidated Financial Information of SGS Teknics and reproduced in these Proforma Condensed Combined Financial information as part of Note 35 and

(c) restated consolidated financial information of Perfect ID Group as at and for the three month period ended June 30, 2021 and as at and for the years ended March 31, 2021, 2020 and 2019 which have been approved by the Board of Directors of Perfect ID on 6 December 2021 ("Perfect ID Restated Financial Information").

These Proforma Condensed Combined financial information have been prepared considering the underlying historical financial information of the SGS Teknics Group and Perfect ID Group and not using the accounting principle required to be followed as per Ind AS 103 "Business Combination". However, the acquisitions of SGS Teknics Group and Perfect ID Group are required to be accounted as per the requirements of Ind AS 103 "Business Combination" on the date of respective acquisitions subsequent to June 30, 2021 by the Company. Accordingly, the Proforma Condensed Combined financial information may not be representative of the actual financial position, financial performance and cash flows which may prevail after SGS Teknics Group and Perfect ID Group are acquired by the Company.

The Company Restated Financial Information, SGS Teknics Restated Financial Information, Perfect ID Restated Financial Information have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses.

**Entities considered in the Proforma Condensed Combined Financial information:**

Name of the entity	Country of incorporation	Principal Place of Business
Syrma SGS Technology Limited	India	India
<b>SGS Teknics Group</b>		
SGS Teknics Manufacturing Private Limited	India	India
SGS Infosystem Private Limited	India	India
SGS Solutions GMBH	Deutschland	Deutschland
<b>Perfect ID Group</b>		
Perfect ID India Private Limited	India	India
Perfect IOT Wireless Solutions LLP	India	India

**2.3 Proforma Adjustments**

The following adjustments have been made to present the Proforma Condensed Combined financial information

**2.3.1 Classification Adjustments**

- (a) Reclassification adjustments pertaining to SGS Teknics which includes Advance tax amounting to Rs 19.47 Million, Rs 19.47 Million, Rs 36.22 Million and Rs 36.29 Million for the period ended 30 June 2021 and year ended 31 March 2021, 31 March 2020 and 31 March 2019 respectively have been reclassified from Other non-current assets (Refer Note 9) to Income tax Asset to conform to Proforma Group's presentation of Advance tax.
- (b) Reclassification adjustments pertaining to SGS Teknics which includes Employee benefits and other dues amounting to Rs 63.81 Million, Rs 64.45 Million, Rs 55.76 Million and Rs 50.30 Million for the period ended 30 June 2021 and year ended 31 March 2021, 31 March 2020 and 31 March 2019 respectively have been reclassified from Other Financial liabilities (Refer Note 23) to Trade payables to conform to Proforma Group's presentation of Employees benefits and other Dues.
- (c) Reclassification adjustments pertaining to SGS Teknics which includes Mark to market loss on cross currency interest rate swaps amounting to Rs 0.30 Million, Rs 8.18 Million, and Rs 0.61 Million for the period ended 30 June 2021 and year ended 31 March 2021 and 31 March 2019 respectively have been reclassified from Other Income (Refer Note 27) to Other Expenses (Refer Note 31) to conform to Proforma Group's presentation of Mark to market (loss)/gain on cross currency interest rate swaps.
- (d) Reclassification adjustments pertaining to SGS Teknics which includes export incentive amounting to Rs 16.14 Million, Rs 35.94 Million, and Rs 55.11 Million for the year ended 31 March 2021, 31 March 2020 and 31 March 2019 respectively have been reclassified from Other Income (Refer Note 27) to Revenue from Operations (Refer Note 26) to conform to Proforma Group's presentation of export incentive.



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**2.3.2 Intragroup elimination adjustments**

(a) Since the associate (SGS Teknics) has become a wholly owned subsidiary subsequent to 30 June 2021, the share of profits and other comprehensive income accounted under the equity method for the period ended 30 June 2021 and year ended 31 March 2021 has been eliminated as an intra-group adjustments. The whole of profits of SGS Teknics is considered as a separate column on a proforma basis by way of line-by-line addition.

(b) The Company has eliminated the total investment in associate (SGS Teknics) with the share of Equity Share Capital and the balance has been adjusted with Other Equity.

Particulars	Amount
Investment in Associate (A)	887.41
Less	
Share of Equity Share Capital of SGS Teknics on the date of it becoming an associate (B)	16.13
Balance adjusted against Other Equity (C=A-B)	871.28

(c) The Company has eliminated the equity of Perfect ID to the extent of 25% with Non-controlling interest and the balance has been eliminated with other equity for all the periods presented.

(d) The details of non-controlling interest (NCI) accounted in proforma condensed combined financial information is as follows:-

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
<b>SGS Teknics (A)</b>	7.92	5.48	1.88	1.16
<b>Perfect ID</b>				
Share of Equity Share Capital	5.64	5.64	5.64	5.64
Share of Opening Other equity	55.27	33.53	3.00	-0.48
Share of profit or loss during the year	8.28	21.74	30.53	3.48
<b>Sub-total (B)</b>	<b>69.19</b>	<b>60.91</b>	<b>39.17</b>	<b>8.64</b>
<b>Grand total (A+B)</b>	<b>77.11</b>	<b>66.39</b>	<b>41.05</b>	<b>9.80</b>

(e) The details of adjustments to Other equity is as follows:-

Particulars	As at 30 June 2021	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019
<b>SGS Teknics Equity</b>				
a) Equity share capital (Refer b above)	-	-	16.13	16.13
b) Investment in SGS Teknics (Refer b above)	(871.28)	(871.28)	-	-
c) Share of profit of SGS Teknics accounted under Equity method (Refer a above)	(44.88)	(34.04)	-	-
<b>Sub-total (I=a+b+c)</b>	<b>(916.16)</b>	<b>(905.32)</b>	<b>16.13</b>	<b>16.13</b>
<b>Perfect ID</b>				
d) Equity share capital (Refer c above)	16.91	16.91	16.91	16.91
e) Share of NCI portion as on date	(63.55)	(55.27)	(33.53)	(3.00)
<b>Sub-total (II=d+e)</b>	<b>(46.64)</b>	<b>(38.36)</b>	<b>(16.62)</b>	<b>13.91</b>
<b>Grand total (I+II)</b>	<b>(962.80)</b>	<b>(943.68)</b>	<b>(0.49)</b>	<b>30.04</b>

**2.3.3 Proforma Earnings Per Share**

Refer Note 34 in relation to the proforma adjustments made for computing Proforma earnings per share on combined basis.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**3.1 Property, Plant and Equipment - Net Block**
**As at 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Land	-	38.87	-	38.87	-	-	-	38.87
Buildings on Leasehold Land	101.93	202.27	1.79	305.99	-	-	-	305.99
Plant & Equipment	539.50	491.62	40.25	1,071.37	-	-	-	1,071.37
Furniture & Fittings	17.11	29.55	2.65	49.31	-	-	-	49.31
Office Equipment	4.23	12.89	2.26	19.38	-	-	-	19.38
Computers & Other peripherals	12.33	17.81	0.86	31.00	-	-	-	31.00
Electrical Installation	58.19	-	-	58.19	-	-	-	58.19
Vehicles	3.19	44.22	4.61	52.02	-	-	-	52.02
Tools & Moulds	-	62.65	-	62.65	-	-	-	62.65
Airconditioner Equipment	-	27.19	-	27.19	-	-	-	27.19
<b>Total</b>	<b>736.48</b>	<b>927.07</b>	<b>52.42</b>	<b>1,715.97</b>	-	-	-	<b>1,715.97</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**3.1 Property, Plant and Equipment - Net Block (Continued)**

As at 31 March 2021

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(H=E+F+G)	(I=D+H)
Land	-	38.87	-	38.87	-	-	-	38.87
Buildings on Leasehold Land	103.39	204.15	1.88	309.42	-	-	-	309.42
Plant & Equipment	552.59	497.42	40.97	1,090.98	-	-	-	1,090.98
Furniture & Fittings	17.52	29.30	2.73	49.55	-	-	-	49.55
Office Equipment	4.48	12.54	2.41	19.43	-	-	-	19.43
Computers & Other peripherals	11.17	18.69	0.59	30.45	-	-	-	30.45
Electrical Installation	58.30	-	-	58.30	-	-	-	58.30
Vehicles	3.44	42.68	4.67	50.79	-	-	-	50.79
Tools & Moulds	-	61.69	-	61.69	-	-	-	61.69
Airconditioner Equipment	-	28.53	-	28.53	-	-	-	28.53
<b>Total</b>	<b>750.89</b>	<b>933.87</b>	<b>53.25</b>	<b>1,738.01</b>	-	-	-	<b>1,738.01</b>

**Syrma SGS Technology Limited (formerly known as Syрма Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**3.1 Property, Plant and Equipment - Net Block (Continued)**

As at 31 March 2020

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(H=E+F+G)	(I=D+H)
Land	14.57	38.87	-	53.44	-	-	-	53.44
Buildings on Leasehold Land	97.35	210.02	2.22	309.59	-	-	-	309.59
Plant & Equipment	576.83	504.54	39.02	1,120.39	-	-	-	1,120.39
Furniture & Fittings	16.95	25.67	2.73	45.35	-	-	-	45.35
Office Equipment	6.60	11.45	3.19	21.24	-	-	-	21.24
Computers & Other peripherals	8.02	11.40	0.65	20.07	-	-	-	20.07
Electrical Installation	54.38	-	-	54.38	-	-	-	54.38
Vehicles	4.45	38.25	5.78	48.48	-	-	-	48.48
Tools & Moulds	-	44.01	-	44.01	-	-	-	44.01
Airconditioner Equipment	-	32.42	-	32.42	-	-	-	32.42
<b>Total</b>	<b>779.15</b>	<b>916.63</b>	<b>53.59</b>	<b>1,749.37</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,749.37</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**3.1 Property, Plant and Equipment - Net Block (Continued)**

As at 31 March 2019

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(H=E+F+G)	(I=D+H)
Land	17.93	38.87	-	56.80	-	-	-	56.80
Buildings on Leasehold Land	98.10	187.72	2.05	287.87	-	-	-	287.87
Plant & Equipment	542.47	464.79	32.45	1,039.71	-	-	-	1,039.71
Furniture & Fittings	17.97	25.46	1.29	44.72	-	-	-	44.72
Office Equipment	6.54	9.63	3.04	19.21	-	-	-	19.21
Computers & Other peripherals	8.34	11.36	0.60	20.30	-	-	-	20.30
Electrical Installation	55.03	-	-	55.03	-	-	-	55.03
Vehicles	6.01	21.13	0.17	27.31	-	-	-	27.31
Tools & Moulds	-	31.09	-	31.09	-	-	-	31.09
Airconditioner Equipment	-	37.35	-	37.35	-	-	-	37.35
<b>Total</b>	<b>752.39</b>	<b>827.40</b>	<b>39.60</b>	<b>1,619.39</b>	-	-	-	<b>1,619.39</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**3.2 Property, Plant and Equipment (at cost/ deemed cost)**
**Land**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Gross block</b>								
<b>As at 1 April 2018 (Deemed Cost)</b>	17.93	38.87	-	56.80	-	-	-	56.80
Additions	-	-	-	-	-	-	-	-
Assets Held for Sale	-	-	-	-	-	-	-	-
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 31 March 2019</b>	<b>17.93</b>	<b>38.87</b>	-	<b>56.80</b>	-	-	-	<b>56.80</b>
Additions	-	-	-	-	-	-	-	-
Assets Held for Sale	-	-	-	-	-	-	-	-
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	3.36	-	-	3.36	-	-	-	3.36
<b>As at 31 March 2020</b>	<b>14.57</b>	<b>38.87</b>	-	<b>53.44</b>	-	-	-	<b>53.44</b>
Additions	-	-	-	-	-	-	-	-
Assets Held for Sale	-	-	-	-	-	-	-	-
Currency translation	-	-	-	-	-	-	-	-
Reclassification	14.57	-	-	14.57	-	-	-	14.57
<b>As at 31 March 2021</b>	-	<b>38.87</b>	-	<b>38.87</b>	-	-	-	<b>38.87</b>
Additions	-	-	-	-	-	-	-	-
Assets Held for Sale	-	-	-	-	-	-	-	-
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	-	<b>38.87</b>	-	<b>38.87</b>	-	-	-	<b>38.87</b>

**Syrma SGS Technology Limited (formerly known as Syрма Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**Buildings on Leasehold land**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Gross block</b>								
<b>As at 1 April 2018 (Deemed Cost)</b>	59.20	183.24	3.12	<b>245.56</b>	-	-	-	<b>245.56</b>
Additions	45.54	10.36	-	<b>55.90</b>	-	-	-	<b>55.90</b>
Assets Held for Sale	-	-	-	-	-	-	-	-
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	-	-	0.78	<b>0.78</b>	-	-	-	<b>0.78</b>
<b>As at 31 March 2019</b>	104.74	193.60	2.34	<b>300.68</b>	-	-	-	<b>300.68</b>
<b>Less: Accumulated Depreciation as at 31 March 2019</b>	(6.64)	(5.88)	(0.29)	<b>(12.81)</b>	-	-	-	<b>(12.81)</b>
<b>As at 1 April 2019 (Deemed Cost)</b>	<b>98.10</b>	<b>187.72</b>	<b>2.05</b>	<b>287.87</b>	-	-	-	<b>287.87</b>
Additions	5.99	28.82	0.47	<b>35.28</b>	-	-	-	<b>35.28</b>
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	<b>104.09</b>	<b>216.54</b>	<b>2.52</b>	<b>323.15</b>	-	-	-	<b>323.15</b>
Additions	0.48	1.66	-	<b>2.14</b>	-	-	-	<b>2.14</b>
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	(14.63)	-	-	<b>(14.63)</b>	-	-	-	<b>(14.63)</b>
<b>As at 31 March 2021</b>	<b>119.20</b>	<b>218.20</b>	<b>2.52</b>	<b>339.92</b>	-	-	-	<b>339.92</b>
Additions	0.03	-	-	<b>0.03</b>	-	-	-	<b>0.03</b>
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	<b>119.23</b>	<b>218.20</b>	<b>2.52</b>	<b>339.95</b>	-	-	-	<b>339.95</b>

**Syrma SGS Technology Limited (formerly known as Syрма Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**Buildings on Leasehold land (Continued)**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Accumulated depreciation</b>								
<b>As at 1 April 2018</b>	-	-	-	-	-	-	-	-
Depreciation expense for the year	6.64	5.91	0.29	12.84	-	-	-	12.84
Assets Held for Sale	-	-	-	-	-	-	-	-
Currency translation	-	-	-	-	-	-	-	-
Elimination on disposal	-	0.03	-	0.03	-	-	-	0.03
<b>As at 31 March 2019</b>	6.64	5.88	0.29	12.81	-	-	-	12.81
<b>Less: Amount reversed and considered as part of Deemed cost (Gross block)</b>	(6.64)	(5.88)	(0.29)	(12.81)	-	-	-	(12.81)
<b>As at 1 April 2019</b>	-	-	-	-	-	-	-	-
Depreciation expense for the year	6.74	6.52	0.30	13.56	-	-	-	13.56
Currency translation	-	-	-	-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	6.74	6.52	0.30	13.56	-	-	-	13.56
Depreciation expense for the year	9.07	7.53	0.34	16.94	-	-	-	16.94
Currency translation	-	-	-	-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 31 March 2021</b>	15.81	14.05	0.64	30.50	-	-	-	30.50
Depreciation expense for the period	1.49	1.88	0.09	3.46	-	-	-	3.46
Currency translation	-	-	-	-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	17.30	15.93	0.73	33.96	-	-	-	33.96



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**Plant and Equipment**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Gross block</b>								
<b>As at 1 April 2018 (Deemed Cost)</b>	<b>379.59</b>	<b>355.48</b>	<b>50.25</b>	<b>785.32</b>	-	-	-	<b>785.32</b>
Additions	205.30	146.62	1.23	353.15	-	-	-	353.15
Assets Held for Sale	-	-	-	-	-	-	-	-
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	1.91	-	12.31	14.22	-	-	-	14.22
<b>As at 31 March 2019</b>	<b>582.98</b>	<b>502.10</b>	<b>39.17</b>	<b>1,124.25</b>	-	-	-	<b>1,124.25</b>
<b>Less: Accumulated Depreciation as at 31 March 2019</b>	<b>(40.51)</b>	<b>(37.31)</b>	<b>(6.72)</b>	<b>(84.54)</b>	-	-	-	<b>(84.54)</b>
<b>As at 1 April 2019 (Deemed Cost)</b>	<b>542.47</b>	<b>464.79</b>	<b>32.45</b>	<b>1,039.71</b>	-	-	-	<b>1,039.71</b>
Additions	83.79	83.89	13.43	181.11	-	-	-	181.11
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	<b>626.26</b>	<b>548.68</b>	<b>45.88</b>	<b>1,220.82</b>	-	-	-	<b>1,220.82</b>
Additions	51.83	39.92	9.67	101.42	-	-	-	101.42
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	7.10	0.13	-	7.23	-	-	-	7.23
<b>As at 31 March 2021</b>	<b>670.99</b>	<b>588.47</b>	<b>55.55</b>	<b>1,315.01</b>	-	-	-	<b>1,315.01</b>
Additions	2.79	6.28	1.02	10.09	-	-	-	10.09
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	-	0.06	-	0.06	-	-	-	0.06
<b>As at 30 June 2021</b>	<b>673.78</b>	<b>594.69</b>	<b>56.57</b>	<b>1,325.04</b>	-	-	-	<b>1,325.04</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**Plant and Equipment (Continued)**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Accumulated depreciation</b>								
<b>As at 1 April 2018</b>	-	-	-	-	-	-	-	-
Depreciation expense for the year	40.56	37.32	6.72	<b>84.60</b>	-	-	-	<b>84.60</b>
Assets Held for Sale	-	-	-	-	-	-	-	-
Currency translation	-	-	-	-	-	-	-	-
Elimination on disposal	0.05	0.01	-	<b>0.06</b>	-	-	-	<b>0.06</b>
<b>As at 31 March 2019</b>	<b>40.51</b>	<b>37.31</b>	<b>6.72</b>	<b>84.54</b>	-	-	-	<b>84.54</b>
<b>Less: Amount reversed and considered as part of Deemed cost (Gross block)</b>	(40.51)	(37.31)	(6.72)	<b>(84.54)</b>	-	-	-	<b>(84.54)</b>
<b>As at 1 April 2019</b>	-	-	-	-	-	-	-	-
Depreciation expense for the year	49.43	44.14	6.86	<b>100.43</b>	-	-	-	<b>100.43</b>
Currency translation	-	-	-	-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	<b>49.43</b>	<b>44.14</b>	<b>6.86</b>	<b>100.43</b>	-	-	-	<b>100.43</b>
Depreciation expense for the year	68.97	46.92	7.72	<b>123.61</b>	-	-	-	<b>123.61</b>
Currency translation	-	-	-	-	-	-	-	-
Elimination on disposal	-	0.01	-	<b>0.01</b>	-	-	-	<b>0.01</b>
<b>As at 31 March 2021</b>	<b>118.40</b>	<b>91.05</b>	<b>14.58</b>	<b>224.03</b>	-	-	-	<b>224.03</b>
Depreciation expense for the period	15.88	12.05	1.74	<b>29.67</b>	-	-	-	<b>29.67</b>
Currency translation	-	-	-	-	-	-	-	-
Elimination on disposal	-	0.03	-	<b>0.03</b>	-	-	-	<b>0.03</b>
<b>As at 30 June 2021</b>	<b>134.28</b>	<b>103.07</b>	<b>16.32</b>	<b>253.67</b>	-	-	-	<b>253.67</b>

**Syrma SGS Technology Limited (formerly known as Syрма Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**Furniture & Fitting**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Gross block</b>								
<b>As at 1 April 2018 (Deemed Cost)</b>	8.30	25.37	0.56	<b>34.23</b>	-	-	-	<b>34.23</b>
Additions	11.83	3.47	0.84	<b>16.14</b>	-	-	-	<b>16.14</b>
Assets Held for Sale	-	-	-	-	-	-	-	-
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	0.10	-	0.04	<b>0.14</b>	-	-	-	<b>0.14</b>
<b>As at 31 March 2019</b>	<b>20.03</b>	<b>28.84</b>	<b>1.36</b>	<b>50.23</b>	-	-	-	<b>50.23</b>
<b>Less: Accumulated Depreciation as at 31 March 2019</b>	(2.06)	(3.38)	(0.07)	<b>(5.51)</b>	-	-	-	<b>(5.51)</b>
<b>As at 1 April 2019 (Deemed Cost)</b>	<b>17.97</b>	<b>25.46</b>	<b>1.29</b>	<b>44.72</b>	-	-	-	<b>44.72</b>
Additions	1.37	3.88	1.61	<b>6.86</b>	-	-	-	6.86
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	<b>19.34</b>	<b>29.34</b>	<b>2.90</b>	<b>51.58</b>	-	-	-	<b>51.58</b>
Additions	2.33	7.79	0.30	<b>10.42</b>	-	-	-	10.42
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	(1.31)	-	-	<b>(1.31)</b>	-	-	-	(1.31)
<b>As at 31 March 2021</b>	<b>22.98</b>	<b>37.13</b>	<b>3.20</b>	<b>63.31</b>	-	-	-	<b>63.31</b>
Additions	0.21	1.37	-	<b>1.58</b>	-	-	-	<b>1.58</b>
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	<b>23.19</b>	<b>38.50</b>	<b>3.20</b>	<b>64.89</b>	-	-	-	<b>64.89</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**Furniture & Fitting (Continued)**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Accumulated depreciation</b>								
<b>As at 1 April 2018</b>	-	-	-	-	-	-	-	-
Depreciation expense for the year	2.07	3.40	0.07	5.54	-	-	-	5.54
Assets Held for Sale		-		-	-	-	-	-
Currency translation		-		-	-	-	-	-
Elimination on disposal	0.01	0.02	-	0.03	-	-	-	0.03
<b>As at 31 March 2019</b>	<b>2.06</b>	<b>3.38</b>	<b>0.07</b>	<b>5.51</b>	-	-	-	<b>5.51</b>
<b>Less: Amount reversed and considered as part of Deemed cost (Gross block)</b>	<b>(2.06)</b>	<b>(3.38)</b>	<b>(0.07)</b>	<b>(5.51)</b>	-	-	-	<b>(5.51)</b>
<b>As at 1 April 2019</b>	-	-	-	-	-	-	-	-
Depreciation expense for the year	2.39	3.67	0.17	6.23	-	-	-	6.23
Currency translation		-		-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	<b>2.39</b>	<b>3.67</b>	<b>0.17</b>	<b>6.23</b>	-	-	-	<b>6.23</b>
Depreciation expense for the year	3.07	4.16	0.30	7.53	-	-	-	7.53
Currency translation		-		-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 31 March 2021</b>	<b>5.46</b>	<b>7.83</b>	<b>0.47</b>	<b>13.76</b>	-	-	-	<b>13.76</b>
Depreciation expense for the period	0.62	1.12	0.09	1.83	-	-	-	1.83
Currency translation		-		-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	<b>6.08</b>	<b>8.95</b>	<b>0.56</b>	<b>15.59</b>	-	-	-	<b>15.59</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**Office equipments**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Gross block</b>								
<b>As at 1 April 2018 (Deemed Cost)</b>	5.98	10.56	3.16	19.70	-	-	-	19.70
Additions	2.10	2.43	0.77	5.30	-	-	-	5.30
Assets Held for Sale	-	-	-	-	-	-	-	-
Currency translation	-	(0.10)	-	(0.10)	-	-	-	(0.10)
Disposals / Discarded	-	-	0.21	0.21	-	-	-	0.21
<b>As at 31 March 2019</b>	<b>8.08</b>	<b>13.09</b>	<b>3.72</b>	<b>24.89</b>	-	-	-	<b>24.89</b>
<b>Less: Accumulated Depreciation as at 31 March 2019</b>	(1.55)	(3.46)	(0.68)	(5.69)	-	-	-	(5.69)
<b>As at 1 April 2019 (Deemed Cost)</b>	<b>6.53</b>	<b>9.63</b>	<b>3.04</b>	<b>19.20</b>	-	-	-	<b>19.20</b>
Additions	2.04	5.81	1.14	8.99	-	-	-	8.99
Currency translation	-	(0.31)	-	(0.31)	-	-	-	(0.31)
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	<b>8.57</b>	<b>15.75</b>	<b>4.18</b>	<b>28.50</b>	-	-	-	<b>28.50</b>
Additions	1.15	5.91	0.10	7.16	-	-	-	7.16
Currency translation	-	(0.26)	-	(0.26)	-	-	-	(0.26)
Disposals / Discarded	1.44	0.01	-	1.45	-	-	-	1.45
<b>As at 31 March 2021</b>	<b>8.28</b>	<b>21.91</b>	<b>4.28</b>	<b>34.47</b>	-	-	-	<b>34.47</b>
Additions	0.17	1.45	0.02	1.64	-	-	-	1.64
Currency translation	-	(0.06)	-	(0.06)	-	-	-	(0.06)
Disposals / Discarded	-	0.03	-	0.03	-	-	-	0.03
<b>As at 30 June 2021</b>	<b>8.45</b>	<b>23.39</b>	<b>4.30</b>	<b>36.14</b>	-	-	-	<b>36.14</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**Office equipments (Continued)**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Accumulated depreciation</b>								
<b>As at 1 April 2018</b>	-	-	-	-	-	-	-	-
Depreciation expense for the year	1.55	3.30	0.68	5.53	-	-	-	5.53
Assets Held for Sale	-	-	-	-	-	-	-	-
Currency translation	-	(0.16)	-	(0.16)	-	-	-	(0.16)
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 31 March 2019</b>	1.55	3.46	0.68	5.69	-	-	-	5.69
<b>Less: Amount reversed and considered as part of Deemed cost (Gross block)</b>	(1.55)	(3.46)	(0.68)	(5.69)	-	-	-	(5.69)
<b>As at 1 April 2019</b>	-	-	-	-	-	-	-	-
Depreciation expense for the year	1.97	4.05	0.99	7.01	-	-	-	7.01
Currency translation	-	(0.25)	-	(0.25)	-	-	-	(0.25)
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	1.97	4.30	0.99	7.26	-	-	-	7.26
Depreciation expense for the year	1.83	4.91	0.88	7.62	-	-	-	7.62
Currency translation	-	(0.16)	-	(0.16)	-	-	-	(0.16)
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 31 March 2021</b>	3.80	9.37	1.87	15.04	-	-	-	15.04
Depreciation expense for the period	0.42	1.16	0.17	1.75	-	-	-	1.75
Currency translation	-	0.02	-	0.02	-	-	-	0.02
Elimination on disposal	-	0.01	-	0.01	-	-	-	0.01
<b>As at 30 June 2021</b>	4.22	10.50	2.04	16.76	-	-	-	16.76

**Syrma SGS Technology Limited (formerly known as Syрма Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**Computers & other peripherals**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Gross block</b>								
<b>As at 1 April 2018 (Deemed Cost)</b>	5.76	10.32	0.46	<b>16.54</b>	-	-	-	<b>16.54</b>
Additions	6.06	6.17	0.35	<b>12.58</b>	-	-	-	<b>12.58</b>
Assets Held for Sale	-	-	-	-	-	-	-	-
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	-	1.30	-	<b>1.30</b>	-	-	-	<b>1.30</b>
<b>As at 31 March 2019</b>	<b>11.82</b>	<b>15.19</b>	<b>0.81</b>	<b>27.82</b>	-	-	-	<b>27.82</b>
<b>Less: Accumulated Depreciation as at 31 March 2019</b>	<b>(3.48)</b>	<b>(3.83)</b>	<b>(0.21)</b>	<b>(7.52)</b>	-	-	-	<b>(7.52)</b>
<b>As at 1 April 2019 (Deemed Cost)</b>	<b>8.34</b>	<b>11.36</b>	<b>0.60</b>	<b>20.30</b>	-	-	-	<b>20.30</b>
Additions	3.98	5.20	0.37	<b>9.55</b>	-	-	-	<b>9.55</b>
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	<b>12.32</b>	<b>16.56</b>	<b>0.97</b>	<b>29.85</b>	-	-	-	<b>29.85</b>
Additions	7.53	13.37	0.27	<b>21.17</b>	-	-	-	<b>21.17</b>
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	(0.94)	-	-	<b>(0.94)</b>	-	-	-	<b>(0.94)</b>
<b>As at 31 March 2021</b>	<b>20.79</b>	<b>29.93</b>	<b>1.24</b>	<b>51.96</b>	-	-	-	<b>51.96</b>
Additions	2.32	1.06	0.36	<b>3.74</b>	-	-	-	<b>3.74</b>
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	<b>23.11</b>	<b>30.99</b>	<b>1.60</b>	<b>55.70</b>	-	-	-	<b>55.70</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**Computers & other peripherals (Continued)**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Accumulated depreciation</b>								
<b>As at 1 April 2018</b>	-	-	-	-	-	-	-	-
Depreciation expense for the year	3.48	5.07	0.21	8.76	-	-	-	8.76
Assets Held for Sale	-	-	-	-	-	-	-	-
Currency translation	-	-	-	-	-	-	-	-
Elimination on disposal	-	1.24	-	1.24	-	-	-	1.24
<b>As at 31 March 2019</b>	<b>3.48</b>	<b>3.83</b>	<b>0.21</b>	<b>7.52</b>	-	-	-	<b>7.52</b>
<b>Less: Amount reversed and considered as part of Deemed cost (Gross block)</b>	<b>(3.48)</b>	<b>(3.83)</b>	<b>(0.21)</b>	<b>(7.52)</b>	-	-	-	<b>(7.52)</b>
<b>As at 1 April 2019</b>	-	-	-	-	-	-	-	-
Depreciation expense for the year	4.30	5.16	0.32	9.78	-	-	-	9.78
Currency translation	-	-	-	-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	<b>4.30</b>	<b>5.16</b>	<b>0.32</b>	<b>9.78</b>	-	-	-	<b>9.78</b>
Depreciation expense for the year	5.32	6.08	0.33	11.73	-	-	-	11.73
Currency translation	-	-	-	-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 31 March 2021</b>	<b>9.62</b>	<b>11.24</b>	<b>0.65</b>	<b>21.51</b>	-	-	-	<b>21.51</b>
Depreciation expense for the period	1.16	1.94	0.09	3.19	-	-	-	3.19
Currency translation	-	-	-	-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	<b>10.78</b>	<b>13.18</b>	<b>0.74</b>	<b>24.70</b>	-	-	-	<b>24.70</b>



**Syrma SGS Technology Limited (formerly known as Syрма Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**Electrical Installation**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Gross block</b>								
<b>As at 1 April 2018 (Deemed Cost)</b>	12.13	-	-	12.13	-	-	-	12.13
Additions	45.25	-	-	45.25	-	-	-	45.25
Assets Held for Sale		-		-	-	-	-	-
Currency translation		-		-	-	-	-	-
Disposals / Discarded	0.06	-	-	0.06	-	-	-	0.06
<b>As at 31 March 2019</b>	<b>57.32</b>	-	-	<b>57.32</b>	-	-	-	<b>57.32</b>
<b>Less: Accumulated Depreciation as at 31 March 2019</b>	<b>(2.29)</b>	-	-	<b>(2.29)</b>	-	-	-	<b>(2.29)</b>
<b>As at 1 April 2019 (Deemed Cost)</b>	<b>55.03</b>	-	-	<b>55.03</b>	-	-	-	<b>55.03</b>
Additions	2.50	-	-	2.50	-	-	-	2.50
Currency translation		-		-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	<b>57.53</b>	-	-	<b>57.53</b>	-	-	-	<b>57.53</b>
Additions	1.28	-	-	1.28	-	-	-	1.28
Currency translation		-		-	-	-	-	-
Disposals / Discarded	(6.23)	-	-	(6.23)	-	-	-	(6.23)
<b>As at 31 March 2021</b>	<b>65.04</b>	-	-	<b>65.04</b>	-	-	-	<b>65.04</b>
Additions	0.80	-	-	0.80	-	-	-	0.80
Currency translation		-		-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	<b>65.84</b>	-	-	<b>65.84</b>	-	-	-	<b>65.84</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**Electrical Installation (Continued)**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Accumulated depreciation</b>								
<b>As at 1 April 2018</b>	-	-	-	-	-	-	-	-
Depreciation expense for the year	2.29	-	-	2.29	-	-	-	2.29
Assets Held for Sale		-		-	-	-	-	-
Currency translation		-		-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 31 March 2019</b>	2.29	-	-	2.29	-	-	-	2.29
<b>Less: Amount reversed and considered as part of Deemed cost (Gross block)</b>	(2.29)	-	-	(2.29)	-	-	-	(2.29)
<b>As at 1 April 2019</b>	-	-	-	-	-	-	-	-
Depreciation expense for the year	3.15	-	-	3.15	-	-	-	3.15
Currency translation		-		-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	3.15	-	-	3.15	-	-	-	3.15
Depreciation expense for the year	3.59	-	-	3.59	-	-	-	3.59
Currency translation		-		-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 31 March 2021</b>	6.74	-	-	6.74	-	-	-	6.74
Depreciation expense for the period	0.91	-	-	0.91	-	-	-	0.91
Currency translation		-		-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	7.65	-	-	7.65	-	-	-	7.65

**Syrma SGS Technology Limited (formerly known as Syрма Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**Vehicles**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Gross block</b>								
<b>As at 1 April 2018 (Deemed Cost)</b>	7.23	21.72	-	28.95	-	-	-	28.95
Additions	-	3.45	0.20	3.65	-	-	-	3.65
Assets Held for Sale		3.29		3.29	-	-	-	3.29
Currency translation		-		-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 31 March 2019</b>	<b>7.23</b>	<b>21.88</b>	<b>0.20</b>	<b>29.31</b>	-	-	-	<b>29.31</b>
<b>Less: Accumulated Depreciation as at 31 March 2019</b>	(1.22)	(0.76)	(0.03)	(2.01)	-	-	-	(2.01)
<b>As at 1 April 2019 (Deemed Cost)</b>	<b>6.01</b>	<b>21.12</b>	<b>0.17</b>	<b>27.30</b>	-	-	-	<b>27.30</b>
Additions	-	22.06	5.83	27.89	-	-	-	27.89
Assets Held for Sale	-	0.16	-	0.16	-	-	-	0.16
Currency translation		-		-	-	-	-	-
Disposals / Discarded	0.62	-	-	0.62	-	-	-	0.62
<b>As at 31 March 2020</b>	<b>5.39</b>	<b>43.02</b>	<b>6.00</b>	<b>54.41</b>	-	-	-	<b>54.41</b>
Additions	-	17.45	-	17.45	-	-	-	17.45
Currency translation		-		-	-	-	-	-
Disposals / Discarded	-	10.46	-	10.46	-	-	-	10.46
<b>As at 31 March 2021</b>	<b>5.39</b>	<b>50.01</b>	<b>6.00</b>	<b>61.40</b>	-	-	-	<b>61.40</b>
Additions	-	3.12	-	3.12	-	-	-	3.12
Currency translation		-		-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	<b>5.39</b>	<b>53.13</b>	<b>6.00</b>	<b>64.52</b>	-	-	-	<b>64.52</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**Vehicles (Continued)**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Accumulated depreciation</b>								
<b>As at 1 April 2018</b>	-	-	-	-	-	-	-	-
Depreciation expense for the year	1.22	3.88	0.03	5.13	-	-	-	5.13
Assets Held for Sale		3.12		3.12	-	-	-	3.12
Currency translation		-		-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 31 March 2019</b>	1.22	0.76	0.03	2.01	-	-	-	2.01
<b>Less: Amount reversed and considered as part of Deemed cost (Gross block)</b>	(1.22)	(0.76)	(0.03)	(2.01)	-	-	-	(2.01)
<b>As at 1 April 2019</b>	-	-	-	-	-	-	-	-
Depreciation expense for the year	1.06	4.78	0.22	6.06	-	-	-	6.06
Currency translation		-		-	-	-	-	-
Elimination on disposal	0.12	-	-	0.12	-	-	-	0.12
<b>As at 31 March 2020</b>	0.94	4.78	0.22	5.94	-	-	-	5.94
Depreciation expense for the year	1.01	7.24	1.11	9.36	-	-	-	9.36
Currency translation		-		-	-	-	-	-
Elimination on disposal	-	4.68	-	4.68	-	-	-	4.68
<b>As at 31 March 2021</b>	1.95	7.34	1.33	10.62	-	-	-	10.62
Depreciation expense for the period	0.25	1.58	0.06	1.89	-	-	-	1.89
Currency translation		-		-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	2.20	8.92	1.39	12.51	-	-	-	12.51

**Syrma SGS Technology Limited (formerly known as Syрма Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**Tools and moulds**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Gross block</b>								
<b>As at 1 April 2018 (Deemed Cost)</b>	-	18.32	-	18.32	-	-	-	18.32
Additions	-	14.55	-	14.55	-	-	-	14.55
Assets Held for Sale	-	-	-	-	-	-	-	-
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 31 March 2019</b>	-	32.87	-	32.87	-	-	-	32.87
<b>Less: Accumulated Depreciation as at 31 March 2019</b>	-	(1.79)	-	(1.79)	-	-	-	(1.79)
<b>As at 1 April 2019 (Deemed Cost)</b>	-	31.08	-	31.08	-	-	-	31.08
Additions	-	15.73	-	15.73	-	-	-	15.73
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	-	46.81	-	46.81	-	-	-	46.81
Additions	-	21.56	-	21.56	-	-	-	21.56
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 31 March 2021</b>	-	68.37	-	68.37	-	-	-	68.37
Additions	-	2.12	-	2.12	-	-	-	2.12
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	-	70.49	-	70.49	-	-	-	70.49

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**Tools and moulds (Continued)**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Accumulated depreciation</b>								
<b>As at 1 April 2018</b>	-	-	-	-	-	-	-	-
Depreciation expense for the year	-	1.79	-	1.79	-	-	-	1.79
Assets Held for Sale	-	-	-	-	-	-	-	-
Currency translation	-	-	-	-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 31 March 2019</b>	-	1.79	-	1.79	-	-	-	1.79
<b>Less: Amount reversed and considered as part of Deemed cost (Gross block)</b>	-	(1.79)	-	(1.79)	-	-	-	(1.79)
<b>As at 1 April 2019</b>	-	-	-	-	-	-	-	-
Depreciation expense for the year	-	2.80	-	2.80	-	-	-	2.80
Currency translation	-	-	-	-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	-	2.80	-	2.80	-	-	-	2.80
Depreciation expense for the year	-	3.88	-	3.88	-	-	-	3.88
Currency translation	-	-	-	-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 31 March 2021</b>	-	6.68	-	6.68	-	-	-	6.68
Depreciation expense for the period	-	1.16	-	1.16	-	-	-	1.16
Currency translation	-	-	-	-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	-	7.84	-	7.84	-	-	-	7.84

**Syrma SGS Technology Limited (formerly known as Syрма Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**Airconditioning equipment**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Gross block</b>								
<b>As at 1 April 2018 (Deemed Cost)</b>	-	41.83	-	<b>41.83</b>	-	-	-	<b>41.83</b>
Additions	-	0.67	-	<b>0.67</b>	-	-	-	<b>0.67</b>
Assets Held for Sale	-	-	-	-	-	-	-	-
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 31 March 2019</b>	-	<b>42.50</b>	-	<b>42.50</b>	-	-	-	<b>42.50</b>
<b>Less: Accumulated Depreciation as at 31 March 2019</b>	-	<b>(5.15)</b>	-	<b>(5.15)</b>	-	-	-	<b>(5.15)</b>
<b>As at 1 April 2019 (Deemed Cost)</b>	-	<b>37.35</b>	-	<b>37.35</b>	-	-	-	<b>37.35</b>
Additions	-	0.26	-	<b>0.26</b>	-	-	-	<b>0.26</b>
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	-	<b>37.61</b>	-	<b>37.61</b>	-	-	-	<b>37.61</b>
Additions	-	1.37	-	<b>1.37</b>	-	-	-	<b>1.37</b>
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 31 March 2021</b>	-	<b>38.98</b>	-	<b>38.98</b>	-	-	-	<b>38.98</b>
Additions	-	-	-	-	-	-	-	-
Currency translation	-	-	-	-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	-	<b>38.98</b>	-	<b>38.98</b>	-	-	-	<b>38.98</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**Airconditioning equipment (Continued)**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Accumulated depreciation</b>								
<b>As at 1 April 2018</b>	-	-	-	-	-	-	-	-
Depreciation expense for the year	-	5.16	-	5.16	-	-	-	5.16
Assets Held for Sale	-	-	-	-	-	-	-	-
Currency translation	-	-	-	-	-	-	-	-
Elimination on disposal	-	0.01	-	0.01	-	-	-	0.01
<b>As at 31 March 2019</b>	-	5.15	-	5.15	-	-	-	5.15
<b>Less: Amount reversed and considered as part of Deemed cost (Gross block)</b>	-	(5.15)	-	(5.15)	-	-	-	(5.15)
<b>As at 1 April 2019</b>	-	-	-	-	-	-	-	-
Depreciation expense for the year	-	5.19	-	5.19	-	-	-	5.19
Currency translation	-	-	-	-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	-	5.19	-	5.19	-	-	-	5.19
Depreciation expense for the year	-	5.26	-	5.26	-	-	-	5.26
Currency translation	-	-	-	-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 31 March 2021</b>	-	10.45	-	10.45	-	-	-	10.45
Depreciation expense for the period	-	1.34	-	1.34	-	-	-	1.34
Currency translation	-	-	-	-	-	-	-	-
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	-	11.79	-	11.79	-	-	-	11.79



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**4 Right of use assets**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Gross block</b>								
<b>As at 1 April 2018</b>	73.36	25.79	2.52	101.67	-	-	-	101.67
Additions	8.37	-	-	8.37	-	-	-	8.37
Disposals / Discarded	-	-	-	-				
<b>As at 31 March 2019</b>	<b>81.73</b>	<b>25.79</b>	<b>2.52</b>	<b>110.04</b>	-	-	-	<b>110.04</b>
<b>Reversal of "As Adjusted" Ind AS Transition Impact</b>	<b>(7.07)</b>	<b>(2.54)</b>	-	<b>(9.61)</b>			-	<b>(9.61)</b>
<b>As at 1 April 2019</b>	<b>74.66</b>	<b>23.25</b>	<b>2.52</b>	<b>100.43</b>	-	-	-	<b>100.43</b>
Additions	-	32.61	-	32.61				32.61
Disposals / Discarded	-	-	-	-				-
<b>As at 31 March 2020</b>	<b>74.66</b>	<b>55.86</b>	<b>2.52</b>	<b>133.04</b>	-	-	-	<b>133.04</b>
Additions	-	-	-	-				-
Disposals / Discarded	-	-	-	-				-
<b>As at 31 March 2021</b>	<b>74.66</b>	<b>55.86</b>	<b>2.52</b>	<b>133.04</b>	-	-	-	<b>133.04</b>
Additions	-	-	-	-				-
Disposals / Discarded	-	-	-	-				-
<b>As at 30 June 2021</b>	<b>74.66</b>	<b>55.86</b>	<b>2.52</b>	<b>133.04</b>	-	-	-	<b>133.04</b>

**Syrma SGS Technology Limited (formerly known as Syрма Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**4 Right of use assets (Continued)**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Accumulated depreciation</b>								
<b>As at 1 April 2018</b>	-	-	-	-	-	-	-	-
Additions	11.31	3.22	0.33	14.86	-	-	-	14.86
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 31 March 2019</b>	<b>11.31</b>	<b>3.22</b>	<b>0.33</b>	<b>14.86</b>	-	-	-	<b>14.86</b>
<b>Reversal of "As Adjusted" Ind</b>	<b>(11.31)</b>	<b>(3.22)</b>	-	<b>(14.53)</b>	-	-	-	<b>(14.53)</b>
<b>As at 31 March 2019</b>	-	-	<b>0.33</b>	<b>0.33</b>	-	-	-	<b>0.33</b>
<b>As at 1 April 2019</b>	-	-	-	-	-	-	-	-
Additions	12.54	5.29	0.33	18.16	-	-	-	18.16
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	<b>12.54</b>	<b>5.29</b>	<b>0.66</b>	<b>18.49</b>	-	-	-	<b>18.49</b>
Additions	12.54	6.28	0.33	19.15	-	-	-	19.15
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 31 March 2021</b>	<b>25.08</b>	<b>11.57</b>	<b>0.99</b>	<b>37.64</b>	-	-	-	<b>37.64</b>
Additions	3.13	1.57	0.08	4.78	-	-	-	4.78
Elimination on disposal	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	<b>28.21</b>	<b>13.14</b>	<b>1.07</b>	<b>42.42</b>	-	-	-	<b>42.42</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**4 Right of use assets (Continued)**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b><u>Net block</u></b>								
As at 31 March 2019	70.42	22.57	2.19	95.18	-	-	-	95.18
As at 31 March 2020	62.12	50.57	1.86	114.55	-	-	-	114.55
As at 31 March 2021	49.58	44.29	1.53	95.40	-	-	-	95.40
As at 30 June 2021	46.45	42.73	1.45	90.63	-	-	-	90.62

**Syrma SGS Technology Limited (formerly known as Syрма Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**5.1 Intangible Assets**
**As at 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Computer software	6.04	5.05	3.46	14.55	-	-	-	14.55
Knowhow	3.04	-	-	3.04	-	-	-	3.04
<b>Total</b>	<b>9.08</b>	<b>5.05</b>	<b>3.46</b>	<b>17.59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17.59</b>

**As at 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Computer software	7.16	5.84	3.57	16.57	-	-	-	16.57
Knowhow	6.06	-	-	6.06	-	-	-	6.06
<b>Total</b>	<b>13.22</b>	<b>5.84</b>	<b>3.57</b>	<b>22.63</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22.63</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**5.1 Intangible Assets (Continued)**

**As at 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Computer software	5.22	4.44	3.45	13.11	-	-	-	13.11
Knowhow	18.30	-	-	18.30	-	-	-	18.30
<b>Total</b>	<b>23.52</b>	<b>4.44</b>	<b>3.45</b>	<b>31.41</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>31.41</b>

**As at 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Computer software	1.95	5.65	1.89	9.49	-	-	-	9.49
Knowhow	30.59	-	-	30.59	-	-	-	30.59
<b>Total</b>	<b>32.54</b>	<b>5.65</b>	<b>1.89</b>	<b>40.08</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40.08</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**5.2 Intangible Assets (at cost/ deemed cost)**
**Computer software**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Gross block</b>								
<b>As at 1 April 2018 (Deemed Cost)</b>	5.44	2.34	1.03	8.81	-	-	-	<b>8.81</b>
Additions	0.39	5.65	1.07	7.11	-	-	-	<b>7.11</b>
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 31 March 2019</b>	<b>5.83</b>	<b>7.99</b>	<b>2.10</b>	<b>15.92</b>	-	-	-	<b>15.92</b>
<b>Less: Accumulated Amortisation as at 31 March 2019</b>	<b>(3.88)</b>	<b>(2.33)</b>	<b>(0.21)</b>	<b>(6.42)</b>	-	-	-	<b>(6.42)</b>
<b>As at 1 April 2019 (Deemed Cost)</b>	<b>1.95</b>	<b>5.66</b>	<b>1.89</b>	<b>9.50</b>	-	-	-	<b>9.50</b>
Additions	6.39	1.45	1.92	9.76	-	-	-	<b>9.76</b>
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	<b>8.34</b>	<b>7.11</b>	<b>3.81</b>	<b>19.26</b>	-	-	-	<b>19.26</b>
Additions	5.04	4.53	0.50	10.07	-	-	-	<b>10.07</b>
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 31 March 2021</b>	<b>13.38</b>	<b>11.64</b>	<b>4.31</b>	<b>29.33</b>	-	-	-	<b>29.33</b>
Additions	-	0.17	-	0.17	-	-	-	<b>0.17</b>
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	<b>13.38</b>	<b>11.81</b>	<b>4.31</b>	<b>29.50</b>	-	-	-	<b>29.50</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**Computer software (Continued)**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Accumulated amortisation</b>								
<b>As at 1 April 2018</b>	-	-	-		-	-	-	-
Amortisation expense for the year	3.88	2.33	0.21	6.42	-	-	-	6.42
Elimination on disposal / adjustments	-	-	-	-	-	-	-	-
<b>As at 31 March 2019</b>	<b>3.88</b>	<b>2.33</b>	<b>0.21</b>	<b>6.42</b>	-	-	-	<b>6.42</b>
<b>Less: Amount reversed and considered as part of Deemed cost (Gross block)</b>	<b>(3.88)</b>	<b>(2.33)</b>	<b>(0.21)</b>	<b>(6.42)</b>	-	-	-	<b>(6.42)</b>
<b>As at 1 April 2019</b>	-	-	-	-	-	-	-	-
Amortisation expense for the year	3.12	2.66	0.36	6.14	-	-	-	6.14
Elimination on disposal / adjustments	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	<b>3.12</b>	<b>2.66</b>	<b>0.36</b>	<b>6.14</b>	-	-	-	<b>6.14</b>
Amortisation expense for the year	3.10	3.13	0.38	6.61	-	-	-	6.61
Elimination on disposal / adjustments	-	-	-	-	-	-	-	-
<b>As at 31 March 2021</b>	<b>6.22</b>	<b>5.79</b>	<b>0.74</b>	<b>12.75</b>	-	-	-	<b>12.75</b>
Amortisation expense for the period	1.12	0.97	0.11	2.20	-	-	-	2.20
Elimination on disposal / adjustments	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	<b>7.34</b>	<b>6.76</b>	<b>0.85</b>	<b>14.95</b>	-	-	-	<b>14.95</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**Knowhow**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Gross block</b>								
<b>As at 1 April 2018 (Deemed Cost)</b>	55.06	-	-	55.06	-	-	-	55.06
Additions	-	-	-	-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 31 March 2019</b>	<b>55.06</b>	-	-	<b>55.06</b>	-	-	-	<b>55.06</b>
<b>Less: Accumulated Amortisation as at 31 March 2019</b>	<b>(24.47)</b>	-	-	<b>(24.47)</b>	-	-	-	<b>(24.47)</b>
<b>As at 1 April 2019 (Deemed Cost)</b>	<b>30.59</b>	-	-	<b>30.59</b>	-	-	-	<b>30.59</b>
Additions	-	-	-	-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	<b>30.59</b>	-	-	<b>30.59</b>	-	-	-	<b>30.59</b>
Additions	-	-	-	-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 31 March 2021</b>	<b>30.59</b>	-	-	<b>30.59</b>	-	-	-	<b>30.59</b>
Additions	-	-	-	-	-	-	-	-
Disposals / Discarded	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	<b>30.59</b>	-	-	<b>30.59</b>	-	-	-	<b>30.59</b>



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**Knowhow (Continued)**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Accumulated amortisation</b>								
<b>As at 1 April 2018</b>	-	-	-	-	-	-	-	-
Amortisation expense for the year	24.47	-	-	24.47	-	-	-	24.47
Elimination on disposal / adjustments of assets	-	-	-	-	-	-	-	-
<b>As at 31 March 2019</b>	24.47	-	-	24.47	-	-	-	24.47
<b>Less: Amount reversed and considered as part of Deemed cost (Gross block)</b>	(24.47)	-	-	(24.47)	-	-	-	(24.47)
<b>As at 1 April 2019</b>	-	-	-	-	-	-	-	-
Amortisation expense for the year	12.29	-	-	12.29	-	-	-	12.29
Elimination on disposal / adjustments of assets	-	-	-	-	-	-	-	-
<b>As at 31 March 2020</b>	12.29	-	-	12.29	-	-	-	12.29
Amortisation expense for the year	12.24	-	-	12.24	-	-	-	12.24
Elimination on disposal / adjustments of assets	-	-	-	-	-	-	-	-
<b>As at 31 March 2021</b>	24.53	-	-	24.53	-	-	-	24.53
Amortisation expense for the period	3.02	-	-	3.02	-	-	-	3.02
Elimination on disposal / adjustments of assets	-	-	-	-	-	-	-	-
<b>As at 30 June 2021</b>	27.55	-	-	27.55	-	-	-	27.55

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**6 Investments**

**As at 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Unquoted Equity Shares - Associate Company</b>								
SGS Teknics Manufacturing Private Limited	932.29	-	-	932.29	-	(932.29)	(932.29)	-
322,557 equity Shares of Rs.10 Each, fully paid up								
Investment In Perfect IOT Wireless Solutions LLP	-	-	2.54	2.54			-	2.54
<b>Investment in debentures or bonds - Unquoted</b>								
- 4945 @ INR 1000 each(previous year 4945 @ INR 1000 each) National Highways Authority of India Gain Bonds– 54 EC Capital	-	4.95	-	4.95	-	-	-	4.95
<b>Investment in debentures or bonds-at FVTPL</b>								
-200 @ INR 100,000 each Citicorp Finance India Limited, debentures	-	24.93	-	24.93	-	-	-	24.93
<b>Total</b>	<b>932.29</b>	<b>29.88</b>	<b>2.54</b>	<b>964.71</b>	<b>-</b>	<b>(932.29)</b>	<b>(932.29)</b>	<b>32.42</b>

**As at 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Unquoted Equity Shares - Associate Company</b>								
SGS Teknics Manufacturing Private Limited	921.45	-	-	921.45	-	-921.45	-921.45	-
322,557 equity Shares of Rs.10 Each, fully paid up								
Investment In Perfect IOT Wireless Solutions LLP	-	-	2.03	2.03	-	-	-	2.03
<b>Investment in debentures or bonds - Unquoted</b>								
- 4945 @ INR 1000 each(previous year 4945 @ INR 1000 each) National Highways Authority of India Gain Bonds– 54 EC Capital	-	4.95	-	4.95	-	-	-	4.95
<b>Investment in debentures or bonds-at FVTPL</b>								
-200 @ INR 100,000 each Citicorp Finance India Limited, debentures	-	24.07	-	24.07	-	-	-	24.07
<b>Total</b>	<b>921.45</b>	<b>29.02</b>	<b>2.03</b>	<b>952.50</b>	<b>-</b>	<b>(921.45)</b>	<b>(921.45)</b>	<b>31.05</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**As at 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Unquoted Equity Shares - Associate Company</b>								
SGS Teknics Manufacturing Private Limited 322557 equity Shares of Rs.10 Each, fully paid up	-	-	-	-	-	-	-	-
Investment In Perfect IOT Wireless Solutions LLP	-	-	2.70	2.70	-	-	-	2.70
<b>Investment in debentures or bonds - Unquoted</b>								
- 4945 @ INR 1000 each(previous year 4945 @ INR 1000 each) National Highways Authority of India Gain Bonds– 54 EC Capital	-	4.95	-	4.95	-	-	-	4.95
<b>Investment in debentures or bonds-at FVTPL</b>								
-200 @ INR 100,000 each Citicorp Finance India Limited, debentures	-	18.07	-	18.07	-	-	-	18.07
<b>Total</b>	-	23.02	2.70	25.72	-	-	-	25.72

**As at 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
<b>Unquoted Equity Shares - Associate Company</b>								
SGS Teknics Manufacturing Private Limited 322557 equity Shares of Rs.10 Each, fully paid up	-	-	-	-	-	-	-	-
Investment In Perfect IOT Wireless Solutions LLP	-	-	2.67	2.67	-	-	-	2.67
<b>Investment in debentures or bonds - Unquoted</b>								
- 4945 @ INR 1000 each(previous year 4945 @ INR 1000 each) National Highways Authority of India Gain Bonds– 54 EC Capital	-	4.95	-	4.95	-	-	-	4.95
<b>Investment in debentures or bonds-at FVTPL</b>								
-200 @ INR 100,000 each Citicorp Finance India Limited, debentures	-	-	-	-	-	-	-	-
<b>Total</b>	-	4.95	2.67	7.62	-	-	-	7.62

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**7 Other Financial Assets (Non-Current)**

**As at 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Security Deposits measured at amortised cost	26.31	9.36	-	35.67	-	-	-	35.67
(b) Other Bank Deposits								
- Under Lien	102.27	-	-	102.27	-	-	-	102.27
- Margin Money	3.88	-	-	3.88	-	-	-	3.88
- Bank deposits (due to mature after 12 months from reporting date)	-	2.35	-	2.35	-	-	-	2.35
<b>Total</b>	<b>132.46</b>	<b>11.71</b>	<b>-</b>	<b>144.17</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>144.17</b>

**As at 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Security Deposits measured at amortised cost	24.64	9.28	-	33.92	-	-	-	33.92
(c) Other Bank Deposits								
- Under Lien	101.13	-	-	101.13	-	-	-	101.13
- Margin Money	3.74	-	-	3.74	-	-	-	3.74
- Bank deposits (due to mature after 12 months from reporting date)	-	2.35	-	2.35	-	-	-	2.35
<b>Total</b>	<b>129.51</b>	<b>11.63</b>	<b>-</b>	<b>141.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>141.14</b>

**Syrma SGS Technology Limited (formerly known as Syрма Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**As at 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Security Deposits measured at amortised cost	20.72	8.96		29.68	-	-	-	29.68
(c) Other Bank Deposits								
- Under Lien	-	-	-	-	-	-	-	-
- Margin Money	8.18	-	-	8.18	-	-	-	8.18
- Bank deposits (due to mature after 12 months from reporting date)	-	1.61	-	1.61	-	-	-	1.61
<b>Total</b>	<b>28.90</b>	<b>10.57</b>	<b>-</b>	<b>39.47</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39.47</b>

**As at 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Security Deposits measured at amortised cost	15.96	7.61	-	23.57			-	23.57
(c) Other Bank Deposits								
- Under Lien	-	-	-	-	-	-	-	-
- Margin Money	10.30	-	-	10.30	-	-	-	10.30
- Bank deposits (due to mature after 12 months from reporting date)	-	56.75	-	56.75	-	-	-	56.75
<b>Total</b>	<b>26.26</b>	<b>64.36</b>	<b>-</b>	<b>90.62</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>90.62</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**8 Other non-current assets**
**As at 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Capital Advances	111.52	1.85	-	113.37	-	-	-	113.37
Advance tax	-	19.47	-	19.47	(19.47)	-	(19.47)	-
Amount paid under protest	-	4.22	-	4.22	-	-	-	4.22
Prepaid expenses	-	2.02	-	2.02	-	-	-	2.02
<b>Total</b>	<b>111.52</b>	<b>27.56</b>	<b>-</b>	<b>139.08</b>	<b>(19.47)</b>	<b>-</b>	<b>(19.47)</b>	<b>119.61</b>

**As at 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Capital Advances	111.52	1.58	-	113.10	-	-	-	113.10
Advance tax	-	19.47	-	19.47	(19.47)	-	(19.47)	-
Amount paid under protest	-	4.22	-	4.22	-	-	-	4.22
Prepaid expenses	-	1.90	-	1.90	-	-	-	1.90
<b>Total</b>	<b>111.52</b>	<b>27.17</b>	<b>-</b>	<b>138.69</b>	<b>(19.47)</b>	<b>-</b>	<b>(19.47)</b>	<b>119.22</b>

**As at 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Capital Advances	122.10	1.31	-	123.41	-	-	-	123.41
Advance tax	-	36.22	-	36.22	(36.22)	-	(36.22)	-
Amount paid under protest	-	4.22	-	4.22	-	-	-	4.22
Prepaid expenses	-	2.84	-	2.84	-	-	-	2.84
<b>Total</b>	<b>122.10</b>	<b>44.59</b>	<b>-</b>	<b>166.69</b>	<b>(36.22)</b>	<b>-</b>	<b>(36.22)</b>	<b>130.47</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**As at 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Capital Advances	3.12	-	-	3.12	-	-	-	3.12
Advance tax	-	36.29	-	36.29	(36.29)	-	(36.29)	-
Amount paid under protest	-	4.22	-	4.22	-	-	-	4.22
Prepaid expenses	-	2.66	-	2.66	-	-	-	2.66
<b>Total</b>	<b>3.12</b>	<b>43.17</b>	<b>-</b>	<b>46.29</b>	<b>(36.29)</b>	<b>-</b>	<b>(36.29)</b>	<b>10.00</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**9 Inventories**

(At Lower of Cost and Net Realisable Value)

**As at 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Raw Materials and Components	500.60	988.35	53.55	1,542.50	-	-	-	1,542.50
- Materials-in-Transit	263.81	92.52	-	356.33	-	-	-	356.33
	<b>764.41</b>	<b>1,080.87</b>	<b>53.55</b>	<b>1,898.83</b>	-	-	-	<b>1,898.83</b>
(b) Work-in-Progress	232.42	201.15	-	433.57	-	-	-	433.57
(c) Finished Goods (other than those acquired for trading)	105.60	107.63	-	213.23	-	-	-	213.23
(d) Stock-in-trade	1.60	-	-	1.60	-	-	-	1.60
(e) Stores and Spare Parts (including Packing Materials)	11.81	-	-	11.81	-	-	-	11.81
<b>Total</b>	<b>1,115.84</b>	<b>1,389.65</b>	<b>53.55</b>	<b>2,559.04</b>	-	-	-	<b>2,559.04</b>

**As at 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Raw Materials and Components	293.25	710.63	17.96	1,021.84	-	-	-	1,021.84
- Materials-in-Transit	239.38	99.90	-	339.28	-	-	-	339.28
	<b>532.63</b>	<b>810.53</b>	<b>17.96</b>	<b>1,361.12</b>	-	-	-	<b>1,361.12</b>
(b) Work-in-Progress	201.31	127.00	9.47	337.78	-	-	-	337.78
(c) Finished Goods (other than those acquired for trading)	26.16	53.04	-	79.20	-	-	-	79.20
(d) Stock-in-trade	0.90	-	-	0.90	-	-	-	0.90
(e) Stores and Spare Parts (including Packing Materials)	9.75	-	-	9.75	-	-	-	9.75
<b>Total</b>	<b>770.75</b>	<b>990.57</b>	<b>27.43</b>	<b>1,788.75</b>	-	-	-	<b>1,788.75</b>



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**As at 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Raw Materials and Components	306.07	462.05	7.65	775.77	-	-	-	775.77
- Materials-in-Transit	120.71	49.59	-	170.30	-	-	-	170.30
	<b>426.78</b>	<b>511.64</b>	<b>7.65</b>	<b>946.07</b>	-	-	-	<b>946.07</b>
(b) Work-in-Progress	186.13	144.98	-	331.11	-	-	-	331.11
(c) Finished Goods (other than those acquired for trading)	57.68	72.69	-	130.37	-	-	-	130.37
(d) Stock-in-trade	3.42	-	-	3.42	-	-	-	3.42
(e) Stores and Spare Parts (including Packing Materials)	8.24	-	-	8.24	-	-	-	8.24
<b>Total</b>	<b>682.25</b>	<b>729.31</b>	<b>7.65</b>	<b>1,419.21</b>	-	-	-	<b>1,419.21</b>

**As at 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Raw Materials and Components	281.47	580.70	2.76	864.93	-	-	-	864.93
- Materials-in-Transit	74.42	97.71	-	172.13	-	-	-	172.13
	<b>355.89</b>	<b>678.41</b>	<b>2.76</b>	<b>1,037.06</b>	-	-	-	<b>1,037.06</b>
(b) Work-in-Progress	151.29	60.69	-	211.98	-	-	-	211.98
(c) Finished Goods (other than those acquired for trading)	114.58	48.74	-	163.32	-	-	-	163.32
(d) Stock-in-trade	8.99	-	-	8.99	-	-	-	8.99
(e) Stores and Spare Parts (including Packing Materials)	6.03	-	-	6.03	-	-	-	6.03
<b>Total</b>	<b>636.78</b>	<b>787.84</b>	<b>2.76</b>	<b>1,427.38</b>	-	-	-	<b>1,427.38</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**10 Investments**

**As at 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Investments in mutual funds - quoted - Mandatorily measured at FVTPL	-	306.45	-	306.45	-	-	-	306.45
Investment in other unquoted investments - Measured at FVTPL	-	66.07	-	66.07	-	-	-	66.07
<b>Total</b>	-	<b>372.52</b>	-	<b>372.52</b>	-	-	-	<b>372.52</b>

**As at 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Investments in mutual funds - quoted	-	302.30	-	302.30	-	-	-	302.30
Investment in other investments - unquoted	-	61.04	-	61.04	-	-	-	61.04
<b>Total</b>	-	<b>363.34</b>	-	<b>363.34</b>	-	-	-	<b>363.34</b>

**As at 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Investments in mutual funds - quoted	-	231.67	-	231.67	-	-	-	231.67
Investment in other investments - unquoted	-	43.44	-	43.44	-	-	-	43.44
<b>Total</b>	-	<b>275.11</b>	-	<b>275.11</b>	-	-	-	<b>275.11</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**As at 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Investments in mutual funds - quoted	-	223.73	-	223.73	-	-	-	223.73
Investment in other investments - unquoted	-	42.14	-	42.14	-	-	-	42.14
<b>Total</b>	-	<b>265.87</b>	-	<b>265.87</b>	-	-	-	<b>265.87</b>

**11 Trade Receivables**
**As at 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Considered good – unsecured	1,373.70	685.94	26.41	2,086.05	-	-	-	2,086.05
Receivables which have significant increase in credit risk	-	-	-	-	-	-	-	-
Receivables - Credit impaired	-	8.04	-	8.04	-	-	-	8.04
<b>Total</b>	<b>1,373.70</b>	<b>693.98</b>	<b>26.41</b>	<b>2,094.09</b>	-	-	-	<b>2,094.09</b>
Allowance for expected credit loss	(22.55)	(26.94)	(0.11)	(49.60)	-	-	-	(49.60)
<b>Total</b>	<b>1,351.15</b>	<b>667.04</b>	<b>26.30</b>	<b>2,044.49</b>	-	-	-	<b>2,044.49</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**As at 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Considered good – unsecured	1,301.27	780.46	40.34	2,122.07	-	-	-	2,122.07
Receivables which have significant increase in credit risk	-	-	-	-	-	-	-	-
Receivables - Credit impaired	-	7.48	-	7.48	-	-	-	7.48
<b>Total</b>	<b>1,301.27</b>	<b>787.94</b>	<b>40.34</b>	<b>2,129.55</b>	-	-	-	<b>2,129.55</b>
Allowance for expected credit loss	(22.55)	(22.55)	(0.11)	(45.21)	-	-	-	(45.21)
<b>Total</b>	<b>1,278.72</b>	<b>765.39</b>	<b>40.23</b>	<b>2,084.34</b>	-	-	-	<b>2,084.34</b>

**As at 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Considered good – unsecured	1,186.36	630.60	24.99	1,841.95	-	-	-	1,841.95
Receivables which have significant increase in credit risk	-	-	-	-	-	-	-	-
Receivables - Credit impaired	-	11.78	-	11.78	-	-	-	11.78
<b>Total</b>	<b>1,186.36</b>	<b>642.38</b>	<b>24.99</b>	<b>1,853.73</b>	-	-	-	<b>1,853.73</b>
Allowance for expected credit loss	(22.77)	(26.62)	-	(49.39)	-	-	-	(49.39)
<b>Total</b>	<b>1,163.59</b>	<b>615.76</b>	<b>24.99</b>	<b>1,804.34</b>	-	-	-	<b>1,804.34</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**As at 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Considered good – unsecured	1,009.49	848.67	7.85	1,866.01	-	-	-	1,866.01
Receivables which have significant increase in credit risk	-	-	-	-	-	-	-	-
Receivables - Credit impaired	-	8.37	-	8.37	-	-	-	8.37
<b>Total</b>	<b>1,009.49</b>	<b>857.04</b>	<b>7.85</b>	<b>1,874.38</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,874.38</b>
Allowance for expected credit loss	(17.15)	(27.54)	-	(44.69)	-	-	-	(44.69)
<b>Total</b>	<b>992.34</b>	<b>829.50</b>	<b>7.85</b>	<b>1,829.69</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,829.69</b>

**12 Cash & cash equivalents (as per Ind AS 7 Cash Flow Statements)**
**As at 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Cash on Hand	1.03	0.58	0.48	2.09	-	-	-	2.09
(b) Balances with Banks								
(i) In Current Accounts including EEFC account	67.23	30.19	49.43	146.85	-	-	-	146.85
(ii) In Deposit Accounts	172.22	-	158.08	330.30	-	-	-	330.30
(iii) Cheques in hand	-	-	-	-	-	-	-	-
<b>Total - Cash and Cash equivalents</b>	<b>240.48</b>	<b>30.77</b>	<b>207.99</b>	<b>479.24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>479.24</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**As at 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Cash on Hand	1.00	0.53	0.50	2.03	-	-	-	2.03
(b) Balances with Banks								
(i) In Current Accounts including EEFC account	110.23	171.06	26.77	308.06	-	-	-	308.06
(ii) In Deposit Accounts	168.40	-	154.55	322.95	-	-	-	322.95
(iii) Cheques in hand	-	-	-	-	-	-	-	-
<b>Total - Cash and Cash equivalents</b>	<b>279.63</b>	<b>171.59</b>	<b>181.82</b>	<b>633.04</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>633.04</b>

**As at 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Cash on Hand	1.14	0.61	0.63	2.38	-	-	-	2.38
(b) Balances with Banks								
(i) In Current Accounts including EEFC account	306.54	173.74	52.30	532.58	-	-	-	532.58
(ii) Cheques in hand	-	6.61	131.57	138.18	-	-	-	138.18
<b>Total - Cash and Cash equivalents</b>	<b>307.68</b>	<b>180.96</b>	<b>184.50</b>	<b>673.14</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>673.14</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**As at 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Cash on Hand	0.61	0.44	0.72	1.77	-	-	-	1.77
(b) Balances with Banks								
(i) In Current Accounts including EEFC account	60.88	58.92	23.97	143.77	-	-	-	143.77
(ii) In Deposit Accounts	-	-	20.00	20.00	-	-	-	20.00
<b>Total - Cash and Cash equivalents</b>	<b>61.49</b>	<b>59.36</b>	<b>44.69</b>	<b>165.54</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>165.54</b>

**13 Other Bank balances**

**As at 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Balances with Banks - Margin Money	37.23	-	2.03	39.26	-	-	-	39.26
Bank deposits due to mature within 12 months of the reporting date	-	72.65	-	72.65	-	-	-	72.65
<b>Total</b>	<b>37.23</b>	<b>72.65</b>	<b>2.03</b>	<b>111.91</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>111.91</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**As at 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Balances with Banks - Margin Money	22.43	-	1.04	23.47	-	-	-	23.47
Bank deposits due to mature within 12 months of the reporting date	-	72.05	-	72.05	-	-	-	72.05
<b>Total</b>	22.43	72.05	1.04	95.52	-	-	-	95.52

**As at 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Balances with Banks - Margin Money	43.98	-	1.58	45.56	-	-	-	45.56
Bank deposits due to mature within 12 months of the reporting date	-	61.25	-	61.25	-	-	-	61.25
<b>Total</b>	43.98	61.25	1.58	106.81	-	-	-	106.81

**As at 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Balances with Banks - Margin Money	80.78	-	-	80.78	-	-	-	80.78
Bank deposits due to mature within 12 months of the reporting date	-	3.36	-	3.36	-	-	-	3.36
<b>Total</b>	80.78	3.36	-	84.14	-	-	-	84.14



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**14 Other Financial Assets (Current)**
**As at 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Interest accrued, but not due on Deposits with banks	4.58	-	-	4.58	-	-	-	4.58
(b) Balance receivable from Customs Authorities	0.31	-	-	0.31	-	-	-	0.31
(c) Export benefits Receivable	46.55	-	0.05	46.60	-	-	-	46.60
(d) Advances to employees	2.11	-	1.96	4.07	-	-	-	4.07
(e) Derivative contracts entered to mitigate foreign currency risk	-	1.25	-	1.25	-	-	-	1.25
<b>Total</b>	<b>53.55</b>	<b>1.25</b>	<b>2.01</b>	<b>56.81</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56.81</b>

**As at 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Interest accrued, but not due on Fixed Deposits with banks	4.08	-	-	4.08	-	-	-	4.08
(b) Balance receivable from Customs Authorities	0.42	-	-	0.42	-	-	-	0.42
(c) Export benefits Receivable	46.55	-	0.05	46.60	-	-	-	46.60
(d) Advances to employees	2.05	-	1.94	3.99	-	-	-	3.99
(e) Other Benefits Receivable from State Government	1.55	-	-	1.55	-	-	-	1.55
(f) Derivative contracts entered to mitigate foreign currency risk	-	1.55	-	1.55	-	-	-	1.55
<b>Total</b>	<b>54.65</b>	<b>1.55</b>	<b>1.99</b>	<b>58.19</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>58.19</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**As at 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Interest accrued, but not due on Fixed Deposits with banks	1.21	-	-	1.21	-	-	-	1.21
(b) Balance receivable from Customs Authorities	1.39	-	-	1.39	-	-	-	1.39
(c) Export benefits Receivable	29.24	-	-	29.24	-	-	-	29.24
(d) Advances to employees	1.82	-	0.47	2.29	-	-	-	2.29
(e) Other Benefits Receivable from State Government	2.86	-	-	2.86	-	-	-	2.86
(f) Derivative contracts entered to mitigate foreign currency risk	-	9.73	-	9.73	-	-	-	9.73
<b>Total</b>	<b>36.52</b>	<b>9.73</b>	<b>0.47</b>	<b>46.72</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46.72</b>

**As at 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Interest accrued, but not due on Fixed Deposits with banks	5.69	-	0.38	6.07	-	-	-	6.07
(b) Balance receivable from Customs Authorities	0.66	-	-	0.66	-	-	-	0.66
(c) Export benefits Receivable	50.11	-	-	50.11	-	-	-	50.11
(d) Advances to employees	2.13	-	-	2.13	-	-	-	2.13
(e) Other Benefits Receivable from State Government	9.50	-	-	9.50	-	-	-	9.50
(f) Derivative contracts entered to mitigate foreign currency risk	-	1.52	-	1.52	-	-	-	1.52
<b>Total</b>	<b>68.09</b>	<b>1.52</b>	<b>0.38</b>	<b>69.99</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69.99</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**15 Other Current Assets**
**As at 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Balances Receivable from Government Authorities - GST Input Credit/ Advance Payments/ Refund Receivable	86.04	159.30	1.73	247.07	-	-	-	247.07
(b) Advance to Suppliers	98.07	46.03	0.53	144.63	-	-	-	144.63
(c) Advances to related parties	19.94	-	-	19.94	-	-	-	19.94
(d) Prepaid expenses	7.46	5.84	0.44	13.74	-	-	-	13.74
(e) Advance to employees	-	1.82	-	1.82	-	-	-	1.82
<b>Total</b>	<b>211.51</b>	<b>212.99</b>	<b>2.70</b>	<b>427.20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>427.20</b>

**As at 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Balances Receivable from Government Authorities - GST Input Credit/ Advance Payments/ Refund Receivable	74.74	132.57	1.40	208.71	-	-	-	208.71
(b) Advance to Suppliers	133.81	23.97	1.37	159.15	-	-	-	159.15
(c) Advances to related parties	23.85	-	-	23.85	-	-	-	23.85
(d) Prepaid expenses	9.59	4.85	0.44	14.88	-	-	-	14.88
(e) Advance to employees	-	1.93	-	1.93	-	-	-	1.93
<b>Total</b>	<b>241.99</b>	<b>163.32</b>	<b>3.21</b>	<b>408.52</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>408.52</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**As at 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Balances Receivable from Government Authorities - GST Input Credit/ Advance Payments/ Refund Receivable	50.22	102.78	1.09	154.09	-	-	-	154.09
(b) Advance to Suppliers	133.31	13.57	0.15	147.03	-	-	-	147.03
(c) Advances to related parties	12.69	-	-	12.69	-	-	-	12.69
(d) Prepaid expenses	9.20	4.71	0.25	14.16	-	-	-	14.16
(e) Advance to employees	-	1.87	-	1.87	-	-	-	1.87
<b>Total</b>	<b>205.42</b>	<b>122.93</b>	<b>1.49</b>	<b>329.84</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>329.84</b>

**As at 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Balances Receivable from Government Authorities - GST Input Credit/ Advance Payments/ Refund Receivable	33.74	112.06	0.89	146.69	-	-	-	146.69
(b) Advance to Suppliers	91.31	15.03	-	106.34	-	-	-	106.34
(c) Prepaid expenses	1.32	7.19	0.05	8.56	-	-	-	8.56
(d) Other Advances	-	-	1.03	1.03	-	-	-	1.03
(e) Advance to employees	-	1.28	-	1.28	-	-	-	1.28
<b>Total</b>	<b>126.37</b>	<b>135.56</b>	<b>1.97</b>	<b>263.90</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>263.90</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**16 Other Equity**
**As at 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Capital Reserve	8.23	433.18	-	441.41	-	-	-	<b>441.41</b>
Securities Premium	1,167.95	1,477.48	-	2,645.43	-	-	-	<b>2,645.43</b>
Special Reserve- Special Economic Zone (SEZ) Reinvestment Reserve	335.44	-	-	335.44	-	-	-	<b>335.44</b>
Retained Earnings (Net of Other Comprehensive Income)	955.49	1,368.34	254.19	2,578.02	-	(962.80)	(962.80)	<b>1,615.22</b>
Compulsorily Convertible Preference Shares treated as Equity Financial Instruments	10.40	-	-	10.40	-	-	-	<b>10.40</b>
Capital Redemption Reserve	-	1.00	-	1.00	-	-	-	<b>1.00</b>
General Reserve	-	90.00	-	90.00	-	-	-	<b>90.00</b>
Foreign currency translation reserve	-	0.59	-	0.59	-	-	-	<b>0.59</b>
<b>Total</b>	<b>2,477.51</b>	<b>3,370.59</b>	<b>254.19</b>	<b>6,102.29</b>	<b>-</b>	<b>(962.80)</b>	<b>(962.80)</b>	<b>5,139.49</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**16 Other Equity (Continued)**

**As at 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Capital Reserve	8.23	433.18	-	441.41	-	-	-	<b>441.41</b>
Securities Premium	1,167.95	1,477.48	-	2,645.43	-	-	-	<b>2,645.43</b>
Special Reserve- SEZ Reinvestment Reserve	337.41	-	-	337.41	-	-	-	<b>337.41</b>
Retained Earnings (Net of Other	884.28	1,314.49	221.07	2,419.84	-	(943.68)	(943.68)	<b>1,476.16</b>
Compulsorily Convertible Preference Shares treated as Equity Financial Instruments	10.40	-	-	10.40	-	-	-	<b>10.40</b>
Capital Redemption Reserve	-	1.00	-	1.00	-	-	-	<b>1.00</b>
General Reserve	-	90.00	-	90.00	-	-	-	<b>90.00</b>
Foreign currency translation reserve	-	0.25	-	0.25	-	-	-	<b>0.25</b>
<b>Total</b>	<b>2,408.27</b>	<b>3,316.40</b>	<b>221.07</b>	<b>5,945.74</b>	<b>-</b>	<b>(943.68)</b>	<b>(943.68)</b>	<b>5,002.06</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**16 Other Equity (Continued)**

**As at 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Capital Reserve	8.23	433.18	-	441.41	-	-	-	<b>441.41</b>
Securities Premium	100.12	1,477.48	-	1,577.60	-	-	-	<b>1,577.60</b>
Special Reserve- SEZ Reinvestment Reserve	256.60	-	-	256.60	-	-	-	<b>256.60</b>
Retained Earnings (Net of Other	645.08	1,037.23	134.10	1,816.41	-	(0.49)	(0.49)	<b>1,815.92</b>
Compulsorily Convertible Preference Shares treated as Equity Financial Instruments	-	-	-	-	-	-	-	-
General Reserve	-	90.00	-	90.00	-	-	-	<b>90.00</b>
Foreign currency translation reserve	-	0.30	-	0.30	-	-	-	<b>0.30</b>
<b>Total</b>	<b>1,010.03</b>	<b>3,038.19</b>	<b>134.10</b>	<b>4,182.32</b>	<b>-</b>	<b>(0.49)</b>	<b>(0.49)</b>	<b>4,181.83</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**16 Other Equity (Continued)**
**As at 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Capital Reserve	8.23	433.18	-	441.41	-	-	-	<b>441.41</b>
Securities Premium	100.12	1,477.48	-	1,577.60	-	-	-	<b>1,577.60</b>
Special Reserve- SEZ Reinvestment Reserve	105.50	-	-	105.50	-	-	-	<b>105.50</b>
Retained Earnings (Net of Other Comprehensive Income)	351.06	706.05	11.99	1,069.10	-	30.04	30.04	<b>1,099.14</b>
Compulsorily Convertible Preference Shares treated as Equity Financial Instruments	-	-	-	-	-	-	-	-
General Reserve	-	90.00	-	90.00	-	-	-	<b>90.00</b>
Foreign currency translation reserve	-	0.40	-	0.40	-	-	-	<b>0.40</b>
<b>Total</b>	<b>564.91</b>	<b>2,707.11</b>	<b>11.99</b>	<b>3,284.01</b>	<b>-</b>	<b>30.04</b>	<b>30.04</b>	<b>3,314.05</b>



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**17 Borrowings (Non-Current)**
**As at 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Term Loans (Secured)	216.29	-	3.09	219.38	-	-	-	219.38
(b) Vehicle Loan (Secured)	-	4.39	-	4.39	-	-	-	4.39
(c) Loan from related parties (Unsecured)	-	-	0.80	0.80	-	-	-	0.80
<b>Total</b>	<b>216.29</b>	<b>4.39</b>	<b>3.89</b>	<b>224.57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>224.57</b>

**As at 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Term Loans (Secured)	244.98	2.52	2.53	250.03	-	-	-	250.03
(b) Vehicle Loan (Secured)	-	5.02	-	5.02	-	-	-	5.02
(c) Loan from related parties (Unsecured)	-	-	0.80	0.80	-	-	-	0.80
<b>Total</b>	<b>244.98</b>	<b>7.54</b>	<b>3.33</b>	<b>255.85</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>255.85</b>

Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)								
Notes to the Proforma Condensed Combined Financial Information								
(All amounts are in Million Indian Rupees unless otherwise stated)								
As at 31 March 2020								
Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Term Loans (Secured)	70.14	15.71	3.27	89.12	-	-	-	89.12
(b) Vehicle Loan (Secured)	-	9.61	-	9.61	-	-	-	9.61
(c) Loan from related parties (Unsecured)	125.38	-	48.53	173.91	-	-	-	173.91
(d) Redeemable preference shares (Unsecured from Related parties)	46.62	-	-	46.62	-	-	-	46.62
<b>Total</b>	<b>242.14</b>	<b>25.32</b>	<b>51.80</b>	<b>319.26</b>	-	-	-	<b>319.26</b>
As at 31 March 2019								
Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Term Loans (Secured)	67.83	34.89	-	102.72	-	-	-	102.72
(b) Vehicle Loan (Secured)	-	1.23	-	1.23	-	-	-	1.23
(c) Loan from related parties (Unsecured)	230.34	-	59.40	289.74	-	-	-	289.74
(d) Redeemable preference shares (Unsecured from Related parties)	87.75	0.87	-	88.62	-	-	-	88.62
<b>Total</b>	<b>385.92</b>	<b>36.99</b>	<b>59.40</b>	<b>482.31</b>	-	-	-	<b>482.31</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**18 Other financial liabilities (Non-Current)**

**As at 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Liability towards (gains)/losses on financial instrument	7.77	-	-	7.77	-	-	-	7.77
<b>Total</b>	<b>7.77</b>	<b>-</b>	<b>-</b>	<b>7.77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7.77</b>

**As at 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Liability towards (gains)/losses on financial instrument	6.80	-	-	6.80	-	-	-	6.80
<b>Total</b>	<b>6.80</b>	<b>-</b>	<b>-</b>	<b>6.80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6.80</b>

**As at 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Liability towards (gains)/losses on financial instrument	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**As at 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Liability towards (gains)/losses on financial instrument	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-

**19 Provisions (Non-Current)**
**As at 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Provision for employee benefits								
Provision for Gratuity	22.89	15.18	0.35	38.42	-	-	-	38.42
Provision for Compensated Absences	13.25	12.17	0.08	25.50	-	-	-	25.50
<b>Total</b>	<b>36.14</b>	<b>27.35</b>	<b>0.43</b>	<b>63.92</b>	-	-	-	<b>63.92</b>

**As at 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Provision for employee benefits								
Provision for Gratuity	19.48	15.39	0.32	35.19	-	-	-	35.19
Provision for Compensated Absences	12.41	11.76	0.16	24.33	-	-	-	24.33
<b>Total</b>	<b>31.89</b>	<b>27.15</b>	<b>0.48</b>	<b>59.52</b>	-	-	-	<b>59.52</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**As at 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Provision for employee benefits								
Provision for Gratuity	14.49	12.40	0.17	27.06	-	-	-	27.06
Provision for Compensated Absences	10.41	10.20	0.27	20.88	-	-	-	20.88
<b>Total</b>	<b>24.90</b>	<b>22.60</b>	<b>0.44</b>	<b>47.94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47.94</b>

**As at 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Provision for employee benefits								
Provision for Gratuity	15.87	8.92	0.05	24.84	-	-	-	24.84
Provision for Compensated Absences	9.93	7.36	0.10	17.39	-	-	-	17.39
<b>Total</b>	<b>25.80</b>	<b>16.28</b>	<b>0.15</b>	<b>42.23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>42.23</b>

**20 Other Non-current Liabilities**
**As at 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Deferred government grant	-	19.93	-	19.93	-	-	-	19.93
Other payables	-	12.13	-	12.13	-	-	-	12.13
<b>Total</b>	<b>-</b>	<b>32.06</b>	<b>-</b>	<b>32.06</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32.06</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**As at 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Deferred government grant	-	20.43	-	20.43	-	-	-	20.43
Other payables	-	9.48	-	9.48	-	-	-	9.48
<b>Total</b>	-	<b>29.91</b>	-	<b>29.91</b>	-	-	-	<b>29.91</b>

**As at 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Deferred government grant	-	-	-	-	-	-	-	-
Other payables	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-

**As at 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Deferred government grant	-	-	-	-	-	-	-	-
Other payables	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	-	-

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**21 Borrowings (Current)**

**As at 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Working Capital Facilities from Banks - Secured	224.84	479.31	-	704.15	-	-	-	704.15
(b) Current Maturities of Long-term Borrowings								
- Term Loans	74.84	10.18	-	85.02	-	-	-	85.02
- Vehicle Loan	-	2.87	-	2.87	-	-	-	2.87
<b>Total</b>	<b>299.68</b>	<b>492.36</b>	<b>-</b>	<b>792.04</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>792.04</b>

**As at 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Working Capital Facilities from Banks - Secured	242.46	326.44	-	568.90	-	-	-	568.90
(b) Current Maturities of Long-term Borrowings								
- Term Loans	73.77	12.80	10.74	97.31	-	-	-	97.31
- Vehicle Loan	-	2.89	-	2.89	-	-	-	2.89
<b>Total</b>	<b>316.23</b>	<b>342.13</b>	<b>10.74</b>	<b>669.10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>669.10</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**As at 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Working Capital Facilities from Banks - Secured	531.40	191.14	-	722.54	-	-	-	722.54
(b) Current Maturities of Long-term Borrowings								
- Term Loans	64.49	21.54	0.68	86.71	-	-	-	86.71
- Vehicle Loan	-	4.61	-	4.61	-	-	-	4.61
(c) Redeemable preference shares	-	0.95	-	0.95	-	-	-	0.95
<b>Total</b>	<b>595.89</b>	<b>218.24</b>	<b>0.68</b>	<b>814.81</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>814.81</b>

**As at 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Working Capital Facilities from Banks - Secured	483.48	479.42	-	962.90	-	-	-	962.90
(b) Current Maturities of Long-term Borrowings								
- Term Loans	74.06	20.18	-	94.24	-	-	-	94.24
- Vehicle Loan	-	0.91	-	0.91	-	-	-	0.91
<b>Total</b>	<b>557.54</b>	<b>500.51</b>	<b>-</b>	<b>1,058.05</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,058.05</b>



**Syrma SGS Technology Limited (formerly known as Syрма Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**22 Other Financial Liabilities (Current)**
**As at 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Payable towards procurement of capital assets	3.63	2.16	-	5.79	-	-	-	5.79
(b) Interest Accrued and Due on loan from Related Party	4.30	-	-	4.30	-	-	-	4.30
(c) Interest accrued but not due on loans from banks	0.39	-	-	0.39	-	-	-	0.39
(d) Liability towards (gains)/lossess on financial instrument	2.39	-	-	2.39	-	-	-	2.39
(e) Employee benefits and other dues	-	63.81	-	63.81	(63.81)	-	(63.81)	-
<b>Total</b>	<b>10.71</b>	<b>65.97</b>	<b>-</b>	<b>76.68</b>	<b>(63.81)</b>	<b>-</b>	<b>(63.81)</b>	<b>12.87</b>

**As at 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Payable towards procurement of capital assets	2.35	7.43	-	9.78	-	-	-	9.78
(b) Interest Accrued and Due on loan from Related Party	4.30	-	-	4.30	-	-	-	4.30
(c) Interest accrued but not due on loans from banks	0.56	-	-	0.56	-	-	-	0.56
(d) Liability towards (gains)/lossess on financial instrument	1.94	-	-	1.94	-	-	-	1.94
(e) Employee benefits and other dues	-	64.45	-	64.45	(64.45)	-	(64.45)	-
<b>Total</b>	<b>9.15</b>	<b>71.88</b>	<b>-</b>	<b>81.03</b>	<b>(64.45)</b>	<b>-</b>	<b>(64.45)</b>	<b>16.58</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**As at 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Payable towards procurement of capital assets	4.32	27.32	-	31.64	-	-	-	31.64
(b) Interest Accrued and Due on loan from Related Party	15.00	-	-	15.00	-	-	-	15.00
(c) Interest accrued but not due on loans from banks	0.46	-	-	0.46	-	-	-	0.46
(d) Employee benefits and other dues	-	55.76	-	55.76	(55.76)	-	(55.76)	-
<b>Total</b>	<b>19.78</b>	<b>83.08</b>	<b>-</b>	<b>102.86</b>	<b>(55.76)</b>	<b>-</b>	<b>(55.76)</b>	<b>47.10</b>

**As at 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Payable towards procurement of capital assets	75.22	14.48	-	89.70	-	-	-	89.70
(b) Interest Accrued and Due on loan from Related Party	26.93	-	-	26.93	-	-	-	26.93
(c) Interest accrued but not due on loans from banks	0.53	-	-	0.53	-	-	-	0.53
(d) Employee benefits and other dues	-	50.30	-	50.30	(50.30)	-	(50.30)	-
(e) Book overdraft	-	8.63	-	8.63	-	-	-	8.63
<b>Total</b>	<b>102.68</b>	<b>73.41</b>	<b>-</b>	<b>176.09</b>	<b>(50.30)</b>	<b>-</b>	<b>(50.30)</b>	<b>125.79</b>

**23 Provisions (Current)**
**As at 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Provision for Warranty	1.39	-	-	1.39	-	-	-	1.39
(b) Provision for Employee Benefits								
- Provision for Gratuity	1.50	3.61	-	5.11	-	-	-	5.11
- Provision for Compensated Absences	1.59	2.41	0.01	4.01	-	-	-	4.01
(c) Provision for other liabilities	16.00	-	-	16.00	-	-	-	16.00
<b>Total</b>	<b>20.48</b>	<b>6.02</b>	<b>0.01</b>	<b>26.51</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25.12</b>

**Syrma SGS Technology Limited (formerly known as Syрма Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**As at 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Provision for Warranty	1.42	-	-	1.42	-	-	-	1.42
(b) Provision for Employee Benefits								
- Provision for Gratuity	8.07	3.49	-	11.56	-	-	-	11.56
- Provision for Compensated Absences	2.98	2.32	0.02	5.32	-	-	-	5.32
(c) Provision for other liabilities	16.00	-	-	16.00	-	-	-	16.00
<b>Total</b>	<b>28.47</b>	<b>5.81</b>	<b>0.02</b>	<b>34.30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>32.88</b>

**As at 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Provision for Warranty	1.58	-	-	1.58	-	-	-	1.58
(b) Provision for Employee Benefits								
- Provision for Gratuity	6.81	2.98	-	9.79	-	-	-	9.79
- Provision for Compensated Absences	1.73	2.25	0.04	4.02	-	-	-	4.02
(c) Provision for other liabilities	16.00	-	-	16.00	-	-	-	16.00
<b>Total</b>	<b>26.12</b>	<b>5.23</b>	<b>0.04</b>	<b>31.39</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29.81</b>

**As at 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Provision for Warranty	1.59	-	-	1.59	-	-	-	1.59
(b) Provision for Employee Benefits								
- Provision for Gratuity	4.63	1.59	-	6.22	-	-	-	6.22
- Provision for Compensated Absences	1.08	2.03	0.02	3.13	-	-	-	3.13
(c) Provision for other liabilities	6.00	-	-	6.00	-	-	-	6.00
<b>Total</b>	<b>13.30</b>	<b>3.62</b>	<b>0.02</b>	<b>16.94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15.35</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**24 Other Current Liabilities**

**As at 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Deferred revenue	247.15		-	247.15	-	-	-	247.15
(b) Deferred Income on account of Fair Valuation of Financial Instrument	-		-	-	-	-	-	-
(c) Advance from Customers	107.08	39.97	9.39	156.44	-	-	-	156.44
(d) Statutory Remittances (Contributions to PF and ESI, Withholding Taxes, GST, etc.)	16.55	5.19	0.31	22.05	-	-	-	22.05
(e) Other Payables	-	4.79	-	4.79	-	-	-	4.79
(f) Deferred government grant	-	2.05	-	2.05	-	-	-	2.05
<b>Total</b>	<b>370.78</b>	<b>52.00</b>	<b>9.70</b>	<b>432.48</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>432.48</b>

**As at 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Deferred revenue	247.15			247.15	-	-	-	247.15
(b) Advance from Customers	117.80	32.35	10.68	160.83	-	-	-	160.83
(c) Statutory Remittances (Contributions to PF and ESI, Withholding Taxes, GST, etc.)	12.66	17.83	0.90	31.39	-	-	-	31.39
(d) Other Payables	-	4.06	-	4.06	-	-	-	4.06
(e) Deferred government grant	-	2.07	-	2.07	-	-	-	2.07
<b>Total</b>	<b>377.61</b>	<b>56.31</b>	<b>11.58</b>	<b>445.50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>445.50</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**As at 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Deferred revenue	212.29	-	-	212.29	-	-	-	212.29
(b) Advance from Customers	160.23	19.49	3.24	182.96	-	-	-	182.96
(c) Statutory Remittances (Contributions to PF and ESI, Withholding Taxes, GST, etc.)	15.63	13.81	0.87	30.31	-	-	-	30.31
(d) Other Payables	-	9.27	-	9.27	-	-	-	9.27
<b>Total</b>	<b>388.15</b>	<b>42.57</b>	<b>4.11</b>	<b>434.83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>434.83</b>

**As at 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Deferred revenue	145.29	-	-	145.29	-	-	-	145.29
(b) Advance from Customers	54.60	3.97	-	58.57	-	-	-	58.57
(c) Statutory Remittances (Contributions to PF and ESI, Withholding Taxes, GST, etc.)	21.84	15.44	1.06	38.34	-	-	-	38.34
(d) Other Payables	-	6.59	-	6.59	-	-	-	6.59
<b>Total</b>	<b>221.73</b>	<b>26.00</b>	<b>1.06</b>	<b>248.79</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>248.79</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**25 Revenue from Operations**

**For the period ended 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Sale of Products (Net)	1,318.91	985.01	98.25	2,402.17	-	-	-	2,402.17
(b) Sale of Services	5.06	37.54	-	42.60	-	-	-	42.60
(c) Other Operating Revenues:								
- Tooling charges	4.36	-	-	4.36	-	-	-	4.36
- Sale of scrap	3.57	-	0.07	3.64	-	-	-	3.64
<b>Total Other Operating Revenues</b>	<b>7.93</b>	<b>-</b>	<b>0.07</b>	<b>8.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8.00</b>
<b>Total</b>	<b>1,331.90</b>	<b>1,022.55</b>	<b>98.32</b>	<b>2,452.77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,452.77</b>

**For the year ended 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Sale of Products	4,275.31	4,090.46	293.07	8,658.84	-	-	-	8,658.84
(b) Sale of Services	18.16	91.29	-	109.45	-	-	-	109.45
(c) Other Operating Revenues:								
- Export Incentive	41.19	-	-	41.19	16.14	-	16.14	57.33
- Tooling Charges	32.63	-	-	32.63	-	-	-	32.63
- Sale of scrap	12.41	-	-	12.41	-	-	-	12.41
- Income from Outsourcing Services	3.33	-	-	3.33	-	-	-	3.33
<b>Total Other Operating Revenues</b>	<b>89.56</b>	<b>-</b>	<b>-</b>	<b>89.56</b>	<b>16.14</b>	<b>-</b>	<b>16.14</b>	<b>105.70</b>
<b>Total</b>	<b>4,383.03</b>	<b>4,181.75</b>	<b>293.07</b>	<b>8,857.85</b>	<b>16.14</b>	<b>-</b>	<b>16.14</b>	<b>8,873.99</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**For the year ended 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Sale of Products	3,664.82	4,113.62	425.58	8,204.02	-	-	-	8,204.02
(b) Sale of Services	19.36	108.78	-	128.14	-	-	-	128.14
(c) Other Operating Revenues:								
- Export Incentive	59.33	-	-	59.33	35.94	-	35.94	95.27
- Tooling Charges	216.18	-	-	216.18	-	-	-	216.18
- Sale of scrap	6.41	-	0.29	6.70	-	-	-	6.70
- Job work	-	-	1.53	1.53	-	-	-	1.53
- Income from Outsourcing Services	4.66	-	-	4.66	-	-	-	4.66
<b>Total Other Operating Revenues</b>	<b>286.58</b>	<b>-</b>	<b>1.82</b>	<b>288.40</b>	<b>35.94</b>	<b>-</b>	<b>35.94</b>	<b>324.34</b>
<b>Total</b>	<b>3,970.76</b>	<b>4,222.40</b>	<b>427.40</b>	<b>8,620.56</b>	<b>35.94</b>	<b>-</b>	<b>35.94</b>	<b>8,656.50</b>

**For the year ended 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Sale of Products	3,276.79	4,128.81	108.60	7,514.20	-	-	-	7,514.20
(b) Sale of Services	25.35	114.91	-	140.26	-	-	-	140.26
(c) Other Operating Revenues:								
- Export Incentive	65.94	-	-	65.94	55.11	-	55.11	121.05
- Tooling Charges	155.58	-	-	155.58	-	-	-	155.58
- Sale of scrap	13.16	-	-	13.16	-	-	-	13.16
- Income from Outsourcing Services	3.15	-	-	3.15	-	-	-	3.15
<b>Total Other Operating Revenues</b>	<b>237.83</b>	<b>-</b>	<b>-</b>	<b>237.83</b>	<b>55.11</b>	<b>-</b>	<b>55.11</b>	<b>292.94</b>
<b>Total</b>	<b>3,539.97</b>	<b>4,243.72</b>	<b>108.60</b>	<b>7,892.29</b>	<b>55.11</b>	<b>-</b>	<b>55.11</b>	<b>7,947.40</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**26 Other Income**

**For the period ended 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Interest Income	3.78	7.21	0.98	11.97	-	-	-	11.06
(b) Foreign Exchange Gain (net)	17.04	3.58	0.36	20.98	-	-	-	20.98
(c) Insurance / Other Claims	-	-	0.06	0.06	-	-	-	0.06
(d) Profit on Sale of Property, plant and equipment (Net)	-	0.01	-	0.01	-	-	-	0.01
(e) Dividend income from mutual funds mandatorily measured at FVTPL	-	0.76	-	0.76	-	-	-	0.76
(f) Net gain/(losses) on fair value changes in financial assets measured at FVTPL	-	9.23	-	9.23	-	-	-	9.23
(g) Net gain on account of sale of investment	-	0.04	-	0.04	-	-	-	0.04
(h) Mark to market (loss)/gain on cross currency interest rate swaps	-	(0.30)	-	(0.30)	0.30	-	0.30	-
(i) Government incentive	-	0.52	-	0.52	-	-	-	0.52
(j) Others	-	0.68	-	0.68	-	-	-	0.68
<b>Total</b>	<b>20.82</b>	<b>21.73</b>	<b>1.40</b>	<b>43.95</b>	<b>0.30</b>	<b>-</b>	<b>0.30</b>	<b>43.34</b>



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**26 Other Income (Continued)**

**For the year ended 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Interest Income	9.20	4.28	6.26	19.74	-	-	-	19.74
(b) Foreign Exchange Gain (net)	48.90	32.71	2.41	84.02	-	-	-	84.02
(c) Insurance / Other Claims	0.04	-	0.24	0.28	-	-	-	0.28
(d) Profit on Sale of Property, plant and equipment (Net)	-	0.64	-	0.64	-	-	-	0.64
(e) Liabilities No Longer Required Written back	1.94	1.79	-	3.73	-	-	-	3.73
(f) Allowance for Expected Credit Loss No Longer Required Written back	-	1.05	-	1.05	-	-	-	1.05
(g) Dividend income from mutual funds mandatorily measured at FVTPL	-	3.92	-	3.92	-	-	-	3.92
(h) Net gain/(losses) on fair value changes in financial assets measured at FVTPL	-	35.04	-	35.04	-	-	-	35.04
(i) Net gain on account of sale of investment	-	7.98	-	7.98	-	-	-	7.98
(j) Mark to market (loss)/gain on cross currency interest rate swaps	-	(8.18)	-	(8.18)	8.18	-	8.18	-
(k) Government incentive	-	20.21	-	20.21	(16.14)	-	(16.14)	4.07
(l) Others	1.69	4.74	2.02	8.45	-	-	-	8.45
<b>Total</b>	<b>61.77</b>	<b>104.18</b>	<b>10.93</b>	<b>176.88</b>	<b>(7.96)</b>	<b>-</b>	<b>(7.96)</b>	<b>168.92</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**26 Other Income (Continued)**

**For the year ended 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Interest Income	3.98	4.65	2.84	11.47	-	-	-	11.47
(b) Foreign Exchange Gain (net)	57.09	27.27	0.42	84.78	(4.04)	-	(4.04)	80.74
(c) Insurance / Other Claims	0.07	-	0.13	0.20	-	-	-	0.20
(d) Profit on Sale of Property, plant and equipment (Net)	1.27	0.44	-	1.71	-	-	-	1.71
(e) Liabilities No Longer Required Written back	7.57	-	-	7.57	-	-	-	7.57
(f) Dividend income from mutual funds mandatorily measured at FVTPL	-	3.70	-	3.70	-	-	-	3.70
(g) Net gain/(losses) on fair value changes in financial assets measured at FVTPL	-	(5.52)	-	-5.52	-	-	-	-5.52
(h) Net gain on account of sale of investment	-	12.42	-	12.42	-	-	-	12.42
(i) Mark to market (loss)/gain on cross currency interest rate swaps	-	8.22	-	8.22	-	-	-	8.22
(j) Government incentive	-	37.34	-	37.34	(35.94)	-	(35.94)	1.40
(k) Others	8.08	13.05	-	21.13	-	-	-	21.13
<b>Total</b>	<b>78.06</b>	<b>101.57</b>	<b>3.39</b>	<b>183.02</b>	<b>-39.98</b>	<b>-</b>	<b>-39.98</b>	<b>143.04</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**26 Other Income (Continued)**

**For the year ended 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Interest Income	7.72	5.65	1.06	14.43	-	-	-	14.43
(b) Foreign Exchange Gain (net)	16.49	5.51	-	22.00	-2.11	-	-2.11	19.89
(d) Profit on Sale of Property, plant and equipment (Net)	-	55.67	-	55.67	-	-	-	55.67
(e) Allowance for Expected Credit Loss No Longer Required Written back	-	1.82	-	1.82	-	-	-	1.82
(f) Dividend income from mutual funds mandatorily measured at FVTPL	-	2.72	-	2.72	-	-	-	2.72
(g) Net gain/(losses) on fair value changes in financial assets measured at FVTPL	-	6.85	-	6.85	-	-	-	6.85
(h) Net gain on account of sale of investment	-	(2.25)	-	(2.25)	-	-	-	(2.25)
(i) Mark to market (loss)/gain on cross currency interest rate swaps	-	(0.61)	-	(0.61)	0.61	-	0.61	-
(j) Government incentive	-	55.14	-	55.14	(55.11)	-	(55.11)	0.03
(m) Others	9.77	5.77	0.28	15.82	-	-	-	15.82
<b>Total</b>	<b>33.98</b>	<b>136.27</b>	<b>1.34</b>	<b>171.59</b>	<b>-56.61</b>	<b>-</b>	<b>-56.61</b>	<b>114.98</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**27.1 Cost of Materials Consumed**

**For the period ended 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Opening Stock	532.64	810.53	17.96	1,361.13	-	-	-	1,361.13
Add: Purchases	1,274.31	1,148.09	69.87	2,492.27	-	-	-	2,492.27
	<b>1,806.95</b>	<b>1,958.62</b>	<b>87.83</b>	<b>3,853.40</b>	-	-	-	<b>3,853.40</b>
Less: Closing Stock	764.41	1,080.87	53.55	1,898.83	-	-	-	1,898.83
<b>Consumption of Raw Materials</b>	<b>1,042.54</b>	<b>877.75</b>	<b>34.28</b>	<b>1,954.57</b>	-	-	-	<b>1,954.57</b>

**For the year ended 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Opening Stock	426.78	511.64	7.65	946.07	-	-	-	946.07
Add: Purchases	2,869.79	3,289.96	150.45	6,310.20	-	-	-	6,310.20
	<b>3,296.57</b>	<b>3,801.60</b>	<b>158.10</b>	<b>7,256.27</b>	-	-	-	<b>7,256.27</b>
Less: Closing Stock	532.64	810.53	17.96	1,361.13	-	-	-	1,361.13
<b>Consumption of Raw Materials</b>	<b>2,763.93</b>	<b>2,991.07</b>	<b>140.14</b>	<b>5,895.14</b>	-	-	-	<b>5,895.14</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**For the year ended 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Opening Stock	355.89	678.41	2.75	1,037.05	-	-	-	1,037.05
Add: Purchases	2,289.35	3,010.74	203.98	5,504.07	-	-	-	5,504.07
	<b>2,645.24</b>	<b>3,689.15</b>	<b>206.73</b>	<b>6,541.12</b>	-	-	-	<b>6,541.12</b>
Less: Closing Stock	426.78	511.64	7.65	946.07	-	-	-	946.07
<b>Consumption of Raw Materials</b>	<b>2,218.46</b>	<b>3,177.51</b>	<b>199.08</b>	<b>5,595.05</b>	-	-	-	<b>5,595.05</b>

**For the year ended 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Opening Stock	305.60	560.44	3.13	869.17	-	-	-	869.17
Add: Purchases	2,035.59	3,252.53	52.35	5,340.47	-	-	-	5,340.47
	<b>2,341.19</b>	<b>3,812.97</b>	<b>55.48</b>	<b>6,209.64</b>	-	-	-	<b>6,209.64</b>
Less: Closing Stock	355.89	678.41	2.76	1,037.06	-	-	-	1,037.06
<b>Consumption of Raw Materials</b>	<b>1,985.30</b>	<b>3,134.56</b>	<b>52.72</b>	<b>5,172.58</b>	-	-	-	<b>5,172.58</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**27.2 Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade**

**For the period ended 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Inventories at the End of the period:								
- Finished Goods	105.60	107.63	-	213.23	-	-	-	213.23
- Work-in-progress	232.42	201.15	-	433.57	-	-	-	433.57
- Stock-in-trade	1.60	-	-	1.60	-	-	-	1.60
<b>Sub-total</b>	<b>339.62</b>	<b>308.78</b>	<b>-</b>	<b>648.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>648.40</b>
(b) Inventories at the Beginning of the period:								
- Finished Goods	26.16	53.04	-	79.20	-	-	-	79.20
- Work-in-progress	201.31	127.00	9.47	337.78	-	-	-	337.78
- Stock-in-trade	0.90	-	-	0.90	-	-	-	0.90
<b>Sub-total</b>	<b>228.37</b>	<b>180.04</b>	<b>9.47</b>	<b>417.88</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>417.88</b>
<b>Net Decrease / (Increase)</b>	<b>(111.25)</b>	<b>(128.74)</b>	<b>9.47</b>	<b>(230.52)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(230.52)</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**27.2 Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade (Continued)**

**For the year ended 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Inventories at the End of the year:								
- Finished Goods	26.16	53.04	-	79.20	-	-	-	79.20
- Work-in-progress	201.31	127.00	9.47	337.78	-	-	-	337.78
- Stock-in-trade	0.90	-	-	0.90	-	-	-	0.90
<b>Sub-total</b>	<b>228.37</b>	<b>180.04</b>	<b>9.47</b>	<b>417.88</b>	-	-	-	<b>417.88</b>
(b) Inventories at the Beginning of the year:								
- Finished Goods	57.68	72.69	-	130.37	-	-	-	130.37
- Work-in-progress	186.13	144.98	-	331.11	-	-	-	331.11
- Stock-in-trade	3.42	-	-	3.42	-	-	-	3.42
<b>Sub-total</b>	<b>247.23</b>	<b>217.67</b>	-	<b>464.90</b>	-	-	-	<b>464.90</b>
<b>Net Decrease / (Increase)</b>	<b>18.86</b>	<b>37.63</b>	<b>(9.47)</b>	<b>47.02</b>	-	-	-	<b>47.02</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**27.2 Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade (Continued)**

**For the year ended 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Inventories at the End of the year:								
- Finished Goods	57.68	72.69	-	130.37	-	-	-	130.37
- Work-in-progress	186.13	144.98	-	331.11	-	-	-	331.11
- Stock-in-trade	3.42	-	-	3.42	-	-	-	3.42
<b>Sub-total</b>	<b>247.23</b>	<b>217.67</b>	-	<b>464.90</b>	-	-	-	<b>464.90</b>
(b) Inventories at the Beginning of the year:								
- Finished Goods	114.58	48.74	-	163.32	-	-	-	163.32
- Work-in-progress	151.29	60.69	-	211.98	-	-	-	211.98
- Stock-in-trade	8.99	-	-	8.99	-	-	-	8.99
<b>Sub-total</b>	<b>274.86</b>	<b>109.43</b>	-	<b>384.29</b>	-	-	-	<b>384.29</b>
<b>Net Decrease / (Increase)</b>	<b>27.63</b>	<b>(108.24)</b>	-	<b>(80.61)</b>	-	-	-	<b>(80.61)</b>



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**27.2 Changes in Inventories of Finished Goods, Work-in-progress and Stock-in-trade (Continued)**

**For the year ended 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Inventories at the End of the year:								
- Finished Goods	114.58	48.74	-	163.32	-	-	-	163.32
- Work-in-progress	151.29	60.69	-	211.98	-	-	-	211.98
- Stock-in-trade	8.99	-	-	8.99	-	-	-	8.99
<b>Sub-total</b>	<b>274.86</b>	<b>109.43</b>	<b>-</b>	<b>384.29</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>384.29</b>
(b) Inventories at the Beginning of the year:								
- Finished Goods	37.32	42.94	-	80.26	-	-	-	80.26
- Work-in-progress	92.72	124.99	-	217.71	-	-	-	217.71
- Stock-in-trade	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>130.04</b>	<b>167.93</b>	<b>-</b>	<b>297.97</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>297.97</b>
<b>Net Decrease / (Increase)</b>	<b>(144.82)</b>	<b>58.50</b>	<b>-</b>	<b>(86.32)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(86.32)</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**28 Employee Benefits Expense**

**For the period ended 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Salaries, wages and bonus	70.37	124.27	3.19	197.83	-	-	-	197.83
Contribution to provident and other funds (Net)	5.56	2.27	-	7.83	-	-	-	7.83
Gratuity expense	1.62	1.01	0.04	2.67	-	-	-	2.67
Compensated absences expense	0.04	0.54	(0.10)	0.48	-	-	-	0.48
Remuneration to Directors	6.00	-	0.75	6.75	-	-	-	6.75
Staff welfare expenses	4.19	3.04	-	7.23	-	-	-	7.23
	<b>87.78</b>	<b>131.13</b>	<b>3.88</b>	<b>222.79</b>	-	-	-	<b>222.79</b>
Less: Recovery of Salaries from Related Parties	(4.72)	-	-	(4.72)	-	-	-	(4.72)
<b>Total</b>	<b>83.06</b>	<b>131.13</b>	<b>3.88</b>	<b>218.07</b>	-	-	-	<b>218.07</b>

**For the year ended 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Salaries, wages and bonus	234.65	462.73	11.18	708.56	-	-	-	708.56
Contribution to provident and other funds (Net)	18.94	8.36	0.32	27.62	-	-	-	27.62
Gratuity expense	6.10	3.75	0.15	10.00	-	-	-	10.00
Compensated absences expense	4.91	2.19	(0.12)	6.98	-	-	-	6.98
Remuneration to Directors	24.00	-	2.85	26.85	-	-	-	26.85
Staff welfare expenses	15.21	11.54	0.54	27.29	-	-	-	27.29
	<b>303.81</b>	<b>488.57</b>	<b>14.92</b>	<b>807.30</b>	-	-	-	<b>807.30</b>
Less: Recovery of Salaries from Related Parties	(17.46)	-	-	(17.46)	-	-	-	(17.46)
<b>Total</b>	<b>286.35</b>	<b>488.57</b>	<b>14.92</b>	<b>789.84</b>	-	-	-	<b>789.84</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**For the year ended 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Salaries, wages and bonus	227.73	445.96	10.44	684.13	-	-	-	684.13
Contribution to provident and other funds (Net)	15.87	8.61	0.35	24.83	-	-	-	24.83
Gratuity expense	5.80	3.13	0.09	9.02	-	-	-	9.02
Compensated absences expense	1.14	3.61	0.18	4.93	-	-	-	4.93
Remuneration to Directors	25.10	-	2.85	27.95	-	-	-	27.95
Staff welfare expenses	13.28	10.85	0.63	24.76	-	-	-	24.76
	<b>288.92</b>	<b>472.16</b>	<b>14.54</b>	<b>775.62</b>	-	-	-	<b>775.62</b>
Less: Recovery of Salaries from Related Parties	(25.40)	-	-	(25.40)	-	-	-	(25.40)
<b>Total</b>	<b>263.52</b>	<b>472.16</b>	<b>14.54</b>	<b>750.22</b>	-	-	-	<b>750.22</b>

**For the year ended 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Salaries, wages and bonus	187.92	395.23	6.70	589.85	-	-	-	589.85
Contribution to provident and other funds (Net)	14.18	7.29	-	21.47	-	-	-	21.47
Gratuity expense	4.89	2.26	0.05	7.20	-	-	-	7.20
Compensated absences expense	8.84	4.51	0.12	13.47	-	-	-	13.47
Remuneration to Directors	23.10	-	1.44	24.54	-	-	-	24.54
Staff welfare expenses	12.62	9.67	1.40	23.69	-	-	-	23.69
	<b>251.55</b>	<b>418.96</b>	<b>9.71</b>	<b>680.22</b>	-	-	-	<b>680.22</b>
Less: Recovery of Salaries from Related Parties	(7.05)	-	-	(7.05)	-	-	-	(7.05)
<b>Total</b>	<b>244.50</b>	<b>418.96</b>	<b>9.71</b>	<b>673.17</b>	-	-	-	<b>673.17</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**29 Finance Costs**
**For the period ended 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(i) Interest on borrowings	3.74	3.76	0.07	7.57	-	-	-	7.57
(ii) Interest on lease liability	1.35	1.13	0.05	2.53	-	-	-	2.53
(iii) Factoring Charges	2.48	-	-	2.48	-	-	-	2.48
(iv) Interest on delayed payment of taxes	-	-	0.04	0.04	-	-	-	0.04
(v) Interest on delayed payments to micro enterprises and small enterprises	0.10	0.30	-	0.40	-	-	-	0.40
<b>Total</b>	<b>7.67</b>	<b>5.19</b>	<b>0.16</b>	<b>13.02</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.02</b>

**For the year ended 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(i) Interest on borrowings	19.99	17.63	0.80	38.42	-	-	-	38.42
(ii) Interest on lease liability	6.04	4.77	0.20	11.01	-	-	-	11.01
(iii) Interest on Unsecured Loan	5.13	-	-	5.13	-	-	-	5.13
(iv) Factoring Charges	11.50	-	-	11.50	-	-	-	11.50
(v) Interest on Redeemable Preference shares (Net)	0.58	0.05	-	0.63	-	-	-	0.63
(vi) Interest on delayed payment of taxes	0.34	1.67	0.19	2.20	-	-	-	2.20
(vii) Interest on delayed payments to micro enterprises and small enterprises	1.66	0.92	-	2.58	-	-	-	2.58
<b>Total</b>	<b>45.24</b>	<b>25.04</b>	<b>1.19</b>	<b>71.47</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>71.47</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**For the year ended 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(i) Interest on borrowings	29.41	37.51	1.64	68.56	-	-	-	68.56
(ii) Interest on lease liability	6.91	4.14	0.23	11.28	-	-	-	11.28
(iii) Interest on Unsecured Loan	17.76	-	-	17.76	-	-	-	17.76
(iv) Factoring Charges	16.51	-	-	16.51	-	-	-	16.51
(v) Interest on Redeemable Preference shares (Net)	5.42	1.35	-	6.77	-	-	-	6.77
(vi) Interest on delayed payment of taxes	3.67	1.88	-	5.55	-	-	-	5.55
(vii) Interest on delayed payments to micro enterprises and small enterprises	0.02	1.83	-	1.85	-	-	-	1.85
<b>Total</b>	<b>79.70</b>	<b>46.71</b>	<b>1.87</b>	<b>128.28</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>128.28</b>

**For the year ended 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(i) Interest on borrowings	26.29	48.16	3.64	78.09	-	-	-	78.09
(ii) Interest on lease liability	7.26	2.38	0.25	9.89	-	-	-	9.89
(iii) Interest on Unsecured Loan	13.39	-	-	13.39	-	-	-	13.39
(iv) Factoring Charges	7.36	-	-	7.36	-	-	-	7.36
(v) Interest on Redeemable Preference shares (Net)	5.94	0.92	-	6.86	-	-	-	6.86
(vi) Interest on delayed payment of taxes	-	0.57	-	0.57	-	-	-	0.57
(vii) Interest on delayed payments to micro enterprises and small enterprises	0.08	2.34	-	2.42	-	-	-	2.42
<b>Total</b>	<b>60.32</b>	<b>54.37</b>	<b>3.89</b>	<b>118.58</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>118.58</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**30 Depreciation and amortisation expense**
**For the period ended 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Depreciation of Property, Plant and Equipment	20.73	22.23	2.23	45.19	-	-	-	45.19
(b) Amotisation of Intangible Assets	4.14	0.96	0.11	5.21	-	-	-	5.21
(c) Depreciation on ROU Asset	3.13	1.57	0.08	4.78	-	-	-	4.78
<b>Total</b>	<b>28.00</b>	<b>24.76</b>	<b>2.42</b>	<b>55.18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55.18</b>

**For the year ended 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Depreciation of Property, Plant and Equipment	92.86	85.98	10.68	189.52	-	-	-	189.52
(b) Amotisation of Intangible Assets	15.34	3.13	0.38	18.85	-	-	-	18.85
(c) Depreciation on ROU Asset	12.54	6.28	0.33	19.15	-	-	-	19.15
<b>Total</b>	<b>120.74</b>	<b>95.39</b>	<b>11.39</b>	<b>227.52</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>227.52</b>

**For the year ended 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Depreciation of Property, Plant and Equipment	69.04	76.31	8.86	154.21	-	-	-	154.21
(b) Amotisation of Intangible Assets	15.41	2.66	0.36	18.43	-	-	-	18.43
(c) Depreciation on ROU Asset	12.54	5.29	0.33	18.16	-	-	-	18.16
<b>Total</b>	<b>96.99</b>	<b>84.26</b>	<b>9.55</b>	<b>190.80</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>190.80</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**For the year ended 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Depreciation of Property, Plant and Equipment	57.81	65.83	8.00	131.64	-	-	-	131.64
(b) Amotisation of Intangible Assets	28.35	2.33	0.21	30.89	-	-	-	30.89
(c) Depreciation on ROU Asset	11.31	3.22	0.33	14.86	-	-	-	14.86
<b>Total</b>	<b>97.47</b>	<b>71.38</b>	<b>8.54</b>	<b>177.39</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>177.39</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**31 Other expenses**
**For the period ended 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Consumption of stores and spares	18.91	-	0.70	19.61	-	-	-	19.61
Stipend to BOAT Apprentices	18.68	-	-	18.68	-	-	-	18.68
Insurance	3.02	2.69	-	5.71	-	-	-	5.71
Power and fuel	11.37	12.11	0.12	23.60	-	-	-	23.60
Labour Charges	77.33	-	-	77.33	-	-	-	77.33
Sub-contracting charges	21.71	0.18	-	21.89	-	-	-	21.89
Freight outward & clearing	3.26	8.23	-	11.49	-	-	-	11.49
Rent	1.45	-	-	1.45	-	-	-	1.45
Repairs and maintenance								
- Plant and machinery	2.46	1.84	-	4.30	-	-	-	4.30
- Buildings	2.47	0.09	-	2.56	-	-	-	2.56
- Others	3.29	1.11	0.22	4.62	-	-	-	4.62
Advertising and sales promotion	17.70	-	0.22	17.92	-	-	-	17.92
Provision for warranty	0.01	-	-	0.01	-	-	-	0.01
Travelling and conveyance	1.98	9.01	0.18	11.17	-	-	-	11.17
Allowance for ECL	-	4.39	-	4.39	-	-	-	4.39
Communication costs	0.98	-	-	0.98	-	-	-	0.98
Printing and stationery	0.60	0.77	-	1.37	-	-	-	1.37
Legal and professional fees	18.04	3.07	0.62	21.73	-	-	-	21.73
Payments to auditor	0.82	3.01	-	3.83	-	-	-	3.83
Security charges	3.66	-	-	3.66	-	-	-	3.66
Bank charges	3.50	2.95	0.06	6.51	-	-	-	6.51
Corporate Social Responsibility	0.10	-	-	0.10	-	-	-	0.10
Rates and Taxes	3.41	0.06	-	3.47	-	-	-	3.47
Mark-to-Market (MTM) loss / (gain) on financial instrument	1.42	-	-	1.42	0.30	-	0.30	1.72
Postage and courier	-	1.00	-	1.00	-	-	-	1.00
Office maintenance	-	4.20	-	4.20	-	-	-	4.20



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**31 Other expenses (Continued)**
**For the period ended 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Subscription and membership	-	0.54	-	0.54	-	-	-	0.54
Canteen expenses	-	0.89	-	0.89	-	-	-	0.89
Development charges	-	0.44	0.02	0.46	-	-	-	0.46
Commission	-	-	3.75	3.75	-	-	-	3.75
Miscellaneous expenses	0.21	3.16	0.07	3.44	-	-	-	3.44
	<b>216.38</b>	<b>59.74</b>	<b>5.96</b>	<b>282.08</b>	<b>0.30</b>	-	<b>0.30</b>	<b>282.38</b>
Less: Claims for reimbursement with State Government	(0.40)	-	-	(0.40)	-	-	-	(0.40)
Less: Freight charges reimbursed by Customer	(1.56)	-	-	(1.56)	-	-	-	(1.56)
<b>Total</b>	<b>214.42</b>	<b>59.74</b>	<b>5.96</b>	<b>280.12</b>	<b>0.30</b>	-	<b>0.30</b>	<b>280.42</b>

**For the year ended 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Consumption of stores and spares	68.42	-	0.93	69.35	-	-	-	69.35
Stipend to BOAT Apprentices	47.29	-	-	47.29	-	-	-	47.29
Insurance	11.15	9.23	0.12	20.50	-	-	-	20.50
Power and fuel	39.93	36.25	1.37	77.55	-	-	-	77.55
Labour Charges	295.15	-	0.02	295.17	-	-	-	295.17
Sub-contracting charges	69.82	1.12	-	70.94	-	-	-	70.94
Freight outward & clearing	13.72	46.24	-	59.96	-	-	-	59.96
Rent	5.30	-	-	5.30	-	-	-	5.30
Repairs and maintenance								
- Plant and machinery	13.63	15.61	0.75	29.99	-	-	-	29.99
- Buildings	8.80	1.30	-	10.10	-	-	-	10.10
- Others	17.71	7.46	0.59	25.76	-	-	-	25.76
Advertising and sales promotion	77.44	-	2.03	79.47	-	-	-	79.47
Provision for warranty (net)	0.10	-	-	0.10	-	-	-	0.10

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**31 Other expenses (Continued)**
**For the year ended 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Travelling and conveyance	8.27	38.72	0.65	47.64	-	-	-	47.64
Allowance for ECL	9.18	-	-	9.18	-	-	-	9.18
Bad Receivables Written Off	9.40	-	0.11	9.51	-	-	-	9.51
Utilization of Allowance for ECL	(9.40)	-	-	(9.40)	-	-	-	(9.40)
Net Bad debts written off	-	-	0.11	0.11	-	-	-	0.11
Communication costs	3.63	-	-	3.63	-	-	-	3.63
Printing and stationery	2.58	4.53	-	7.11	-	-	-	7.11
Legal and professional fees	79.95	21.92	1.16	103.03	-	-	-	103.03
Payments to auditor	5.60	3.13	0.33	9.06	-	-	-	9.06
Security charges	6.93	-	-	6.93	-	-	-	6.93
Bank charges	14.80	10.12	0.34	25.26	-	-	-	25.26
Corporate Social Responsibility	6.71	13.78	1.27	21.76	-	-	-	21.76
Rates and Taxes	4.49	1.37	-	5.86	-	-	-	5.86
Mark-to-Market (MTM) loss / (gain) on financial instrument	8.74	-	-	8.74	8.18	-	8.18	16.92
Postage and courier	-	4.49	-	4.49	-	-	-	4.49
Office maintenance	-	20.40	-	20.40	-	-	-	20.40
Subscription and membership	-	1.50	-	1.50	-	-	-	1.50
Canteen expenses	-	3.87	-	3.87	-	-	-	3.87
Festival expense	-	1.77	-	1.77	-	-	-	1.77
Charity and donation	-	0.24	-	0.24	-	-	-	0.24
Development charges	-	3.60	4.79	8.39	-	-	-	8.39
Commission	-	-	12.00	12.00	-	-	-	12.00
Miscellaneous expenses	2.43	14.45	0.79	17.67	-	-	-	17.67
	<b>821.77</b>	<b>261.10</b>	<b>27.25</b>	<b>1,110.12</b>	<b>8.18</b>	-	<b>8.18</b>	<b>1,118.30</b>
Less: Claims for reimbursement with State Government	(3.34)	-	-	(3.34)	-	-	-	-3.34
Less: Freight charges reimbursed by Customer	(10.20)	-	-	(10.20)	-	-	-	-10.20
<b>Total</b>	<b>808.23</b>	<b>261.10</b>	<b>27.25</b>	<b>1,096.58</b>	<b>8.18</b>	-	<b>8.18</b>	<b>1,104.76</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**31 Other expenses (Continued)**
**For the year ended 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Consumption of stores and spares	54.68	-	5.89	60.57	-	-	-	60.57
Stipend to BOAT Apprentices	27.41	-	-	27.41	-	-	-	27.41
Insurance	9.29	6.03	0.24	15.56	-	-	-	15.56
Power and fuel	51.48	38.05	2.12	91.65	-	-	-	91.65
Labour Charges	305.84	-	-	305.84	-	-	-	305.84
Sub-contracting charges	69.78	2.75	-	72.53	-	-	-	72.53
Freight outward & clearing	9.71	22.94	-	32.65	-	-	-	32.65
Rent	3.51	-	-	3.51	-	-	-	3.51
Repairs and maintenance								
- Plant and machinery	10.36	9.90	0.87	21.13	-	-	-	21.13
- Buildings	9.63	3.05	-	12.68	-	-	-	12.68
- Others	10.89	7.94	0.72	19.55	-	-	-	19.55
Advertising and sales promotion	83.76	-	2.45	86.21	-	-	-	86.21
Provision for warranty (net)	0.03	-	-	0.03	-	-	-	0.03
Provision for contingencies	10.00	-	-	10.00	-	-	-	10.00
Travelling and conveyance	20.45	31.55	2.12	54.12	-	-	-	54.12
Allowance for ECL	5.62	2.97	-	8.59	-	-	-	8.59
Communication costs	4.00	-	-	4.00	-	-	-	4.00
Printing and stationery	3.84	2.78	-	6.62	-	-	-	6.62
Legal and professional fees	41.09	9.35	7.14	57.58	-	-	-	57.58
Payments to auditor	2.56	1.86	0.16	4.58	-	-	-	4.58
Security charges	5.12	-	-	5.12	-	-	-	5.12
Bank charges	16.57	9.04	-	25.61	-	-	-	25.61
Corporate Social Responsibility	2.00	-	0.11	2.11	-	-	-	2.11
Rates and Taxes	3.47	3.81	-	7.28	-	-	-	7.28
Exchange (gain)/loss on financial instrument	-	-	4.04	4.04	(4.04)	-	(4.04)	-
Postage and courier	-	4.04	-	4.04	-	-	-	4.04
Office maintenance	-	17.70	-	17.70	-	-	-	17.70
Subscription and membership	-	1.73	-	1.73	-	-	-	1.73

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**31 Other expenses (Continued)**
**For the year ended 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Canteen expenses	-	3.33	-	3.33	-	-	-	3.33
Festival expense	-	2.61	-	2.61	-	-	-	2.61
Charity and donation	-	0.52	-	0.52	-	-	-	0.52
Development charges	-	5.57	8.87	14.44	-	-	-	14.44
Commission	-	-	4.76	4.76	-	-	-	4.76
Miscellaneous expenses	1.97	17.86	1.16	20.99	-	-	-	20.99
	<b>763.06</b>	<b>205.38</b>	<b>40.65</b>	<b>1,009.09</b>	<b>(4.04)</b>	-	<b>(4.04)</b>	<b>1,005.05</b>
Less: Claims for reimbursement with State Government	(1.77)	-	-	(1.77)	-	-	-	(1.77)
Less: Freight charges reimbursed by Customer	(3.99)	-	-	(3.99)	-	-	-	(3.99)
<b>Total</b>	<b>757.30</b>	<b>205.38</b>	<b>40.65</b>	<b>1,003.33</b>	<b>(4.04)</b>	-	<b>(4.04)</b>	<b>999.29</b>

**For the year ended 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Consumption of stores and spares	25.10	-	0.39	25.49	-	-	-	25.49
Stipend to BOAT Apprentices	30.09	-	-	30.09	-	-	-	30.09
Insurance	5.67	6.86	0.14	12.67	-	-	-	12.67
Power and fuel	36.17	39.16	1.52	76.85	-	-	-	76.85
Labour Charges	280.64	-	-	280.64	-	-	-	280.64
Sub-contracting charges	31.40	4.95	-	36.35	-	-	-	36.35
Freight outward & clearing	11.35	19.74	-	31.09	-	-	-	31.09
Rent	1.35	-	-	1.35	-	-	-	1.35
Repairs and maintenance								
- Plant and machinery	7.97	12.64	0.52	21.13	-	-	-	21.13
- Buildings	8.60	2.26	-	10.86	-	-	-	10.86
- Others	12.96	3.99	0.88	17.83	-	-	-	17.83
Advertising and sales promotion	122.84		0.45	123.29	-	-	-	123.29
Provision for warranty (net)	1.16		-	1.16	-	-	-	1.16

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**31 Other expenses (Continued)**
**For the year ended 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Provision for contingencies	6.00	-	-	6.00	-	-	-	6.00
Travelling and conveyance	21.65	41.36	1.48	64.49	-	-	-	64.49
Allowance for ECL	26.61	-	-	26.61	-	-	-	26.61
Bad Receivables Written Off	15.38	-	-	15.38	-	-	-	15.38
Less: Utilization of Allowance for ECL	(15.38)	-	-	(15.38)	-	-	-	(15.38)
Net Bad debts written off	-	-	-	-	-	-	-	-
Communication costs	6.06	-	-	6.06	-	-	-	6.06
Printing and stationery	3.60	3.98	-	7.58	-	-	-	7.58
Legal and professional fees	47.14	7.86	1.98	56.98	-	-	-	56.98
Payments to auditor	2.65	1.87	0.11	4.63	-	-	-	4.63
Security charges	3.24	-	-	3.24	-	-	-	3.24
Bank charges	22.78	9.25	0.09	32.12	-	-	-	32.12
Corporate Social Responsibility	1.00	4.00	-	5.00	-	-	-	5.00
Rates and Taxes	5.62	2.56	-	8.18	-	-	-	8.18
Exchange (gain)/loss on financial instrument	-	-	2.11	2.11	(1.50)	-	(1.50)	0.61
Postage and courier	-	4.59	-	4.59	-	-	-	4.59
Office maintenance	-	13.54	-	13.54	-	-	-	13.54
Subscription and membership	-	1.23	-	1.23	-	-	-	1.23
Canteen expenses	-	3.13	-	3.13	-	-	-	3.13
Festival expense	-	2.39	-	2.39	-	-	-	2.39
Development charges	-	2.76	3.33	6.09	-	-	-	6.09
Commission	-	-	3.08	3.08	-	-	-	3.08
Loss from partnership firm	-	-	-	-	-	-	-	-
Loss on Sale / Discard of Property, Plant and Equipment (Net)	0.83	-	-	0.83	-	-	-	0.83
Project services	-	-	0.51	0.51	-	-	-	0.51
Investment written off	-	4.28	-	4.28	-	-	-	4.28
Diminution in value of investment	-	-	-	-	-	-	-	-
Miscellaneous expenses	5.69	18.23	0.38	24.30	-	-	-	24.30
	<b>728.17</b>	<b>210.63</b>	<b>16.97</b>	<b>955.77</b>	<b>(1.50)</b>	-	<b>(1.50)</b>	<b>954.27</b>
Less: Claims for reimbursement with State Government	(17.00)	-	-	(17.00)	-	-	-	(17.00)
Less: Freight charges reimbursed by Customer	(1.81)	-	-	(1.81)	-	-	-	(1.81)
<b>Total</b>	<b>709.36</b>	<b>210.63</b>	<b>16.97</b>	<b>936.96</b>	<b>(1.50)</b>	-	<b>(1.50)</b>	<b>935.46</b>

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**32 Exceptional Items**

**For the year ended 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Tekniks Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
Bad Receivables Written Off	55.99	-	-	55.99	-	-	-	55.99
<b>Total</b>	<b>55.99</b>	<b>-</b>	<b>-</b>	<b>55.99</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55.99</b>

During the year ended 31 March 2020, based on settlement agreement entered with one of the customers on account of incorrect remittance of money (viz. mis-representation of email-id) at their end, the Company has waived an amount of Rs. 55.99 Million receivable from the customer and accordingly the same has been written off by the Company and shown as exceptional item.

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**33 Contingent Liabilities and Commitments (to the extent not specifically provided for)**

**As at 30 June 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Claims against the Company not Acknowledged as Debt								
- Erstwhile customer	56.17	-	-	56.17	-	-	-	56.17
- Karnataka VAT related matters	14.02	-	-	14.02	-	-	-	14.02
- Income tax demands	-	5.11	-	5.11	-	-	-	5.11
- Civil Matters	-	0.18	-	0.18	-	-	-	0.18
(b) Company's share of associate contingent liability								
- Income tax demands	1.02	-	-	1.02	-	(1.02)	(1.02)	-
- Civil Matters	0.04	-	-	0.04	-	(0.04)	(0.04)	-
(c) Capital Commitments	193.71	7.49	-	201.20	-	-	-	201.20

**As at 31 March 2021**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Claims against the Company not Acknowledged as Debt								
- Erstwhile customer	56.17	-	-	56.17	-	-	-	56.17
- Karnataka VAT related matters	14.02	-	-	14.02	-	-	-	14.02
- Income tax demands	-	5.11	-	5.11	-	-	-	5.11
- Civil Matters	-	0.18	-	0.18	-	-	-	0.18
(b) Company's share of associate contingent liability								
- Income tax demands	1.02	-	-	1.02	-	(1.02)	(1.02)	-
- Civil Matters	0.04	-	-	0.04	-	(0.04)	(0.04)	-
(b) Capital Commitments	125.30	3.99	-	129.29	-	-	-	129.29

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**
**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**As at 31 March 2020**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Claims against the Company not Acknowledged as Debt								
- Erstwhile customer	56.17	-	-	56.17	-	-	-	56.17
- Karnataka VAT related matters	14.02	-	-	14.02	-	-	-	14.02
- Income tax demands	-	5.11	-	5.11	-	-	-	
- Civil Matters	-	0.18	-	0.18	-	-	-	
(b) Capital Commitments	123.53	16.07	-	139.60	-	-	-	139.60

**As at 31 March 2019**

Particulars	Syrma SGS (Refer Note 2.2(a))	SGS Teknics Consolidated	Perfect ID Consolidated	Proforma Combined Amount before adjustments	Classification adjustments (Note 2.3.1)	Intra group adjustments (Note 2.3.2)	Total adjustments	Proforma Combined Amount After adjustments
	(A)	(B)	(C)	(D=A+B+C)	(E)	(F)	(G=E+F)	(H=D+G)
(a) Claims against the Company not Acknowledged as Debt								
- Erstwhile customer	-	-	-	-	-	-	-	-
- Karnataka VAT related matters	14.02	-	-	14.02	-	-	-	14.02
- Income tax demands	-	10.27	-	10.27	-	-	-	10.27
- Civil Matters	-	0.18	-	0.18	-	-	-	0.18
- Other Matters	0.31	-	-	0.31	-	-	-	0.31
(b) Capital Commitments	-	-	-	-	-	-	-	-



**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

**Notes to the Proforma Condensed Combined Financial Information**

(All amounts are in Million Indian Rupees unless otherwise stated)

**34 Proforma Earnings per Share (EPS)**

Particulars	For the period ended 30 June 2021	For the year ended 31 March 2021	For the year ended 31 March 2020	For the year ended 31 March 2019
<b>Earnings</b>				
Proforma Net profit for calculation of Proforma EPS	134.17	630.10	883.78	524.71
Shares outstanding as at the date of approval of proforma consolidated financial information	13,76,17,853	13,76,17,853	13,76,17,853	13,76,17,853
Face value per share	10	10	10	10
Proforma Earnings per share	0.97 (Not-Annualised)	4.58 (Annualised)	6.42 (Annualised)	3.81 (Annualised)

(i) The reconciliation of the number of equity shares as at 30 June 2021 with the number of shares considered for computation of Proforma EPS is given below:

Particulars	Note reference	No of Shares
Shares outstanding as on 30 June 2021 <b>(A)</b>		7,48,041
CCPS Converted into equity <b>(B)</b>	Note 36 (b)	1,06,132
Bonus issue <b>(C)</b>	Note 36 (c)	13,62,55,300
Other issue on preferential basis <b>(D)</b>	Note 36 (d)	5,08,380
Shares outstanding as on 30 June 2021 <b>(E = A+B+C+D)</b>		<b>13,76,17,853</b>

(ii) For the purpose of computation of Proforma Earnings per share, the Company has considered its total number of shares outstanding as on date of approval of proforma consolidated financial information. Also refer Note 36 w.r.t changes in paid-up capital post the latest period end for which proforma figures have been reported. It may be noted that the aforesaid Proforma EPS is provided merely for indicative purposes and cannot be considered as EPS computed under Ind AS-33 - Earnings per share.

**35 Comments in Annexure to Auditors' Report of SGS Teknics, which do not require any corrective adjustments in the Restated Consolidated Financial Information of SGS Teknics**

In addition to the audit opinion on the consolidated financial statements, the auditors are required to comment upon the matters included in the Companies (Auditor's Report) Order, 2016 ("the CARO 2016 Order") issued by the Central Government of India under sub-section (11) of Section 143 of Companies Act, 2013 on the standalone financial statements as at and for the financial years ended 31 March 2019, 31 March 2020 and 31 March 2021 respectively. Certain statements/comments included in the CARO in the standalone financial statements, which do not require any adjustments in the Restated Consolidated Financial Information of SGS Teknics are reproduced below in respect of the financial statements presented.

**For the year ended 31 March 2019****Clause VII (a) of CARO 2016 Order**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' state insurance, Income-tax, Duty of customs, Goods and services tax, cess and other material statutory dues have generally been regularly deposited by the Company with the appropriate authorities, though there have been slight delays in a few cases of Income tax and Goods and Services Tax. As explained to us, the Company did not have any dues on account of Service Tax, Duty of Excise, Sales Tax and Value Added Tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' state insurance, Income-tax, Duty of customs, Goods and services tax, cess and other material statutory dues were in arrears as at 31 March 2019, for a period of more than six months from the date they became payable.

**Clause VII (b) of CARO 2016 Order**

According to the information and explanations given to us except as stated below, there are no dues in respect of Income tax, Sales tax, Service tax, Duty of excise, Value added tax, Duty of customs, Goods and services tax dues which have not been deposited with the appropriate authorities on account of any dispute.

Assessment year to which it relates	Amount disputed	Amount paid under protest	From where dispute is pending
2006-07	3.01	4.02	Assessing Officer
2008-09	0.31	0.31	Assessing Officer
2015-16	0.28	-	Assessing Officer
2016-17	6.67	0.20	Commissioner of Income Tax (A)

**For the year ended 31 March, 2020****Clause VII (a) of CARO 2016 Order**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' state insurance, Income-tax, Duty of customs, Goods and services tax, cess and other material statutory dues have generally been regularly deposited by the Company with the appropriate authorities, though there have been slight delays in a few cases of Professional tax and Labour Welfare and serious delays in Income tax and in Provident fund. As explained to us, the Company did not have any dues on account of Service Tax, Duty of Excise, Sales Tax and Value Added Tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' state insurance, Income-tax, Duty of customs, Goods and services tax, cess and other material statutory dues were in arrears as at 31 March 2020, for a period of more than six months from the date they became payable except as below:-

Name of the Statute	Nature of the dues	Amount (INR)	Period to which it relates	Due date	Date of Payment
Employees' Provident Funds Act, 1952	Late payment of Provident Fund	0.59	F.Y 2019-20	Multiple	03-Sep-20
Income tax Act, 1961	Interest on late payment of Income Tax	0.43	F.Y 2019-20	15-Sep-20	02-Dec-20

**Clause VII (b) of CARO 2016 Order**

According to the information and explanations given to us, there are no dues in respect of Income tax, Sales tax, Service tax, Duty of excise, Value added tax, Duty of customs, Goods and services tax dues which have not been deposited with the appropriate authorities on account of any dispute except as stated below:

Name of the Statute	Nature of the dues	Assessment year to which it relates	Amount disputed	Amount paid under protest	From where dispute is pending
Income tax Act, 1961	Deemed Dividend and other Disallowances	2006-07	3.01	4.02	Assessing officer
Income tax Act, 1961	Disallowances	2015-16	0.28	-	Assessing officer
Income tax Act, 1961	Disallowances	2016-17	0.91	0.20	Commissioner of Income Tax (A)
Income tax Act, 1961	Disallowances	2017-18	0.92	-	Commissioner of Income Tax (A)

**For the year ended 31 March 2021****Clause VII (a) of CARO 2016 Order**

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' state insurance, Income-tax, Duty of customs, Goods and services tax, cess and other material statutory dues have generally been regularly deposited by the Company with the appropriate authorities, though there have been slight delays in few cases of Income tax. As explained to us, the Company did not have any dues on account of Service Tax, Duty of Excise, Sales Tax and Value Added Tax.

**Clause VII (b) of CARO 2016 Order**

According to the information and explanations given to us, there are no dues in respect of Income-tax, Sales-tax, Service tax, Duty of excise, Value added tax, Duty of customs, Goods and services tax dues which have not been deposited with the appropriate authorities on account of any dispute except as stated below:-

Name of the Statute	Nature of the dues	Assessment year to which it relates	Amount disputed	Amount paid under protest	From where dispute is pending
Income tax Act, 1961	Deemed Dividend and other Disallowances	2006-07	3.01	4.02	Assessing officer
Income tax Act, 1961	Disallowances	2015-16	0.28	-	Assessing officer
Income tax Act, 1961	Disallowances	2016-17	0.91	0.20	Commissioner of Income Tax (A)
Income tax Act, 1961	Disallowances	2017-18	0.92	-	Commissioner of Income Tax (A)

**Syrma SGS Technology Limited (formerly known as Syrma Technology Private Limited)**

Notes to the Proforma Condensed Combined Financial Information

(All amounts are in Millions Indian Rupees, unless otherwise stated)

**36 Events after the latest Reporting Date, i.e 30 June 2021**

- (a) The members at the Extra Ordinary General Meeting held on 19 October 2021 have approved the Syrma SGS Employee Stock Option Plan, 2020 ('the Plan') for grant of options to the eligible employees of the Company, Holding and/or subsidiaries/Group Companies not exceeding 3% of issued share capital as on 19 October 2021. Consequently, Syrma SGS Employee Stock Option Scheme 2020 – Scheme 1 and Syrma SGS Employee Stock Option Scheme 2020 – Scheme 2 have been notified under the plan. The Company has granted 23,859 options to the eligible employees under the aforesaid schemes.
- (b) The members at the Extra Ordinary General Meeting held on 19 October 2021 have approved the modification in the conversion ratio of 0.1% Cumulative Compulsorily Convertible Preference shares from 1:1 as defined in Schedule 7 of the Share Subscription Agreement to 1:1.02048. Consequently, the Board of Directors in their meeting held on 19 October 2021 have approved the conversion of 104,002 preference shares of Rs. 100 each into 106,132 equity shares of Rs. 10 each.
- (c) The members at the Extra Ordinary General Meeting held on 28 October 2021 have approved the issue of bonus shares in the ratio of 100 equity shares for every 1 equity share as on the date of EGM. Consequently, the number of shares has increased from 1,362,553 equity shares of Rs. 10 each prior to bonus issue to 137,617,853 equity shares of Rs. 10 each post bonus issue with the number of bonus shares issued being 136,255,300.
- (d) The Company's paid-up capital has undergone the following changes :

Particulars	As at 30 June 2021		As on date of issue of financial statements	
	Number of shares	Amount	Number of shares	Amount
Equity Shares of Rs. 10/- each	7,48,041	7.48	13,76,17,853	1,376.18
Preference Shares of Rs. 100/- each	1,04,032	10.40	-	-
Total		<b>17.88</b>		<b>1,376.18</b>

In addition to the Bonus issue (mentioned in (c) above) and conversion of preference shares into equity (mentioned in (b) above), the Company has also issued 508,380 equity shares of Rs. 10 each on a preferential basis subsequent to the period ended 30 June 2021.

- (e) The name of the Company has been changed from Syrma Technology Private Limited to Syrma SGS Technology Private Limited with effect from 14 September 2021. Subsequently, w.e.f 20 October 2021, the Company has changed its constitution from private limited company to public limited company resulting in change of name to Syrma SGS Technology Limited.

For and on behalf of  
**Syrma SGS Technology Limited**

**Sandeep Tandon**  
Executive Chairman  
DIN : 00054553  
Place : Mumbai  
Date : 9 December 2021

**J S Gujral**  
Managing Director  
DIN : 00198825  
Place : Gurugram  
Date : 9 December 2021

**Bijay Kumar Agrawal**  
Chief Financial Officer  
Place : Gurugram  
Date : 9 December 2021

**Rahul Sinnarkar**  
Company Secretary  
Place : Mumbai  
Date : 9 December 2021

## OTHER FINANCIAL INFORMATION

### Accounting ratios derived from the Restated Standalone Financial Information

The accounting ratios derived from Restated Standalone Financial Information required to be disclosed under the SEBI ICDR Regulations are set forth below:

Particulars	Fiscal 2019	Fiscal 2020	Fiscal 2021	For three months period ended June 30, 2021
Earnings per Equity Share (basic) (in ₹)	2.96	6.19	3.32	0.64**
Earnings per Equity Share (diluted) (in ₹)	2.96	6.19	3.32	0.64**
Return on Net worth	45.45%	55.81%	16.92%	2.31%
Net Asset Value per Equity Share (in ₹)*	8.07	14.34	27.61	28.28
EBITDA (in ₹ million)	430.76	699.00	529.34	121.81

\* After considering the bonus issue of Equity Shares undertaken pursuant to a resolution of our shareholders dated October 28, 2021, pursuant to which our Company has issued and allotted 136,255,300 bonus equity shares in the ratio of 100 fully paid-up bonus share of the face value of ₹ 10 each for every existing one fully paid up equity share of the face value of ₹ 10 each held by the members as on October 28, 2021.

\*\*Not annualised

(in ₹ million)

Particulars	As at June 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Net profit after tax (return)*	55.57	286.15	438.80	209.67
Total equity#	2,431.88	2,373.48	1,008.82	563.70
<b>Return on Net worth ratio</b>	<b>2.31%</b>	<b>16.92%</b>	<b>55.81%</b>	<b>45.45%</b>

\*Net profit after tax for the three months period ended June 30, 2021 was not annualized.

#Total equity excludes capital reserve created out of amalgamation. RoNW calculated on average of opening and closing Net worth

Particulars	As at June 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>Net asset value per Share</b>				
Net assets (Total assets - Total liabilities) / Net worth	2,440.11	2,381.71	1,017.05	571.93
Total outstanding number of Equity Shares as on the respective period / year end	82,671,473	82,671,473	70,908,363	70,908,363
<b>Net asset value per Share (in ₹)</b>	<b>28.28</b>	<b>27.61</b>	<b>14.34</b>	<b>8.07</b>

(in ₹ million)

Particulars	As at June 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Profit before taxes*	86.14	363.36	522.31	272.97
Add: Interest expense	7.67	45.24	79.70	60.32
EBIT	93.81	408.60	602.01	333.29
Add: Depreciation and Amortisation	28.00	120.74	96.99	97.47
<b>EBITDA</b>	<b>121.81</b>	<b>529.34</b>	<b>699.00</b>	<b>430.76</b>

### Accounting ratios derived from the Restated Consolidated Financial Information

The accounting ratios derived from Restated Consolidated Financial Information required to be disclosed under the SEBI ICDR Regulations are set forth below:

Particulars	Fiscal 2021	For three months period ended June 30, 2021
Earnings per Equity Share (basic) (in ₹)	3.72	0.77**
Earnings per Equity Share (diluted) (in ₹)	3.72	0.77**
Return on Net worth	18.74%	2.72%**
Net Asset Value per Equity Share (in ₹)*	28.00	28.80
EBITDA (in ₹ million)	529.34	121.81

\* After considering the bonus issue of Equity Shares undertaken pursuant to a resolution of our shareholders dated October 28, 2021, pursuant to which our Company has issued and allotted 136,255,300 bonus equity shares in the ratio of 100 fully paid-up bonus share of the face value of ₹ 10 each for every existing one fully paid up equity share of the face value of ₹ 10 each held by the members as on October 28, 2021.

\*\*Not annualised

(in ₹ million)

Particulars	As at June 30, 2021	As at March 31, 2021
Net profit after tax (return)*	66.32	320.17
Total equity#	2,476.76	2,407.52
<b>Return on Net worth ratio</b>	<b>2.72%</b>	<b>18.74%</b>

\*Net profit after tax for the three months period ended June 30, 2021 was not annualized.

#Total equity excludes capital reserve created out of amalgamation. RoNW calculated on average of opening and closing Net worth

Particulars	As at June 30, 2021	As at March 31, 2021
Net assets (Total assets - Total liabilities) / Net worth	2,484.99	2,415.75
Total outstanding number of Equity Shares as on the respective period / year end	82,671,473	82,671,473
<b>Net asset value per Share (in ₹)</b>	<b>28.80</b>	<b>28.00</b>

(in ₹ million)

Particulars	As at June 30, 2021	As at March 31, 2021
Profit before taxes*	86.14	363.36
Add: Interest expense	7.67	45.24
EBIT	93.81	408.60
Add: Depreciation and Amortisation	28.00	120.74
<b>EBITDA</b>	<b>121.81</b>	<b>529.34</b>

#### Accounting ratios derived from the Proforma Condensed Combined Financial Information

The accounting ratios derived from Proforma Condensed Combined Financial Information are set forth below:

Particulars	Fiscal 2019	Fiscal 2020	Fiscal 2021	For three months period ended June 30, 2021
Earnings per Equity Share (basic) (in ₹)	3.81	6.42	4.58	0.97**
Earnings per Equity Share (diluted) (in ₹)	3.81	6.42	4.58	0.97**
Return on Net worth	18.28	24.15	14.19	3.03
Net Asset Value per Equity Share (in ₹)*	24.20	30.74	36.88	37.96
EBITDA (in ₹ million)	1,018.64	1,452.68	1,168.06	272.34

\* After considering the bonus issue of Equity Shares undertaken pursuant to a resolution of our shareholders dated October 28, 2021, pursuant to which our Company has issued and allotted 136,255,300 bonus equity shares

in the ratio of 100 fully paid-up bonus share of the face value of ₹ 10 each for every existing one fully paid up equity share of the face value of ₹ 10 each held by the members as on October 28, 2021.

*\*\*Not annualised*

(in ₹ million)

Particulars	As at June 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>Return on Net worth (including non-controlling interest)</b>				
Net profit after tax (return)*	144.90	655.44	915.03	528.25
Total equity <sup>#</sup>	4,782.67	4,634.52	3,788.49	2,889.46
<b>Return on Net worth ratio</b>	3.03%	14.14%	24.15%	18.28%

\*Net profit after tax for the three months period ended June 30, 2021 was not annualized.

#Total equity excludes capital reserve created out of amalgamation.

(in ₹ million)

Particulars	As at June 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>Return on Net worth (excluding non-controlling interest)</b>				
Net profit after tax (return)*	134.17	630.10	883.78	524.71
Total equity <sup>#</sup>	4,705.56	4,568.13	3,747.44	2,879.66
<b>Return on Net worth ratio</b>	2.85%	13.79%	23.58%	18.22%

\*Net profit after tax for the three months period ended June 30, 2021 was not annualized.

#Total equity excludes capital reserve created out of amalgamation.

Particulars	As at June 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>Net asset value per Share</b>				
Net assets (Total assets - Total liabilities) / Net worth	5,224.08	5,075.93	4,229.90	3,330.87
Total outstanding number of Equity Shares as on the respective period / year end	137,617,853	137,617,853	137,617,853	137,617,853
<b>Net asset value per Share (in ₹)</b>	37.96	36.88	30.74	24.20

(in ₹ million)

Particulars	As at June 30, 2021	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
<b>EBITDA</b>				
Profit before taxes*	204.14	869.07	1,133.60	722.67
Add: Interest expense	13.02	71.47	128.28	118.58
EBIT	217.16	940.54	1,261.88	841.25
Add: Depreciation and Amortisation	55.18	227.52	190.80	177.39
<b>EBITDA</b>	272.34	1,168.06	1,452.68	1,018.64

In accordance with the SEBI ICDR Regulations, the audited financial statements for Fiscals 2019, 2020 and 2021 of our Company (collectively, the “**Audited Financial Statements**”) are available on our website at [www.syrmasgs.com](http://www.syrmasgs.com).

Our Company is providing a link to this website solely to comply with the requirements specified in the SEBI ICDR Regulations. The Audited Financial Statements do not constitute, (i) a part of this Draft Red Herring Prospectus; or (ii) a prospectus, a statement in lieu of a prospectus, an offering circular, an offering memorandum, an advertisement, an offer or a solicitation of any offer or an offer document to purchase or sell any securities under the Companies Act, the SEBI ICDR Regulations, or any other applicable law in India or elsewhere.

The Audited Financial Statements should not be considered as part of information that any investor should consider subscribing for or purchase any securities of our Company or any entity in which our Shareholders have significant influence and should not be relied upon or used as a basis for any investment decision. None of the

entities specified above, nor any of their advisors, nor BRLMs or the Selling Shareholder, nor any of their respective employees, directors, affiliates, agents or representatives accept any liability whatsoever for any loss, direct or indirect, arising from any information presented or contained in the Audited Financial Statements, or the opinions expressed therein.

### **Related Party Transactions**

For details of the related party transactions, as per the requirements under applicable Accounting Standards i.e. Ind AS 24 'Related Party Disclosures' for the three months ended June 30, 2021 and Fiscals 2021, 2020 and 2019, read with SEBI ICDR Regulations, and as reported in the Restated Financial Information, see "*Financial Information – Restated Standalone Financial Information – Note 39: Disclosure in respect of Related Parties*" and "*Financial Information – Restated Consolidated Financial Information – Note 38: Disclosure in respect of Related Parties*" beginning on pages 303 and 388 respectively.



## CAPITALISATION STATEMENT

The following table sets forth our capitalisation as of June 30, 2021, derived from our Restated Consolidated Financial Information:

<i>(in ₹ million)</i>		
Particulars	Pre-Offer as at June 30, 2021	As adjusted for the Offer*
<b>Borrowings</b>		
Non-current borrowings (I)	216.29	[●]
Current maturity of long-term loans (II)	74.84	[●]
Current borrowings (III)	224.84	[●]
<b>Total borrowings (IV = I + II + III)</b>	<b>515.97</b>	<b>[●]</b>
<b>Equity</b>		
Equity share capital (V)	7.48	[●]
Other equity (VI)	2,477.51	[●]
<b>Total equity (VII = V + VI)</b>	<b>2,484.99</b>	<b>[●]</b>
<b>Total non – current borrowings / total equity (I/VII)</b>	<b>8.70%</b>	<b>[●]</b>
<b>Total borrowings / Equity (VIII = IV / VII)</b>	<b>20.76%</b>	<b>[●]</b>

\* The corresponding post Offer capitalization data is not determinable at this stage pending the completion of the book building process and hence have not been furnished. To be updated upon finalization of the Offer Price.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL POSITION AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our Restated Financial Information which is included in this Draft Red Herring Prospectus. Our Restated Financial Information differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries, and our assessment of the factors that may affect our prospects and performance in future periods. Accordingly, the degree to which our Restated Financial Information will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Ind AS. These regulations may also vary with ICDS, which may be material to an investor's assessment of our results of operations and financial condition.*

*Unless otherwise indicated or the context otherwise requires, the financial information included herein is based on or derived from our Restated Standalone Financial Information included in this Draft Red Herring Prospectus. For further information, see "Restated Financial Information" beginning on page 244. We acquired SGS Tekniks in September 2021 and Perfect ID in October 2021, and we have included proforma condensed combined financial for Fiscals 2019, 2020 and 2021 and the three months ended June 30, 2021 to illustrate the impact of the acquisitions as if the acquisitions had taken place on April 1, 2018 under "Proforma Financial Information" on page 409. In this regard, please also see "Risk Factors – The Proforma Condensed Combined Financial Information included in this Draft Red Herring Prospectus may not accurately reflect our future financial condition, results of operations, cash flows and business." on page 52.*

*Some of the information in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the section "Forward-Looking Statements" on page 19 for a discussion of the risks and uncertainties related to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements as a result of various factors, including those described below and elsewhere in this Draft Red Herring Prospectus. Also read "Risk Factors" and "– Significant Factors Affecting our Results of Operations" on pages 30 and 561, respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations.*

*Unless otherwise indicated, industry and market data used in this section has been derived from the report titled "Assessment of Electronics Manufacturing Services (EMS) Industry in India" dated December 13, 2021 (the "F&S Report") prepared and released by F&S and commissioned by us. Unless otherwise indicated, all financial, operational, industry and other related information derived from the F&S Report and included herein with respect to any particular year refers to such information for the relevant calendar year.*

*Our Fiscal ends on March 31 of each year. Accordingly, all references to a particular Fiscal are to the 12 months ended March 31 of that year.*

### Overview

We are a technology-focussed engineering and design company engaged in turnkey electronics manufacturing services ("EMS"), specialising in precision manufacturing for diverse end-use industries, including industrial appliances, automotive, healthcare, consumer products and IT industries. According to the F&S Report, among the large bouquet of EMS players in India, we are one of the fastest growing Indian-headquartered ESDM companies. (Source: F&S Report) Our Company has a track record of technical innovation which involves working with the engineering teams of our marquee customers, and over the years, we have evolved to provide integrated services and solutions to OEMs, from the initial product concept stage to volume production through concept co-creation and product realization. Our manufacturing infrastructure enables us to undertake a high mix of products with flexible production volume requirements. We are leaders in high mix low volume product management and are present in most industrial verticals. (Source: F&S Report) Further, we are one of the leading PCBA manufacturers in India, supplying to various OEMs and assemblers in the market. (Source: F&S Report) Our Company is also amongst the top key global manufacturers of custom RFID tags (Source: F&S Report).

Our current product portfolio may be categorised as follows:

- Printed circuit board assemblies ("PCBA"): Our PCBAs are used in products manufactured in the automotive, medical, industrial, IT and consumer products industries, and shall include box-build products;

- Radio frequency identification (“**RFID**”) products: Our RFID products are used in products manufactured in the shipping, healthcare, manufacturing, retail and fintech industries;
- Electromagnetic and electromechanical parts, which include magnetic products like chokes, inductors, magnetic filters, transformer as well as high volume manufacturing assemblies: Our electromagnetic and electromechanical parts are used in products manufactured in the automotive, industrial appliances, consumer appliances and healthcare industries, among others; and
- Other products, which include motherboards, DRAM modules, solid state drives, USB drives and other memory products.

We leverage our various strengths such as global sourcing capabilities and long-standing relationship with our vendors to consolidate and bring down the cost of raw materials and components, and explore alternative components, vendors, materials and processes to reduce product cost and bring products faster to market. Our concept co-creation initiative enables us to design products for our customers from the ideation / concept phase that they initiate and give them the preliminary prototypes for their testing and trials. This may also involve collaboration with the engineering team of our customers. Once the design and quality are approved, we help them to seamlessly transition to volume manufacturing at our high-speed fully integrated manufacturing facilities. We have continuously diversified our product portfolio to keep pace with developments in technology. In addition, our continued focus on technology innovation and our design infrastructure have also enabled to undertake services for our customers over time.

We endeavour to identify and understand the key market trends and address our customers’ evolving needs proactively and on a timely basis. For instance, in response to the requirements of the IT industry, we manufactured high precision coils for hard disk drives starting in 2005 and USB drives in 2008. Similarly, to address the requirements of home entertainment industry, we manufactured set top boxes from 2008. In respect of the telecom industry, pursuant to the advent of 3G technology in India, we forayed into manufacturing of GSM antennae from 2008 to 2012. Subsequently, pursuant to advancements to 4G technology, we proceeded to manufacture 4G and LTE antennae in 2016. We are currently undertaking manufacture of modules for 5G technology infrastructure. We began to cater to the automotive end-use industry with the manufacture of hall sensor PCBAs in 2007. Since then, we have progressed to manufacturing of vehicle tracking systems and toll management systems in 2009, beacons for vehicles in 2012 and 4W lighting system boards in 2021. Considering the advancement of electric vehicles, we have also commenced manufacturing of controllers of the EV battery management systems in 2020. Similarly, recognising the requirements of the consumer products industries, we commenced manufacturing of automatic dimmers for homes in 2010, and since then, have proceeded to manufacturing of induction cooktop components in 2016, boiler management PCBA units in 2013, energy-efficient electronic inverters and home appliance control PCBAs in 2014 and controller units for air conditioners in 2015. In connection with the healthcare industry, we designed and manufactured direct digital dental X-ray FPGA controllers in 2007. Since then, we have progressed to manufacturing of PCBAs for X-ray machines in 2014, PCBAs for smart canes for visually challenged people in 2015, augmented reality equipment for ophthalmological applications in 2018 and PCBAs for baby case CPAP ventilators in 2020.

We currently operate through eleven strategically located manufacturing facilities in north India (i.e. Himachal Pradesh, Haryana and Uttar Pradesh) and south India (i.e. Tamil Nadu and Karnataka). Our presence in these states enables us to efficiently cater to the requirements of our customers in north and south India. Our manufacturing facilities in Tamil Nadu are located in a special economic zone and our manufacturing facility in Haryana has been set up under the Electronic Hardware Technology Park scheme, which allow us to avail certain tax and other benefits in respect of the products manufactured out of these facilities. In addition, our manufacturing facilities are strategically located in Tamil Nadu, Karnataka and Haryana, which allow us to cater to our export requirements (in light of the proximity of these facilities to the respective city airports and Chennai port). In addition to our existing manufacturing, and engineering and design services offerings, we have also started our ‘*Zone of Autonomous Creation*’ in 2018 in Chennai, Tamil Nadu pursuant to which we provide quick prototyping services where a design concept is provided to us by our customers and we help create an early form of the final product. It has a dedicated line for PCB assembly with an autonomous team that has procurement, process, quality, and new product introduction (NPI) engineers independent of our manufacturing facilities.

Our Company is focused on technological innovation through our R&D capabilities. We have three dedicated R&D facilities, two of which are located in India at Chennai, Tamil Nadu and Gurgaon, Haryana respectively, and one is located in Stuttgart, Germany. Our R&D facilities are equipped with state-of-the-art research and development infrastructure. We are also supported by a team specifically earmarked for R&D comprising of 77 full time employees, as on September 30, 2021. For further details, see “*Our Business - Research and Development*” on page 197. While we provide our design and engineering services and original design

manufacturing services across all the end-use industries we serve, these services have been primarily focussed on the healthcare, industrial and automotive industries end-use industries in the last three Fiscals.

During the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, ₹ 2,559.60 million, ₹ 2,804.30 million, ₹ 1,931.30 million and ₹ 469.70 million, which accounted for 71.20%, 69.99%, 43.90%, and 35.27%, respectively of our revenue from operations, was attributable to our original design manufacturing services. Based on our Proforma Condensed Combined Financial Information, during the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, ₹ 3,109.00 million, ₹ 3,675.00 million, ₹ 2,598.70 million and ₹ 625.20 million, which accounted for 39.12%, 42.45%, 29.28%, and 25.49%, respectively of our proforma revenue from operations, was attributable to our original design manufacturing services. In addition, during the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, ₹ 15.16 million, ₹ 26.84 million, ₹ 27.36 million and ₹ 14.29 million, which accounted for 0.43%, 0.68%, 0.62%, and 1.07%, respectively of our revenue from operations, was attributable to our design and engineering services. Further, based on our Proforma Condensed Combined Financial Information, during the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, ₹ 15.16 million, ₹ 42.98 million, ₹ 52.46 million and ₹ 14.29 million, which accounted for 0.19%, 0.50%, 0.59%, and 0.58% respectively of our proforma revenue from operations, was attributable to our design and engineering services.

We also consider our quality control procedures to be a cornerstone of our business operations. This is undertaken by an independent quality control department in our Company which is responsible for ensuring quality in respect of all aspects of our operations, including vendor quality, incoming supply quality control, process quality and outgoing (finished product) quality. Each of these aspects are supervised by professional personnel who are well-experienced in these aspects. As on date, our manufacturing facilities have accreditations including the ISO 9001:2015, IATF 16949:2016, ISO 13485: 2016, AS 9100D, ISO 14001:2015, ANSI/ESD S20.20-2014 and ISO 45001:2018 certifications for quality management, environment and health & safety system.

We have a wide product portfolio with applications across diverse end-use industries. Our products are primarily focussed toward ODMs and OEMs serving end-use industries including the automotive, healthcare, IT, industrial appliances, energy management, water purification, power supply and consumer products industries. In Fiscals 2019, 2020 and 2021 and the three months ended June 30, 2021, based on the Proforma Condensed Combined Financial Information, our proforma revenue from operations attributable to our customers in each of the relevant end-use industries have been set out below:

Industry	Revenue				As a % of revenue from operations			
	Fiscal 2019	Fiscal 2020	Fiscal 2021	Three months ended June 30, 2021	Fiscal 2019	Fiscal 2020	Fiscal 2021	Three months ended June 30, 2021
Automotive	1,358.01	1,332.07	1,302.92	403.76	17.09%	15.39%	14.68%	16.46%
Consumer	1,621.22	1,944.95	2,084.60	330.81	20.40%	22.47%	23.49%	13.49%
Healthcare	1,905.12	2,067.13	1,243.79	356.78	23.97%	23.88%	14.02%	14.55%
Industrial	3,059.84	3,288.22	3,929.04	1,083.00	38.50%	37.99%	44.28%	44.15%
IT	3.18	15.28	205.04	242.33	0.04%	0.18%	2.31%	9.88%
Railways	-	8.90	108.56	36.09	-	0.10%	1.22%	1.47%
<b>Grand Total</b>	<b>7,947.38</b>	<b>8,656.54</b>	<b>8,873.94</b>	<b>2,452.77</b>				

During the three months ended June 30, 2021, we catered to over 200 customers of which 16 customers have been associated with us for over a period of 10 years contributing 28.67%, 26.04%, and 21.43% of our proforma revenue from operations for Fiscals 2019, 2020 and 2021. Our marquee customers include TVS Motor Company Limited, A. O. Smith India Water Products Pvt. Ltd., Robert Bosch Engineering and Business Solution Pvt Ltd, Eureka Forbes Ltd Limited, CyanConnote Limited, Atomberg Technologies Private Limited and Total Power Europe B.V. Our products are sold in over 19 countries (apart from India), including the USA, Germany, Austria, and UK. During the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, ₹ 2,673.35 million, ₹ 3,320.94 million, ₹ 3,069.71 million and ₹ 752.79 million, which accounted for 75.52%, 83.63%, 70.04%, and 56.52%, respectively of our revenue from operations, was attributable to exports. Based on our Proforma Condensed Combined Financial Information, during the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, ₹ 4,440.62 million, ₹ 4,983.50 million, ₹ 4,731.68 million and ₹ 1,237.50 million, which accounted for 55.88%, 57.57%, 53.32%, and 49.04%, respectively of our proforma revenue from operations, was attributable

to exports.

We are backed by a robust supplier network. In the three months ended June 30, 2021, we purchased raw materials and components from 851 suppliers. Our suppliers are spread across 19 countries (apart from India), including USA, Singapore and China. During the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, ₹ 1,490.72 million, ₹ 1,563.89 million, ₹ 1,911.54 million and ₹ 734.93 million, which accounted for 75.90%, 69.92%, 71.06%, and 81.39%, respectively of our cost of raw materials and components purchased, was attributable to imports. Based on our Proforma Condensed Combined Financial Information, during the Fiscals 2019, 2020, and 2021 and the three months ended June 30, 2021, ₹ 3,199.58 million, ₹ 3,011.16 million, ₹ 3,408.12 million and ₹ 1,257.33 million, which accounted for 61.38%, 56.24%, 57.08%, and 64.57%, respectively of our proforma cost of raw materials and components consumed, was attributable to imports. All our major suppliers are separately audited and verified by our supplier quality engineers. We leverage our global sourcing capabilities to optimize our costs while maintaining the quality of our products resulting in lower lead time to the market.

As part of our business strategy to expand our market share in the EMS sector and to widen our geographical footprint in the national market, we acquired SGS Teknics in September 2021 and Perfect ID in October 2021. The acquisition of SGS Teknics provided ample headroom for growth as there was almost no overlap of customers and the geographies being serviced by our Company and SGS Teknics. Pursuant to this acquisition, we increased our manufacturing capacities and in-house R&D capabilities, in addition to expanding our existing supplier network. It also helped consolidate our component purchases, which account for a majority of our expenditure on raw materials, thus which may allow us to improve our procurement costs as well. This acquisition has opened opportunities for cross selling our RFID and magnetic products to existing customers of SGS Teknics. We have also augmented our senior management talent pool through this acquisition. We also acquired Perfect ID in October 2021, pursuant to which we acquired the infrastructure and know-how for the manufacture of RFID label tags and passive inlay tags, which was in addition to our existing capabilities for the manufacture of RFID hard tags, thus expanding our RFID products portfolio.

Our Promoter and Executive Chairman, Sandeep Tandon, has approximately 18 years of experience in this industry and provides valuable guidance on all strategic matters. In addition, our Promoter and Managing Director, Jasbir Singh Gujral, has in-depth industry knowledge and extensive managerial experience in the EMS sector, with over 30 years of experience in the EMS sector. We are led by a well-qualified and experienced management team, which has demonstrated its ability to manage and grow our operations. The knowledge and experience of our management team provides us with a significant competitive advantage as we seek to grow our business. We are also guided by our Company's philosophy of *"creating an edge for leading brands as a trusted partner delivering excellence in electronic design and manufacturing"*.

In the Fiscals 2019, 2020, 2021 and the three months ended June 30, 2021, our total income was ₹ 3,573.95 million, ₹ 4,048.82 million, ₹ 4,444.80 million and ₹ 1,352.72 million, respectively. In the Fiscals 2019, 2020, 2021 and the three months ended June 30, 2021, our restated profit before tax was ₹ 272.97 million, ₹ 522.31 million, ₹ 363.36 million and ₹ 86.14 million, respectively. Our EBITDA has grown to ₹ 529.34 million for Fiscal 2021 from ₹ 430.76 million for Fiscal 2019. Our restated profit for the year in Fiscal 2021 was ₹ 286.15 million. We have been able to increase our total revenue and our profit after tax from Fiscal 2019 to Fiscal 2021 at a CAGR of 11.52% and 16.82% respectively. Further, in the Fiscals ended 2019, 2020, 2021 and the three months ended June 30, 2021, our ROCE was 36.66%, 50.46%, 25.87%, and 20.32% (Annualised), respectively. Further, in the Fiscals ended 2019, 2020, 2021 and the three months ended June 30, 2021, our ROE was 45.45%, 55.81%, 16.92%, and 9.25% (Annualised), respectively. In the Fiscals ended 2019, 2020, 2021 and the three months ended June 30, 2021, our gross margins were 38.15%, 42.76%, 35.64%, and 29.92% respectively.

In addition, based on our Proforma Condensed Combined Financial Information (which assumes the acquisition of SGS Teknics and Perfect ID as on April 1, 2018) in the Fiscals 2019, 2020, 2021 and the three months ended June 30, 2021, our total proforma income was ₹ 8,062.38 million, ₹ 8,799.54 million, ₹ 9,042.91 million and ₹ 2,497.02 million, respectively. Our proforma EBITDA has grown to ₹ 1,168.06 million for Fiscal 2021 from ₹ 1,018.64 million for Fiscal 2019. Our proforma profit for the year in Fiscal 2021 was ₹ 655.44 million. We have been able to increase our total proforma revenue and our proforma profit after tax from Fiscal 2019 to Fiscal 2021 at a CAGR of 5.90% and 11.33% respectively. Further, in the Fiscals ended 2019, 2020, 2021 and the three months ended June 30, 2021, our proforma ROCE was 17.29%, 23.53%, 15.69%, and 13.94% (annualised), respectively. Further, in the Fiscals ended 2019, 2020, 2021 and the three months ended June 30, 2021, our proforma ROE was 15.88%, 21.64%, 12.93%, and 11.11% (annualised), respectively. In the Fiscals ended 2019, 2020, 2021 and the three months ended June 30, 2021, our proforma gross margins were 31.61%, 35.99%, 32.61%, and 29.62% respectively.

## **Significant factors affecting our results of operations and financial condition**

We believe that the following factors have significantly affected our results of operations and financial condition during the periods under review, and may continue to affect our results of operations and financial condition in the future:

### ***Raw material costs, operating costs and efficiencies***

Our business, financial condition, results of operations and prospects are significantly impacted by the prices of raw materials purchased by us as well as any changes in global price indices. As we are exporting majority of our goods across the globe and many of our raw materials and components are imported we are also effected severely on account of global sea freight indices.

Cost of raw materials constitute the most significant portion of our expenditures, representing 67.39%, 64.01%, and 68.39% of our proforma revenue from operations for Fiscals 2021, 2020 and 2019, respectively, based on our Proforma Condensed Combined Financial Information. Our financial condition and results of operations are significantly impacted by the availability and costs of raw materials. Raw material pricing can be volatile due to a number of factors beyond our control, including global demand and supply, general economic and political conditions, transportation and labour costs, labour unrest, natural disasters, competition, import duties, fuel prices and availability, power tariffs and currency exchange rates, and there are uncertainties inherent in estimating such variables, regardless of the methodologies and assumptions that we may use. This volatility in commodity prices can significantly affect our raw material costs.

Given the nature of our business, our ability to manage our operating costs and efficiencies is critical to maintaining our competitiveness and profitability. Our profitability is partially dependent on our ability to spread fixed production costs over higher production volumes. In addition, we face pressure from our key customers to reduce prices, and in order to maintain our profitability, we must be able to boost our productivity and reduce our operating expenses. We continually undertake efforts to reduce our costs in order to protect our margins, such as enhancing utilization of our manufacturing capacity, segregation and planning of orders to reduce the idle time by prioritizing the inputs for manufacturing, rationalising suppliers, negotiating volume discounts, reducing energy usage and rationalising our manpower. Our ability to reduce our operating costs in line with customer demand is subject to risks and uncertainties, as our costs depend, in part, on external factors beyond our control.

The improvements in operational efficiency is generally a gradual process. Our manufacturing facilities are equipped to take care of most of our customer's requirement irrespective of the location with minimum impact. This gives additional option to the operation and planning team to alter the plan and utilize the manufacturing facilities to its maximum capacity. With increasing press utilization, our revenue is directly linked. We also incur costs in order to ensure that the products that we supply to our customers are of high quality and free of defects. Such costs relate to matters such as capital expenditure, manpower, systems deployment and rejection and re-working of products. Quality control is critical to our operations and a failure to prevent the passing down of defects to our customers may lead to significant costs.

### ***Ability to maintain and grow demand for our products***

Changes in inventory and production levels of our key customers could lead to changes in demand for our products over time, which can have a significant impact on our revenue growth. The loss of key customers has the potential to adversely impact our financial position. The level of growth in demand for our product depends on our ability to convert existing and new customers through bringing new opportunities of customer value creation, focus on product quality relative to other competitors in the market. Our ability to drive value to our customers relative to competition is also key in helping us improve pricing and realisations over time.

We face competition from both international and local players in respective geographies, product segments or sub-segments in which we operate. Our sales to our customers also depend largely on the number and type of products that we supply to them and our ability to increase the wallet share of our customers. While our customers may implement various cost-cutting strategies, which include restructuring of operations, relocation of production/procurement to low-cost regions, vendor rationalisation, etc., we believe that the criticality of the products we manufacture, our strong customer relationships, lack of alternate vendors, high switching costs, our ability to maintain high quality and delivery commitments and ability to produce a diverse range of products will allow us meet these business challenges.

### ***Our acquisitions and our expansion plans***

We have executed a number of acquisitions, which include the acquisition of Tovya Automation in December 2014, the merger of 3G Communication Private Limited effective from April 2016, and most recently, our acquisition of SGS Teknics and Perfect ID in September 2021 and October 2021. These acquisitions individually or in the aggregate have a significant impact on our results of our operations. For further details in relation to the acquisitions, see “*History and Certain Corporate Matters*”, “*Our Business*” and “*Proforma Financial Information*” on pages 207, 180 and 409, respectively.

We aim to continue to leverage our global network and add new products and expand our presence in these markets through acquisitions, in order to drive profitable growth. However, acquiring new businesses require significant efforts resulting in additional expenses and requiring significant management time. For instance, we have incurred significant costs for identifying suitable opportunities for acquisition and executing an effective due diligence process on the potential targets. We have also incurred significant costs for integrating and operating acquired businesses including coordination of information technologies, sales and marketing, integration of supply chain, employees and manufacturing processes. Our acquisition of Tovya Automation and merger with 3G Wireless Communication Private Limited provided us access to various technical know-how that will allowed us to expand our IoT-related product offerings, and allowed us to meet the pre-qualification criteria applicable to certain government tenders. Pursuant to our acquisition of SGS Teknics, we expanded both our manufacturing facilities footprint across India and our in-house R&D capabilities in Germany. This acquisition has also opened opportunities for cross selling our RFID and magnetic products to existing customers of SGS Teknics. Pursuant to our acquisition of Perfect ID, we acquired the infrastructure and know-how for the manufacture of RFID label tags and passive inlay tags, which was in addition to our existing capabilities of the manufacture for RFID hard tags, thus expanding our RFID products portfolio.

### ***Maintaining our customer relationships***

Almost all of our revenue from operations arises from sales of our products to our customers. As key customers typically have specific requirements, we believe that our continued relationships with these customers plays a significant role in determining our continued success and results of operations. Our relationships with these customers have thus been gradually strengthened by proving our reliability and quality through initially fulfilling their components requirement and eventually becoming a one stop solution provider to them. The demand for our products from our customers has a significant impact on our results of operations and financial condition and our sales are particularly affected by the inventory and sales levels of our key customers. In the event that we lose one or more of our key customers or if the amount of business we receive from them is reduced for any reason or they commence production in India, our cash flows and results of operations may be affected. Our supply arrangements with our customers also require us to meet certain standards and performance obligations and our failure to meet such specifications could result in a reduction of business from them, termination of contracts or additional costs and penalties, all of which may adversely impact our results of operations and financial condition.

### ***Changes in technology***

We operate in an industry which is characterised by technological changes. Our ability to stay abreast of such changes, ensure that our R&D efforts provide commercially viable and marketable solutions to our customers and ensure that our manufacturing facilities are capable of producing technologically advanced products plays a significant role in determining the attractiveness of our offering to customers. The capital expenditure involved in operating our R&D facilities as well as ensuring that the plant and machinery at our manufacturing facilities is up to date impacts our financial condition. Our future success will depend substantially on our ability to respond to new technologies or changes in customer preferences and specifications, as well as our customers’ ability to predict and develop new products that meet the end consumers’ requirements and needs.

### ***Global economic conditions affecting demand***

A decline in the level of consumer discretionary spends and the worsening of general economic conditions could adversely affect our results of operations. Our operations are substantially affected and will continue to be affected, by global macroeconomic conditions as well as emerging industry trends. Demand for our products are directly related to the strength of the global economy and consumer confidence, including overall growth levels. Today’s global technology market is driven by demand for products with shorter life cycles, which requires continuous innovation, cost reduction and better customer service. The demand for our products is affected by the level of business activity of our customers, which is jointly influenced by the level of economic activity in the

industries we cater to, in India and other countries where they operate. A decline in the industries we operate in or an economic downturn in the country that our customers operate in could adversely affect the performance of our customers and the demand of our products in turn.

### ***Foreign Currency Fluctuations***

Our products are typically priced in Indian Rupees for Indian sales and in U.S. Dollars for sales in the other jurisdictions where we sell our products. Further, we source our raw materials from over 19 countries, including USA, Singapore and China. The cost of our imported raw materials is also affected by fluctuations in the rate of exchange of the currency in which we purchase these raw materials (including USD) and the Rupee. Foreign exchange gain (net) during the three months ended June 30, 2021 and the Fiscals 2021, 2020 and 2019 amounted to ₹ 17.04 million, ₹ 48.90 million, ₹ 57.09 million and ₹ 16.49 million, representing 1.26%, 1.10%, 1.41% and 0.46% of our revenue from operations respectively, based on our Restated Standalone Financial Information.

As a consequence, we are exposed to currency rate fluctuations between the Indian Rupee and the U.S. Dollar, and other local currencies in jurisdictions where our products are sold, in the event that we have sold our products under such local currency. We are exposed to exchange rate risk primarily due to payables in respect of our imported raw material and from receivables in respect of our exports, which are mainly denominated in foreign currencies. Any fluctuation in the value of the Indian Rupee against such currencies may adversely affect our results of operations.

Since we export our products and import many of our raw materials and components it helps us to naturally hedge our foreign currency exposure, however a devaluation of any of the foreign currencies against the Indian Rupee may result in reduction of our margins. Any gains or losses arising on account of differences in foreign exchange rates on settlement and translation of monetary assets and liabilities are recognized in the statement of profit and loss. While we enter into hedging transactions, steps taken by us to hedge the foreign exchange fluctuation risks may not adequately hedge against any losses we incur due to such fluctuations. Please see “*Risk Factors – Since a significant percentage of our revenues are denominated in U.S. Dollars and other foreign currencies and a significant percentage of our costs are denominated in Indian Rupees, we face currency exchange risks.*” on page 48.

### ***Competition and pricing pressure***

We operate in a competitive environment and we expect to face greater competition from existing competitors located both in India and globally, and in particular from companies in India and China. We compete with different companies depending on the market and type of products. We compete on the basis of our ability to fulfil our contractual obligations including the timely delivery of products manufactured by us and the price and quality of such products. We compete with large multinational companies and smaller regionally based competitors. Some of these competitors have more resources than us have greater financial, manufacturing, R&D and other resources, while certain competitors may have lower cost of operations. In addition, certain competitors may have competitive advantages in manufacturing certain types of precision products compared to us. Consequently, our competitors may possess wider product ranges, larger sales teams, greater intellectual property resources and broader appeal across various divisions. Our ability to negotiate price with our customers is also impacted by international and domestic competition. We believe that our ability to compete as well as offer competitive prices of our manufactured products is highly dependent on our ability to optimize our product portfolio. As we continue to expand our operations into new geographies, we are exposed to competition from newer players. There can be no assurance that we will be able to successfully compete with our competitors or be able to sell our products at desired margins.

### ***Recent development – COVID-19 impact***

In March 2020, the World Health Organization declared a global pandemic related to the rapidly growing outbreak of a novel strain of coronavirus known as COVID-19. Although the ultimate impacts of COVID-19 remain uncertain in light of a surge in COVID-19 infections and the re-imposition of regional and local lockdowns due to such surge, the pandemic has currently increased the requirement for EMS services. Our business was impacted, and may continue to be impacted, during the COVID -19 pandemic. Due to COVID-19 restrictions, all of our manufacturing facilities were closed from March 23, 2020 to April 18, 2020, following which we continued to operate at less than our 50% of our capacity till July 2020. Post gradual easing of restriction, nonavailability of labour resulted in a slowdown in our operations, however, gradually labour availability was normalised. While it remains possible that sustained or deepened impact on consumer demand resulting from COVID-19 or the related



economic recession could negatively impact our performance, we believe that we are well positioned to weather the pandemic.

## **Significant Accounting Policies of the Restated Standalone Financial Information**

### **Basis of preparation**

The Restated Standalone Statement of Assets and Liabilities as at June 30, 2021 and March 31, 2021 and Restated Statement of Assets and Liabilities as at March 31, 2020 and March 31, 2019 (As Adjusted), the Restated Standalone Statement of Profit and Loss (including other comprehensive income), the Restated Standalone Statement of Changes in Equity, the Restated Standalone Cash Flow Statement for the three month period ended June 2021 and for the year ended March 31, 2021 and the Restated Statement of Profit and Loss (including other comprehensive income), the Restated Statement of Changes in Equity and the Restated Cash Flow Statement for the years ended March 31, 2020 and March 31, 2019 (As Adjusted), the Summary Statement of Significant Accounting Policies, and other explanatory information are collectively referred as, the “Restated Standalone Financial Information”.

The Restated Standalone Financial Information have been prepared by the management of the Company for the purpose of inclusion in the draft red herring prospectus (the “DRHP”) prepared by the Company in connection with its proposed Initial Public Offer (“IPO”) in terms of the requirements of:

- (i) Section 26 of Part I of Chapter III of the Companies' Act, 2013 ("the Act");
- (ii) relevant provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, issued by the Securities and Exchange Board of India ('SEBI'), as amended ("ICDR Regulations"); and
- (iii) Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (“ICAI”) as amended (the “Guidance Note”).

In accordance with the notification dated February 16, 2015, issued by Ministry of Corporate Affairs, the Company has voluntarily adopted Indian Accounting Standards notified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") with effect from April 01, 2020.

The Restated Standalone Financial Information have been compiled by the management from:

- a) Special Purpose Audited Standalone Interim Financial statements of the Company as at and for the three month period ended 30 June 2021 prepared in accordance with recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" issued by Institute of Chartered Accountants of India and the other accounting principles generally accepted in India (the “Special Purpose Standalone Interim Financial Statements”), which have been approved by the Board of Directors at their meeting held on 29 November 2021.
- b) Audited Standalone Ind AS financial statements of the Company as at and for the year ended 31 March 2021 prepared in accordance with Ind AS notified under the Section 133 of the Act read with the Companies (Ind AS) Rules 2015 and other relevant provisions of the Act which have been approved by the Board of Directors at their meeting held on 20 November 2021. The comparative information as at and for the year ended March 31, 2020 included in such Standalone Ind AS Financial Statements have been prepared by making Ind AS adjustments to the audited Standalone financial statements of the Company as at and for the year ended 31 March, 2020 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 notified under section 133 of the Act (“Indian GAAP”) which was approved by the Board of directors at their meeting held on 1 October 2020.
- c) The Restated Standalone Financial Information also contains the Standalone financial information as at and for the year ended March 31, 2019. The Restated Standalone Financial Information for the year ended March 31, 2019 (referred to as “As Adjusted”) have been prepared after making suitable adjustments to the accounting heads from their Accounting Standards values as on the date of transition (i.e. 1 April 2019) following accounting policies, grouping/classifications and accounting policy choices (both mandatory exceptions and optional exemptions) consistent with that used at the date of transition to Ind AS and for the three month period ended June 30, 2021, in accordance with ICDR Regulations and the Guidance Note, to the audited Indian GAAP financial statements as at and for the year ended March 31, 2019 which was

approved by the Board of Directors at their meeting held on November 29, 2019. As per Clause (11)(I)(A)(i)(d) of Part A of Schedule VI of the ICDR Regulations, “the auditor shall issue an examination report on the restated and audited financial information in accordance with the Guidance Note issued by the ICAI from time to time”. Accordingly, as required under ICDR Regulations and the Guidance Note, the restated Standalone financial information for the year ended March 31, 2019 is in accordance with Appendix 5.1 (Question 4) of the Guidance Note which requires such financial information to be prepared on proforma basis (i.e. “Proforma Ind AS financial statements”) for the purpose of inclusion in the Offer Documents.

Lead Managers (LM) received a communication from Securities and Exchange Board of India (SEBI) vide its email dated October 28, 2021 through Association of Investment Bankers of India (AIBI), which stated that “LM shall ensure that all issuer companies filing offer document should provide Standalone Financial Statements (CFS) prepared in accordance with Indian Accounting Standard (Ind AS) for all the three years and the stub period (if applicable) audited and certified by the statutory auditor(s) who holds a valid certificate by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI). The same shall be applicable for companies which are not falling under Phase 1 and Phase 2 of MCA Roadmap and have consequently provided proforma financial statements for any of the three financial years” (the “SEBI Communication”).

As mentioned in previous paragraphs and considering the fact that the underlying financial information at and for the three month period ended June 30, 2021 and as at and for the years ended March 31, 2021, 2020 and 2019 and the Ind AS adjustments made to the Indian GAAP financial statements as at and for the year ended March 31, 2019 used for preparation of Restated Standalone Financial Information are audited by our statutory auditors who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI), the Company confirms that the requirements mentioned in the SEBI Communication are complied.

The basis of preparation for specific items where exemptions have been applied are as follows:

- (i) Property, Plant and Equipment and Intangible Assets: Ind AS 101, provides the option to continue with the carrying value of Property, Plant and Equipment and Intangible Assets as recognised in the IGAAP. The Company has elected to continue with the carrying value for all of its Property, Plant and Equipment and intangible Assets as recognized in the Restated Standalone Financial Information as at the date of transition to Ind AS, measured as per the IGAAP and use that as its deemed cost as at the date of transition. The Company has provided the depreciation based on the estimated useful life of respective years and as the change in estimated useful life is considered as change in estimate, accordingly there is no impact of this roll back.
- (ii) Leases : Ind AS 101, requires to apply Ind AS 116, Leases whether a contract or arrangement existing at the date of transition contains a lease on the basis of facts and circumstances existing at the date of transition rather than at the inception of the arrangement. Right of Use of Assets on transition date comprises of the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date.
- (iii) Business Combinations: The Company has elected to apply Ind AS 103 - Business Combinations prospectively to Business Combinations occurring subsequent to transition date. Hence, the Company has not restated its past business combinations that have an acquisition date prior to transition date.

As specified in the Guidance Note, the equity balance computed under Restated Standalone Financial Information as at and for the year ended March 31, 2019 (As Adjusted) (i.e. equity under Indian GAAP as at April 1, 2018 adjusted for impact of Ind AS and after considering profit or loss for the year ended March 31, 2019 and equity balance computed as at transition date (i.e. April 1, 2019), prepared for filing under Companies Act, 2013, differs due to restatement adjustments made as at April 1, 2018 and for the year ended 31 March 2019, as mentioned above. Accordingly, the closing equity balance as at March 31, 2019 (As transition) of the Restated Standalone Financial Information has not been carried forward to opening Ind AS Balance sheet as at transition date already adopted for reporting under Companies Act, 2013.

The Restated Standalone Financial Information:

- (a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the financial year ended March 31, 2021 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the three months period ended 30 June 2021;

- (b) have been prepared after incorporating Ind AS adjustments to the audited Indian GAAP financial statements as at and for the year ended March 31, 2019 as described above; and
- (c) do not require any adjustment for modification as there is no modification in the underlying audit reports;

These Restated Standalone Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of auditor's reports on the audited standalone financial statements mentioned above. These Restated Standalone Financial Information have been prepared for the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's latest reporting date i.e June 30, 2021. These Restated Standalone Financial Information have been approved by the Board of Directors of the Company on December 9, 2021.

### **Accounting Convention and Assumption**

These Restated Standalone Financial Information have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair value at the end of each reporting period, as stated in the accounting policies set out below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

### **Going Concern**

The directors have, at the time of approving the Restated Standalone Financial Information, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the Restated Standalone Financial Information.

### **Presentation of Restated Standalone Financial Information**

The Restated Standalone Statement of Assets and Liabilities, the Restated Standalone Statement of Profit and Loss, the Restated Standalone Statement of Changes in Equity, are presented in the format prescribed under Division II of Schedule III of the Act, as amended from time to time, for Companies that are required to comply with Ind AS. The Restated Standalone Statement of Cash Flows has been presented as per the requirements of Ind AS 7 - Statement of Cash Flows.

The Restated Standalone Financial Information are presented in Indian rupees (INR), the functional currency of the Company. Items included in the Restated Standalone Financial Information of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency').

Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes in these Restated Standalone Financial Information.

### **Current / Non-Current Classification**

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is held primarily for the purpose of trading;
- iv. the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and

their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### **Property, plant and equipment**

#### **Measurement at recognition:**

An item of property, plant and equipment (PPE) that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of property, plant and equipment are carried at its cost less accumulated depreciation and accumulated impairment losses.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non-refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met. Items such as spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

#### **Deemed cost**

For the purpose of Restated Standalone Financial Information, the Company had elected to consider the carrying value of all its property, plant and equipment prepared in accordance with the Indian GAAP, as deemed cost, as on 1st April, 2018.

#### **Capital work in progress and Capital advances:**

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

#### **Depreciation**

Depreciation on each part of an item of property, plant and equipment is provided using the Straight Line Method based on the useful life of the asset as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Act. The estimated useful life of items of property, plant and equipment is mentioned below:

<b>Asset Category</b>	<b>Years</b>
Buildings	30 Years
Plant and Equipment	
- Plant and Machinery	15 Years
- Stencils	3 Years
Electrical equipment	20 Years
Furniture and Fittings	10 Years
Office and Other Equipment	5 Years
Data Processing Equipment	3 Years to 6 Years
Vehicles	8 Years

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of property, plant and equipment (as mentioned above) over estimated useful lives which are different from the useful lives prescribed under Schedule II to the Act.

The Company has revised the useful life of Stencils from 15 years to 3 years during the year ended 31 March, 2021. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

The useful lives, residual values of each part of an item of property, plant and equipment and the depreciation methods are reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

#### **Derecognition:**

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognised.

#### **Intangible asset other than Goodwill**

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

The intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use. The amortisation period is reviewed at the end of each financial year and the amortisation method is revised to reflect the changed pattern.

Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

#### **Derecognition of intangible assets**

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit or loss when the asset is derecognised.

#### **Useful lives of intangible assets**

Estimated useful lives of the intangible assets are as follows:

- Computer Software - 3 Years
- Knowhow - 6 Years

#### **Deemed cost**

For the purpose of Restated Standalone Financial Information, the Company had elected to consider the carrying value of all its property, plant and equipment prepared in accordance with the Indian GAAP, as deemed cost, as on 1st April, 2018.

#### **Impairment of PPE & Intangible Assets**

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which

a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of profit and loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss.

## **Leases**

### **Policy applicable for Lease Contracts entered on or after 1 April 2018**

At inception of a Lease Contract, the Company assesses whether a Lease Contract is, or contains, a lease. A Lease Contract is, or contains, a lease if the Lease Contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a Lease Contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the Lease Contract involves the use of an identified asset -this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
  - a) the Company has the right to operate the asset; or
  - b) the Company designed the asset in a way that predetermines how and for what purpose it will be used.

This policy is applied to Lease Contracts entered into, or changed, on or after 1 April 2018

At inception or on reassessment of a Lease Contract that contains a lease component, the Company allocates the consideration in the Lease Contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-

use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received .

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is measured at amortised cost using the effective interest method . It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'Investment Property' and lease liabilities in 'loans and borrowings' in the statement of financial position.

#### **Policy applicable for contracts entered before 1 April 2018**

For contracts entered into before 1 April 2018, the Company determined whether the arrangement was or contained a lease based on the assessment of whether:

- fulfilment of the arrangement was dependent on the use of a specific asset or assets; and
- the arrangement had conveyed a right to use the asset. An arrangement conveyed the right to use the asset if one of the following was met
- the purchaser had the ability or right to operate the asset while obtaining or controlling more than an insignificant amount of the output;
- the purchaser had the ability or right to control physical access to the asset while obtaining or controlling more than an insignificant amount of the output; or
- facts and circumstances indicated that it was remote that other parties would take more than an insignificant amount of the output, and the price per unit was neither fixed per unit of output nor equal to the current market price per unit of output.

#### **Short-term leases and leases of low-value assets**

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The Company recognises the lease payments associated with these leases as an expense over the lease term.

#### **Inventories**

Inventories are valued at the lower of cost on weighted average basis and estimated net realisable value (net of allowances) after providing for obsolescence and other losses, where considered necessary. The cost comprises of cost of purchase, cost of conversion and other costs including appropriate production overheads in the case of finished goods and work-in-progress, incurred in bringing such inventories to their present location and condition. Trade discounts or rebates are deducted in determining the costs of purchase. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sales.

Due allowance is estimated and made by the Management for slow moving / non-moving items of inventory, wherever necessary, based on the past experience and such allowances are adjusted against the carrying inventory value.

#### **Cash & Cash Equivalents**

##### **Cash and cash equivalents (for purposes of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### **Cash flow statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### **Foreign currency transactions and translations**

In preparing the Restated Standalone Financial Information, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

### **Revenue recognition**

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and rebates offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

### **Sale of Products**

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Advance from customers and Deferred revenue is recognized under other current liabilities which is released to revenue on satisfaction of performance obligation.

### **Rendering of services**



Income from service activities are recognized at a point in time on satisfaction of performance obligation towards rendering of such services in accordance with the terms of arrangement.

### **Tooling Charges**

Tooling charges received from customers in advance is recognised based on completion of the project and the number of units sold to the customer during the respective year. The same is recognised at a point in time or over a period of time depending on the terms of arrangement /contract with the customer and the corresponding satisfaction of performance obligation.

### **Export Benefits**

Export Benefits are recognized when there is reasonable certainty that the Company will comply with the conditions attached and that the benefit will be received.

### **Other Income**

Interest income from a financial asset is recognized when it is probable that the economic benefit will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to the asset's net carrying amount on initial recognition.

### **Employee Benefits**

#### **Defined contribution plans**

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

#### **Defined benefit plans**

##### **Gratuity**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods and discounting that amount.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in Other Comprehensive Income (OCI). The Company determines the net interest expense (income) on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then- net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

#### **Compensated absences**

The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since, the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated

absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method. Actuarial gains and losses are recognised in profit or loss in the period in which they arise.

A liability for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognizes any related restructuring costs.

### **Short - term and other long - term employee benefits**

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave in the period related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognized in respect of other long term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by the employees up to the reporting date.

### **Provisions**

Provisions are recognised, when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

### **Product Warranty Cost**

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise, being typically up to three years.

The estimates used for accounting of warranty liability/recoveries are reviewed periodically and revisions are made as required.

### **Contingent liability**

Contingent liability is disclosed for

- (a) A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or
- (b) Present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### **Taxes on Income**

The income tax expense represents the sum of the tax currently payable and deferred tax.

### **Current Tax**

Income tax expense or credit for the period is the tax payable on the current period's taxable income using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. The Company periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

### **Deferred Tax**

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the Restated Standalone Financial Information and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the balance sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

### **Current tax and deferred tax for the year / period:**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

### **Financial Instruments**

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

### **Initial Recognition**

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and

financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the statement of profit and loss.

## **Subsequent Measurement**

### **Financial assets**

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets, except for investments forming part of interest in subsidiaries, which are measured at cost.

### **Classification of financial assets**

The Company classifies its financial assets in the following measurement categories:

- a) Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- b) Those measured at amortized cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

### **Amortized Cost**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on these assets that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

### **Fair value through other comprehensive income (FVTOCI)**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other income/ (expense).

### **Fair value through profit or loss (FVTPL)**

Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. A gain or loss on these assets that is subsequently measured at fair value through profit or loss is recognized in the statement of profit and loss.

### **Impairment of financial assets**

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, trade receivable, other contractual rights to receive cash or other financial asset, and financial guarantees not designated as at Fair value through profit or loss.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument ( for example, prepayments, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for the financial instruments at an amount equal to the lifetime expected credit losses if the credit risk on those financial instruments has increased significantly since initial

recognition.

If the credit risk on financial instruments has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instruments at an amount equal to 12 months expected credit losses. The twelve months expected credit losses are portion of the lifetime expected credit losses and represents lifetime cash shortfalls that will result if default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the 12 months.

If the Company measured loss allowance for the financial instruments at life time expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12 month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instruments instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increase in credit risk since initial recognition.

Further, for the purposes of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward – looking information.

### **Write off policy**

The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery. Any recoveries made against the write off are recognised in Restated Statement of Profit or Loss.

### **Financial liabilities and equity instruments**

#### **Classification as equity or financial liability**

Equity and Debt instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

All financial liabilities are subsequently measured at amortized cost using the effective interest method or at FVTPL.

#### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

#### **Financial liabilities at amortized cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

#### **Financial liabilities at FVTPL**

Liabilities that do not meet the criteria for amortized cost are measured at fair value through profit or loss. A gain or loss on these assets that is subsequently measured at fair value through profit or loss is recognized in the

statement of profit and loss.

## **Derecognition**

### **Derecognition of financial assets**

A financial asset is derecognized only when the Company has transferred the rights to receive cash flows from the financial asset. Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. Where the Company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset.

### **Derecognition of financial liabilities**

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

### **Equity Investments in Associates**

Investment in associates are carried at cost in the Restated Standalone Financial Information.

### **Earnings Per Share**

Basic earnings per share is computed by dividing the net profit/(loss) after tax (including the post tax effect of exceptional items, if any) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the profit/(loss) after tax (including the post tax effect of exceptional items, if any) for the period attributable to equity shareholders as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

### **Segment Reporting**

Operating segments reflect the Company's management structure and the way the financial information is regularly reviewed by the Company's Chief Operating Decision Maker (CODM). The CODM considers the business from both business and product perspective based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / (loss) amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under unallocated revenue / expenses / assets / liabilities.

### **Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

### **Government Grant**

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are recognized in the profit or loss, as necessary to match them with the costs that they are intended to compensate.

### **Related Party Transactions**

Related party transactions are accounted for based on terms and conditions of the agreement / arrangement with the respective related parties. These related party transactions are determined on an arm's length basis and are accounted for in the year in which such transactions occur and adjustments if any, to the amounts accounted are recognised in the year of final determination.

There are common costs incurred by the Holding Company / Other company Companies on behalf of various entities in the company including the Company. The cost of such common costs are accounted to the extent debited separately by the said related parties.

### **Use of estimates and judgements**

In preparing these Restated Standalone Financial Information, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgements are made in applying accounting policies that have the most significant effects on the amounts recognized in the Restated Standalone Financial Information.

Assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment are reviewed on an ongoing basis.

The areas involving critical estimates or judgments are :

- a. Estimation of useful life of tangible and intangible asset
- b. Impairment of trade receivables: Expected credit loss
- c. Recognition and measurement of provisions and contingencies; key assumptions about the likelihood and magnitude of an outflow of resources
- d. Measurement of defined benefit obligation: key actuarial assumptions

### **Insurance claims**

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

### **Exceptional Items**

Exceptional items are items of income and expenses which are of such size, nature or incidence that their separate disclosure is relevant to explain the performance of the Company.

## Results of Operations based on our Restated Standalone Financial Information

The following table sets forth certain information with respect to our results of operations, on a standalone basis, for the years / period indicated:

Particulars	Fiscal 2019		Fiscal 2020		Fiscal 2021		Three months ended June 30, 2021	
	₹ in million	% of total income	₹ in million	% of total income	₹ in million	% of total income	₹ in million	% of total income
Revenue from operations	3,539.97	99.05%	3,970.76	98.07%	4,383.03	98.61%	1,331.90	98.46%
Other income	33.98	0.95%	78.06	1.93%	61.77	1.39%	20.82	1.54%
<b>Total income</b>	<b>3,573.95</b>	<b>100.00%</b>	<b>4,048.82</b>	<b>100.00%</b>	<b>4,444.80</b>	<b>100.00%</b>	<b>1,352.72</b>	<b>100.00%</b>
<b>Expenses</b>								
Cost of materials consumed	1,985.30	55.55%	2,218.46	54.79%	2,763.93	62.18%	1,042.54	77.07%
Purchases of stock-in-trade	348.85	9.76%	26.92	0.66%	38.09	0.86%	2.14	0.16%
Changes in inventories of finished goods, stock-in-trade and work-in-progress	-144.82	-4.05%	27.63	0.68%	18.86	0.42%	-111.25	-8.22%
Employee benefits expense	244.50	6.84%	263.52	6.51%	286.35	6.44%	83.06	6.14%
Finance costs	60.32	1.69%	79.70	1.97%	45.24	1.02%	7.67	0.57%
Depreciation and amortisation expense	97.47	2.73%	96.99	2.40%	120.74	2.72%	28.00	2.07%
Other expenses	709.36	19.85%	757.30	18.70%	808.23	18.18%	214.42	15.85%
<b>Total expenses</b>	<b>3,300.98</b>	<b>92.36%</b>	<b>3,470.52</b>	<b>85.72%</b>	<b>4,081.44</b>	<b>91.83%</b>	<b>1,266.58</b>	<b>93.63%</b>
<b>Restated profit before exceptional items and tax</b>	<b>272.97</b>	<b>7.64%</b>	<b>578.30</b>	<b>14.28%</b>	<b>363.36</b>	<b>8.17%</b>	<b>86.14</b>	<b>6.37%</b>
Exceptional items	-	-	55.99	1.38%	-	-	-	-
<b>Restated profit before tax</b>	<b>272.97</b>	<b>7.64%</b>	<b>522.31</b>	<b>12.90%</b>	<b>363.36</b>	<b>8.17%</b>	<b>86.14</b>	<b>6.37%</b>
<b>Tax expense</b>								
Current tax	60.84	1.70%	96.53	2.38%	96.33	2.17%	28.47	2.10%
Tax pertaining to previous years	1.56	0.04%	1.55	0.04%	3.78	0.09%	-	0.00%
Deferred tax	0.90	0.03%	-14.57	-0.36%	-22.90	-0.52%	2.10	0.16%
<b>Total tax expense</b>	<b>63.30</b>	<b>1.77%</b>	<b>83.51</b>	<b>2.06%</b>	<b>77.21</b>	<b>1.74%</b>	<b>30.57</b>	<b>2.26%</b>
<b>Restated profit for the period / year</b>	<b>209.67</b>	<b>5.87%</b>	<b>438.80</b>	<b>10.84%</b>	<b>286.15</b>	<b>6.44%</b>	<b>55.57</b>	<b>4.11%</b>
<b>Other comprehensive income</b>								
<b>Items that will not be reclassified to profit or loss</b>								
Remeasurement of the defined benefit plans	-6.79	-0.19%	4.64	0.11%	-0.25	-0.01%	4.35	0.32%
Income tax expenses relating to the above	1.98	0.06%	-1.35	-0.03%	0.07	0.00%	-1.52	-0.11%
<b>Restated total other comprehensive income for the period / year</b>	<b>-4.81</b>	<b>-0.13%</b>	<b>3.29</b>	<b>0.08%</b>	<b>-0.18</b>	<b>0.00%</b>	<b>2.83</b>	<b>0.21%</b>
<b>Restated total comprehensive income for the period / year</b>	<b>204.86</b>	<b>5.73%</b>	<b>442.09</b>	<b>10.92%</b>	<b>285.97</b>	<b>6.43%</b>	<b>58.40</b>	<b>4.32%</b>
<b>Restated Earnings per equity share</b>								
Basic (Face Value of Rs. 10 each)	2.96		6.19		3.32		0.64	
Diluted (Face Value of Rs. 10 each)	2.96		6.19		3.32		0.64	



### **THREE MONTHS ENDED JUNE 30, 2021**

Set forth below is a discussion of our results of operations based on our Restated Standalone Financial Information in the three months ended June 30, 2021.

#### **Total income**

Our total income was ₹ 1,352.72 million in the three months ended June 30, 2021. This was primarily attributable to the following.

##### *Revenue from operations*

Our revenue from operations was ₹ 1,331.90 million in the three months ended June 30, 2021. This comprised sale of products of ₹ 1,318.91 million, sale of services of ₹ 5.06 million and other operating revenues (which primarily comprise of export incentives and tooling income) of ₹ 7.93 million.

##### *Other income*

Our other income was ₹ 20.82 million in the three months ended June 30, 2021. This comprised interest income of ₹ 3.78 million and foreign exchange gain (net) of ₹ 17.04 million.

#### **Total expenses**

Our total expenses were ₹ 1,266.58 million in the three months ended June 30, 2021 (which constituted 93.63% of our total income in the three months ended June 30, 2021). This was primarily attributable to the following:

##### *Cost of materials consumed*

Our cost of materials consumed was ₹ 1,042.54 million in the three months ended June 30, 2021.

##### *Purchases of stock-in-trade*

Our purchases of stock-in-trade was ₹ 2.14 million in the three months ended June 30, 2021.

##### *Changes in inventories of finished goods, stock-in-trade and work-in-progress*

Our changes in inventories of finished goods, stock-in-trade and work-in-progress was ₹ (111.25) million in the three months ended June 30, 2021.

##### *Employee benefits expense*

Our employee benefits expense was ₹ 83.06 million in the three months ended June 30, 2021. This comprised salaries, wages and bonus from ₹ 70.37 million, contribution to provident and other funds of ₹ 5.56 million, gratuity expense of ₹ 1.62 million, compensated absences expense of ₹ 0.04 million, staff welfare expenses of ₹ 4.19 million and remuneration to Directors of ₹ 6.00 million. This was partially offset by recovery of salaries from related parties amounting to ₹ 4.72 million.

##### *Finance costs*

Our finance costs were ₹ 7.67 million in the three months ended June 30, 2021. This comprised interest on borrowings of ₹ 3.74 million, interest on lease liability of ₹ 1.35 million, factoring charges of ₹ 2.48 million and interest on delayed payments to micro enterprises and small enterprises amounting of ₹ 0.10 million.

##### *Depreciation and amortisation expense*

Our depreciation and amortisation expense was ₹ 28.00 million in the three months ended June 30, 2021.

##### *Other expenses*

Our other expenses were ₹ 214.42 million in the three months ended June 30, 2021. This primarily comprised consumption of stores and spares of ₹ 18.91 million, stipend to BOAT apprentices of ₹ 18.68 million, power and fuel expenses of ₹ 11.37 million, labour charges of ₹ 77.33 million, sub-contracting charges of ₹ 21.71 million, advertising and sales promotion of ₹ 17.70 million, and legal and professional fees of ₹ 18.04 million.

#### **Profit before tax**

For the reasons discussed above, our profit before tax was ₹ 86.14 million in the three months ended June 30, 2021.

#### **Tax expense**

Our tax expense was ₹ 30.57 million in the three months ended June 30, 2021. This comprises current tax of ₹ 28.47 million and deferred tax of ₹ 2.10 million.

#### **Profit for the period**

For the reasons discussed above, our profit for the period was ₹ 55.57 million in the three months ended June 30, 2021.

#### **Other comprehensive income/loss for the period**

Our other comprehensive income (which primarily comprise of income arising from re-measurement of defined employee benefit plans (gratuity and compensated absence)) for the period was ₹ 2.83 million in the three months ended June 30, 2021.

#### **Total comprehensive income for the period**

Our total comprehensive income for the period was ₹ 58.40 million in the three months ended June 30, 2021.

### **FISCAL 2021 COMPARED WITH FISCAL 2020**

Set forth below is a discussion of our results of operations based on our Restated Standalone Financial Information, in Fiscal 2020 as compared with Fiscal 2021.

#### **Total income**

Our total income increased by ₹ 395.98 million, or 9.78%, from ₹ 4,048.82 million in Fiscal 2020 to ₹ 4,444.80 million in Fiscal 2021.

#### *Revenue from operations*

Our revenue from operations increased by ₹ 412.27 million, or 10.38%, from ₹ 3,970.76 million in Fiscal 2020 to ₹ 4,383.03 million in Fiscal 2021. This was driven by growth in the primary business of our Company and entry into new end-use industries such as IT, renewable energy and consumer appliances. This was partially offset by the decrease in sale of services from ₹ 19.36 million in Fiscal 2020 to ₹ 18.16 million in Fiscal 2021, and the decrease in other operating revenues (which primarily comprise of export incentives and tooling income) from ₹ 286.58 million in Fiscal 2020 to ₹ 89.56 million in Fiscal 2021, which was pursuant to lower tooling income from customers.

#### *Other income*

Our other income decreased by ₹ 16.29 million, or 20.87%, from ₹ 78.06 million in Fiscal 2020 to ₹ 61.77 million in Fiscal 2021. This was due to the decrease in foreign exchange gain (net) from ₹ 57.09 million in Fiscal 2020 to ₹ 48.90 million in Fiscal 2021, insurance / other claims from ₹ 0.07 million in Fiscal 2020 to ₹ 0.04 million in Fiscal 2021, profit on sale of property, plant and equipment (net) from ₹ 1.27 million in Fiscal 2020 to nil in Fiscal 2021, liabilities no longer required to be written back from ₹ 7.57 million in Fiscal 2020 to ₹ 1.94 million in Fiscal 2021, and others (i.e. recoveries of common expenses from group companies) from ₹ 8.08 million in Fiscal 2020 to ₹ 1.69 million in Fiscal 2021. This was partially offset by the increase in total interest income from ₹ 3.98 million in Fiscal 2020 to ₹ 9.20 million in Fiscal 2021.

#### **Total expenses**

Our total expenses increased by ₹ 610.92 million, or 17.60%, from ₹ 3,470.52 million in Fiscal 2020 (which constituted 85.72% of our total income in Fiscal 2020) to ₹ 4,081.44 million in Fiscal 2021 (which constituted 91.83% of our total income in Fiscal 2021). This was due to the increase in cost of materials consumed, purchases of stock-in-trade, employee benefits expense, depreciation and amortisation expense and other expenses. This was partially offset by the decrease in finance costs.

#### *Cost of materials consumed*

Our cost of materials consumed increased by ₹ 545.47 million, or 24.59%, from ₹ 2,218.46 million in Fiscal 2020 to ₹ 2,763.93 million in Fiscal 2021, which was primarily driven by increase in our revenue from operations

(which was further driven by growth in our primary business) and first time adoption of our policy to provide for aged inventory on a 'age basis'.

#### *Purchases of stock-in-trade*

Our purchases of stock-in-trade increased by ₹ 11.17 million, or 41.49%, from ₹ 26.92 million in Fiscal 2020 to ₹ 38.09 million in Fiscal 2021.

#### *Changes in inventories of finished goods, stock-in-trade and work-in-progress*

Our changes in inventories of finished goods, stock-in-trade and work-in-progress changed from ₹ 27.63 million in Fiscal 2020 to ₹ 18.86 million in Fiscal 2021.

#### *Employee benefits expense*

Our employee benefits expense increased by ₹ 22.83 million, or 8.66%, from ₹ 263.52 million in Fiscal 2020 to ₹ 286.35 million in Fiscal 2021. This was due to the increase in salaries, wages and bonus from ₹ 227.73 million in Fiscal 2020 to ₹ 234.65 million in Fiscal 2021, contribution to provident and other funds from ₹ 15.87 million in Fiscal 2020 to ₹ 18.94 million in Fiscal 2021, gratuity expense from ₹ 5.80 million in Fiscal 2020 to ₹ 6.10 million in Fiscal 2021, compensated absences expense from ₹ 1.14 million in Fiscal 2020 to ₹ 4.91 million in Fiscal 2021, and staff welfare expenses from ₹ 13.28 million in Fiscal 2020 to ₹ 15.21 million in Fiscal 2021. This was partially offset by the decrease in remuneration to Directors from ₹ 25.10 million in Fiscal 2020 to ₹ 24.00 million in Fiscal 2021.

#### *Finance costs*

Our finance costs decreased by ₹ 34.46 million, or 43.24%, from ₹ 79.70 million in Fiscal 2020 to ₹ 45.24 million in Fiscal 2021. This was primarily attributable to reduction in borrowings and decrease in interest rate on borrowings, because of which interest on borrowings decreased from ₹ 29.41 million in Fiscal 2020 to ₹ 19.99 million in Fiscal 2021 and interest on unsecured loan from ₹ 17.76 million in Fiscal 2020 to ₹ 5.13 million in Fiscal 2021.

#### *Depreciation and amortisation expense*

Our depreciation and amortisation expense increased by ₹ 23.75 million, or 24.49%, from ₹ 96.99 million in Fiscal 2020 to ₹ 120.74 million in Fiscal 2021. This was primarily attributable to the increase in depreciation of property, plant and equipment from ₹ 69.04 million in Fiscal 2020 to ₹ 92.86 million in Fiscal 2021.

#### *Other expenses*

Our other expenses increased by ₹ 50.93 million, or 6.73%, from ₹ 757.30 million in Fiscal 2020 to ₹ 808.23 million in Fiscal 2021. This was primarily due to the increase in stipend to BOAT apprentices from ₹ 27.41 million in Fiscal 2020 to ₹ 47.29 million in Fiscal 2021, repairs and maintenance from ₹ 30.88 million in Fiscal 2020 to ₹ 40.14 million in Fiscal 2021, bad receivables written off from nil in Fiscal 2020 to ₹ 9.40 million in Fiscal 2021, legal and professional fees from ₹ 41.09 million in Fiscal 2020 to ₹ 79.95 million in Fiscal 2021, and exchange loss on financial instrument from nil in Fiscal 2020 to ₹ 8.74 million in Fiscal 2021. This was partially offset primarily by the decrease in power and fuel expenses from ₹ 51.48 million in Fiscal 2020 to ₹ 39.93 million in Fiscal 2021, labour charges – manufacturing from ₹ 305.84 million in Fiscal 2020 to ₹ 295.15 million in Fiscal 2021, provision for contingency from ₹ 10.00 million in Fiscal 2020 to nil in Fiscal 2021, and travelling and conveyance from ₹ 20.45 million in Fiscal 2020 to ₹ 8.27 million in Fiscal 2021.

#### **Exceptional item**

Our Company incurred exceptional expense amounting to ₹ 55.99 million in Fiscal 2020, pursuant to the settlement agreement entered with one of our customers in relation to incorrect remittance of money (which is, misrepresentation of email-ID) at their end, the Company has waived of the said amount receivable from the customer and accordingly the same has been written off by our Company.

#### **Restated profit before tax**

For the reasons discussed above, our restated profit before tax decreased by ₹ 158.95 million, or 30.43%, from ₹ 522.31 million in Fiscal 2020 to ₹ 363.36 million in Fiscal 2021.

#### **Tax expense**

Our tax expense decreased by ₹ 6.30 million, or 7.54%, from ₹ 83.51 million in Fiscal 2020 to ₹ 77.21 million in Fiscal 2021. This was due to the decrease in current tax from ₹ 96.53 million in Fiscal 2020 to ₹ 96.33 million in Fiscal 2021 and deferred tax from ₹ (14.57) million in Fiscal 2020 to ₹ (22.90) million in Fiscal 2021. This was partially offset by the increase in tax pertaining to previous years from ₹ 1.55 million in Fiscal 2020 to ₹ 3.78 million in Fiscal 2021.

### **Restated profit for the year**

For the reasons discussed above, our restated profit for the year decreased by ₹ 152.65 million, or 34.79%, from ₹ 438.80 million in Fiscal 2020 to ₹ 286.14 million in Fiscal 2021.

### **Other comprehensive income/loss**

Our other comprehensive income/loss (which primarily comprise of income / loss arising from re-measurement of defined employee benefit plans (gratuity and compensated absence)) decreased by ₹ 3.47 million, or 105.47%, from ₹ 3.29 million in Fiscal 2020 to ₹ (0.18) million in Fiscal 2021.

### **Restated total comprehensive income for the year**

For the reasons discussed above, our restated total comprehensive income for the year decreased by ₹ 156.12 million, or 35.31 %, from ₹ 442.09 million in Fiscal 2020 to ₹ 285.97 million in Fiscal 2021.

## **FISCAL 2020 COMPARED WITH FISCAL 2019**

Set forth below is a discussion of our results of operations based on our Restated Standalone Financial Information, in Fiscal 2019 as compared with Fiscal 2020.

### **Total income**

Our total income increased by ₹ 474.87 million, or 13.29%, from ₹ 3,573.95 million in Fiscal 2019 to ₹ 4,048.82 million in Fiscal 2020.

#### *Revenue from operations*

Our revenue from operations increased by ₹ 430.79 million, or 12.17%, from ₹ 3,539.97 million in Fiscal 2019 to ₹ 3,970.76 million in Fiscal 2020. This was due to the increase in sale of products (net) from ₹ 3,276.79 million in Fiscal 2019 to ₹ 3,664.82 million in Fiscal 2020 and other operating revenues (which primarily comprise of export incentives and tooling income) from ₹ 237.83 million in Fiscal 2019 to ₹ 286.58 million in Fiscal 2020. This was partially offset by the decrease in sale of services from ₹ 25.35 million in Fiscal 2019 to ₹ 19.36 million in Fiscal 2020.

#### *Other income*

Our other income increased by ₹ 44.08 million, or 129.72%, from ₹ 33.98 million in Fiscal 2019 to ₹ 78.06 million in Fiscal 2020. This was due to the increase in foreign exchange gain (net) from ₹ 16.49 million in Fiscal 2019 to ₹ 57.09 million in Fiscal 2020, insurance / other claims from nil in Fiscal 2019 to ₹ 0.07 million in Fiscal 2020, profit on sale of property, plant and equipment (net) from nil in Fiscal 2019 to ₹ 1.27 million in Fiscal 2020, and liabilities no longer required to be written back from nil in Fiscal 2019 to ₹ 7.57 million in Fiscal 2020. This was partially offset by the decrease in total interest income from ₹ 7.72 million in Fiscal 2019 to ₹ 3.98 million in Fiscal 2020 and others (i.e. recoveries of common expenses from group companies) from ₹ 9.77 million in Fiscal 2019 to ₹ 8.08 million in Fiscal 2020.

### **Total expenses**

Our total expenses increased by ₹ 169.54 million, or 5.14%, from ₹ 3,300.98 million in Fiscal 2019 (which constituted 92.36% of our total income in Fiscal 2019) to ₹ 3,470.52 million in Fiscal 2020 (which constituted 85.72% of our total income in Fiscal 2020). This was due to the increase in cost of materials consumed, employee benefits expense, finance costs and other expenses. This was partially offset by the decrease in purchases of stock-in-trade and depreciation and amortisation expense.

#### *Cost of materials consumed*

Our cost of materials consumed increased by ₹ 233.16 million, or 11.74%, from ₹ 1,985.30 million in Fiscal 2019 to ₹ 2,218.46 million in Fiscal 2020, which was primarily driven by increase in our revenue from operations (which was further driven by growth in our primary business).

#### *Purchases of stock-in-trade*

Our purchases of stock-in-trade decreased by ₹ 321.93 million, or 92.28%, from ₹ 348.85 million in Fiscal 2019 to ₹ 26.92 million in Fiscal 2020.

#### *Changes in inventories of finished goods, stock-in-trade and work-in-progress*

Our changes in inventories of finished goods, stock-in-trade and work-in-progress changed from ₹ (144.82) million in Fiscal 2019 to ₹ 27.63 million in Fiscal 2020.

#### *Employee benefits expense*

Our employee benefits expense increased by ₹ 19.02 million, or 7.78%, from ₹ 244.50 million in Fiscal 2019 to ₹ 263.52 million in Fiscal 2020. This was due to the increase in salaries, wages and bonus from ₹ 187.92 million in Fiscal 2019 to ₹ 227.73 million in Fiscal 2020, contribution to provident and other funds from ₹ 14.18 million in Fiscal 2019 to ₹ 15.87 million in Fiscal 2020, gratuity expense from ₹ 4.89 million in Fiscal 2019 to ₹ 5.80 million in Fiscal 2020, remuneration to Directors from ₹ 23.10 million in Fiscal 2019 to ₹ 25.10 million in Fiscal 2020, and staff welfare expenses from ₹ 12.62 million in Fiscal 2019 to ₹ 13.28 million in Fiscal 2020. This was partially offset by the decrease in compensated absences expenses from ₹ 8.84 million in Fiscal 2019 to ₹ 1.14 million in Fiscal 2020.

#### *Finance costs*

Our finance costs increased by ₹ 19.38 million, or 32.13%, from ₹ 60.32 million in Fiscal 2019 to ₹ 79.70 million in Fiscal 2020. This was primarily attributable to the increase in factoring charges from ₹ 7.36 million in Fiscal 2019 to ₹ 16.51 million in Fiscal 2020.

#### *Depreciation and amortisation expense*

Our depreciation and amortisation expense decreased by ₹ 0.48 million, or 0.49%, from ₹ 97.47 million in Fiscal 2019 to ₹ 96.99 million in Fiscal 2020.

#### *Other expenses*

Our other expenses increased by ₹ 47.94 million, or 6.76%, from ₹ 709.36 million in Fiscal 2019 to ₹ 757.30 million in Fiscal 2020. This was primarily due to the increase in consumption of stores and spares from ₹ 25.10 million in Fiscal 2019 to ₹ 54.68 million in Fiscal 2020, labour charges – manufacturing from ₹ 280.64 million in Fiscal 2019 to ₹ 305.84 million in Fiscal 2020, and sub-contracting charges from ₹ 31.40 million in Fiscal 2019 to ₹ 69.78 million in Fiscal 2020. This was partially offset primarily by the decrease in advertising and sales promotion from ₹ 122.84 million in Fiscal 2019 to ₹ 83.76 million in Fiscal 2020, and bad receivables written off from ₹ 15.38 million in Fiscal 2019 to nil in Fiscal 2020.

#### **Exceptional item**

Our Company incurred exceptional expense amounting to ₹ 55.99 million in Fiscal 2020, pursuant to the settlement agreement entered with one of our customers in relation to incorrect remittance of money (which is, misrepresentation of email-ID) at their end, the Company has waived of the said amount receivable from the customer and accordingly the same has been written off by our Company.

#### **Restated profit before tax**

For the reasons discussed above, our restated profit before tax increased by ₹ 249.34 million, or 91.34%, from ₹ 272.97 million in Fiscal 2019 to ₹ 522.31 million in Fiscal 2020.

#### **Tax expense**

Our tax expense increased by ₹ 20.21 million, or 31.93%, from ₹ 63.30 million in Fiscal 2019 to ₹ 83.51 million in Fiscal 2020. This was due to the increase in current tax from ₹ 60.84 million in Fiscal 2019 to ₹ 96.53 million in Fiscal 2020. This was partially offset by the decrease in tax pertaining to previous years from ₹ 1.56 million in Fiscal 2019 to ₹ 1.55 million in Fiscal 2020 and deferred tax from ₹ 0.90 million in Fiscal 2019 to ₹ (14.57) million in Fiscal 2020.

#### **Restated profit for the year**

For the reasons discussed above, our restated profit for the year increased by ₹ 229.13 million, or 109.28%, from ₹ 209.67 million in Fiscal 2019 to ₹ 438.80 million in Fiscal 2020.

## Restated total comprehensive income for the year

For the reasons discussed above, our restated total comprehensive income increased by ₹ 237.23 million, or 115.80%, from ₹ 204.86 million in Fiscal 2019 to ₹ 442.09 million in Fiscal 2020.

## Liquidity and Capital Resources

We fund our operations primarily with cash flow from operating activities and borrowings under term loan and working capital facilities from banks and financial institutions as well as government grants. We evaluate our funding requirements regularly in light of our cash flow from our operating activities and market conditions. To the extent we do not generate sufficient cash flow from operating activities, we may rely on debt financing activities, subject to market conditions.

### Cash Flows

As of the three months ended June 30, 2021 and Fiscal 2021, 2020 and 2019, we had cash and cash equivalents of ₹ 240.48 million, ₹ 279.63 million, ₹ 307.68 million, and ₹ 61.49 million, respectively. The following table sets forth certain information relating to our cash flows in the periods indicated below:

Particulars	Fiscal			Three months ended June 30, 2021
	2019	2020	2021	
Net cash flow from operating activities	100.39	708.29	238.54	34.17
Net cash flow (used in) investing activities	(221.46)	(290.51)	(944.18)	(5.04)
Net cash flows from / (used in) financing activities	133.37	(206.40)	(680.12)	(70.92)
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>12.30</b>	<b>211.38</b>	<b>(25.52)</b>	<b>(41.79)</b>
Add: Effect of exchange differences on restatement of foreign currency cash and cash equivalents	5.46	34.81	-2.53	2.64
<b>Cash and cash equivalents at the beginning of the period / year</b>	<b>43.73</b>	<b>61.49</b>	<b>307.68</b>	<b>279.63</b>
<b>Cash and cash equivalents at the end of the period / year</b>	<b>61.49</b>	<b>307.68</b>	<b>279.63</b>	<b>240.48</b>

## Operating Activities

### Three months ended June 30, 2021

Net cash flow from operating activities was ₹ 34.17 million in the three months ended June 30, 2021. Our profit before tax was ₹ 86.14 million in the three months ended June 30, 2021. This was primarily adjusted for depreciation and amortization expenses of ₹ 28.00 million, finance costs of ₹ 7.67 million, and exchange loss on financial instrument of ₹ 1.42 million, which was partially offset by interest income from bank deposits of ₹ 3.78 million and unrealised exchange gain (net) of ₹ 18.34 million. Our operating profit before working capital / other changes was ₹ 101.11 million in the three months ended June 30, 2021. The changes in working capital and other changes in the three months ended June 30, 2021, included decrease in other current financial assets of ₹ 1.60 million, decrease in other current assets of ₹ 41.86 million, increase in trade payables of ₹ 318.18 million, and increase in Provisions ₹ 0.61 million. These were offset by increase in inventories of ₹ 345.09 million, increase in trade receivables of ₹ 55.90 million, increase in other noncurrent financial assets of ₹ 1.43 million and decrease in other financial liabilities (current and non-current) of ₹ 9.35 million. Cash generated from operations in the three months ended June 30, 2021 amounted to ₹ 51.59 million. Direct taxes paid (net) amounted to ₹ 17.42 million.

### Fiscal 2021

Net cash flow from operating activities was ₹ 238.54 million in Fiscal 2021. Our profit before tax was ₹ 363.35 million in Fiscal 2021. This was primarily adjusted for depreciation and amortization expenses of ₹ 120.74 million, finance costs of ₹ 45.24 million, exchange loss on financial instrument of ₹ 8.74 million, and these were partially offset by provision for doubtful advances / deposits made of ₹ 0.22 million, liabilities no longer required written back of ₹ 1.94 million interest income from bank deposits of ₹ 9.20 million, and unrealised exchange loss (net) of ₹ 23.54 million. Our operating profit before working capital / other changes was ₹ 503.27 million in Fiscal

2021. The changes in working capital and other changes in Fiscal 2021, included increase in trade payables of ₹ 88.85 million and increase in provisions (current and non-current) of ₹ 9.09 million. These were offset by increase in inventories of ₹ 88.50 million, increase in trade receivables of ₹ 108.48 million, increase in other current financial assets of ₹ 15.26 million, increase in other non-current financial assets of ₹ 3.01 million, increase in other current assets of ₹ 36.57 million, and decrease in other liabilities (current and non-current) of ₹ 10.54 million. Cash generated from operations in Fiscal 2021 amounted to ₹ 338.85 million. Direct taxes paid (net) amounted to ₹ 100.31 million.

### ***Fiscal 2020***

Net cash flow from operating activities was ₹ 708.29 million in Fiscal 2020. Our profit before tax was ₹ 522.31 million in Fiscal 2020. This was primarily adjusted for depreciation and amortization expenses of ₹ 96.99 million, finance costs of ₹ 79.70 million, provision for doubtful advances/deposits made (net) of ₹ 5.62 million, and exceptional item (which was pursuant to certain bad debts that had arisen due to cyber-attack on one of our customers, and which had to be written off) of ₹ 55.99 million, and these were partially offset by profit on sale / discard of property, plant and equipment (net) of ₹ 1.27 million, liabilities no longer required written back of ₹ 7.57 million, interest income from bank deposits of ₹ 3.98 million and unrealised exchange gains of ₹ 21.42 million. Our operating profit before working capital / other changes was ₹ 726.37 million in Fiscal 2020. The changes in working capital and other changes in Fiscal 2020, included decrease in other current financial assets of ₹ 27.09 million, increase in trade payables of ₹ 146.05 million, increase in other liabilities (current and non-current) of ₹ 166.42 million and increase in provisions (current and non-current) of ₹ 16.56 million. These were offset by increase in inventories of ₹ 45.47 million, increase in trade receivables of ₹ 179.95 million, increase in non-current financial assets of ₹ 3.94 million and increase in other current assets of ₹ 79.05 million. Cash generated from operations in Fiscal 2020 amounted to ₹ 774.08 million. Direct taxes paid (net) amounted to ₹ 65.79 million.

### ***Fiscal 2019***

Net cash flow from operating activities was ₹ 100.39 million in Fiscal 2019. Our profit before tax was ₹ 272.97 million in Fiscal 2019. This was primarily adjusted for depreciation and amortization expenses of ₹ 97.47 million, finance costs of ₹ 60.32 million, allowance for expected credit losses of ₹ 11.23 million, loss on sale / discard of property, plant and equipment (net) of ₹ 0.83 million and unrealised exchange loss of ₹ 33.92 million, and these were partially offset by interest income from bank deposits of ₹ 7.72 million. Our operating profit before working capital / other changes was ₹ 469.02 million in Fiscal 2019. The changes in working capital and other changes in Fiscal 2019, included increase in trade payables of ₹ 292.70 million and increase in provisions (current and non-current) of ₹ 18.64 million. These were offset by increase in inventories of ₹ 181.74 million, increase in trade receivables of ₹ 274.09 million, increase in other current financial assets of ₹ 60.32 million, increase in other non-current assets of ₹ 2.84 million, increase in other current assets of ₹ 33.93 million and decrease in other liabilities (current and non-current) of ₹ 47.93 million. Cash generated from operations in Fiscal 2019 amounted to ₹ 179.51 million. Direct taxes paid (net) amounted to ₹ 79.12 million.

## **Investing Activities**

### ***Three months ended June 30, 2021***

Net cash used in investing activities in the three months ended June 30, 2021 was ₹ 5.04 million. This was on account of capital expenditure on property, plant and equipment and capital work in progress of ₹ 5.04 million.

### ***Fiscal 2021***

Net cash used in investing activities in Fiscal 2021 was ₹ 944.18 million. This was on account of capital expenditure on property, plant and equipment and capital work in progress of ₹ 56.77 million and investments in associate of ₹ 887.41 million.

### ***Fiscal 2020***

Net cash used in investing activities in Fiscal 2020 was ₹ 290.51 million. This was on account of capital expenditure on property, plant and equipment and capital work in progress of ₹ 295.64 million. This was partially offset by proceeds from sale of property, plant and equipment of ₹ 5.13 million.

### ***Fiscal 2019***

Net cash used in investing activities in Fiscal 2019 was ₹ 221.46 million. This was on account of capital expenditure on property, plant and equipment and capital work in progress of ₹ 222.64 million. This was partially offset by proceeds from sale of property, plant and equipment of ₹ 1.18 million.

### **Financing Activities**

#### ***Three months ended June 30, 2021***

Net cash used in financing activities in the three months ended June 30, 2021 was ₹ 70.92 million. This was on account of long term borrowings repaid of ₹ 29.41 million, repayment of short term borrowings / working capital (net) of ₹ 18.31 million, payment of lease liabilities of ₹ 3.93 million, finance costs paid of ₹ 6.23 million and increase in deposits in lien marked/ margin money deposit of ₹ 16.08 million. This was partially offset by receipt of interest on lien marked/ margin money deposit of ₹ 3.04 million.

#### ***Fiscal 2021***

Net cash from financing activities in Fiscal 2021 was ₹ 680.12 million. This was on account of proceeds from issue of equity share capital (including securities premium) of ₹ 331.25 million, proceeds from issue of preference shares capital (including securities premium) of ₹ 749.28 million, long term borrowings taken of ₹ 219.84 million and receipt of interest on margin money of ₹ 5.42 million. This was partially offset by utilisation of securities premium of ₹ 1.85 million, redemption of preference shares of ₹ 45.00 million, long term borrowings repaid of ₹ 37.77 million, repayment of short term borrowings / working capital (net) of ₹ 273.82 million, payment of lease liabilities of ₹ 15.17 million, unsecured loan repaid to related party of ₹ 125.39 million, finance costs paid of ₹ 51.53 million and increase in deposits in lien marked/ margin money deposit of ₹ 75.14 million.

#### ***Fiscal 2020***

Net cash used in financing activities in Fiscal 2020 was ₹ 206.40 million. This was on account of redemption of preference shares of ₹ 90.00 million, long term borrowings repaid of ₹ 51.63 million, payment of lease liabilities of ₹ 14.59 million, unsecured loan repaid to related party of ₹ 172.21 million and finance costs paid of ₹ 80.18 million. This was partially offset by proceeds from issue of preference shares capital (including securities premium) of ₹ 45.00 million, long term borrowings taken of ₹ 31.75 million, proceeds from short term borrowings / working capital (net) of ₹ 11.65 million, unsecured loan taken from related party of ₹ 67.25 million, decrease in deposits in lien marked/margin money deposits of ₹ 38.92 million, and interest received on lien marked/margin money deposits of ₹ 7.64 million.

#### ***Fiscal 2019***

Net cash from financing activities in Fiscal 2019 was ₹ 133.37 million. This was on account of proceeds from issue of preference shares capital (including securities premium) of ₹ 30.00 million, long term borrowings taken of ₹ 77.37 million, proceeds from short term borrowings / working capital (net) of ₹ 123.98 million, unsecured loan taken from related party of ₹ 142.31 million and interest on margin money deposit of ₹ 2.34 million. This was partially offset by redemption of financial instruments of ₹ 30.00 million, repayment of long term borrowings of ₹ 41.68 million, payment of lease liability of ₹ 13.60 million, unsecured loan repaid to related party of ₹ 96.95 million, finance costs paid of ₹ 36.48 million and increase in deposit of margin money of ₹ 23.92 million.

### **Capital Expenditure**

Capital expenditure is in reference to additions made to property, plant and equipment. Accordingly, in the three months ended June 30, 2021 and the Fiscals 2021, 2020 and 2019, as per the Restated Standalone Financial Information, our capital expenditure was 6.32 million, ₹ 64.60 million, ₹ 99.67 million and ₹ 316.08, respectively.

The following table sets forth additions to property, plant and equipment by category of expenditure, for the periods (as per the Restated Standalone Financial Information):

<i>(in ₹ million)</i>				
Particulars	Three months ended June 30, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019
Land	-	-	-	-



Particulars	Three months ended June 30, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019
Buildings on Leasehold land	0.03	0.48	5.99	45.54
Plant and Equipment	2.79	51.83	83.79	205.3
Furniture and Fittings	0.21	2.33	1.37	11.83
Office Equipment	0.17	1.15	2.04	2.10
Computers & other peripherals	2.32	7.53	3.98	6.06
Electrical Installation	0.8	1.28	2.50	45.25
Vehicles	-	-	-	-
<b>Total</b>	<b>6.32</b>	<b>64.60</b>	<b>99.67</b>	<b>316.08</b>

The following table sets forth additions to property, plant and equipment by category of expenditure, for the periods, as per the Proforma Condensed Combined Financial Information:

In the three months ended June 30, 2021 and the Fiscals 2021, 2020 and 2019, as per the Proforma Financial Information, our proforma capital expenditure was ₹ 23.12 million, ₹ 183.97 million, ₹ 288.17 million and ₹ 507.19, respectively.

(in ₹ million)

Particulars	Three months ended June 30, 2021	Fiscal 2021	Fiscal 2020	Fiscal 2019
Land	-	-	-	-
Buildings on Leasehold land	0.03	2.14	35.28	55.90
Plant and Equipment	10.09	101.42	181.11	353.15
Furniture and Fittings	1.58	10.42	6.86	16.14
Office Equipment	1.64	7.16	8.99	5.30
Computers & other peripherals	3.74	21.17	9.55	12.58
Electrical Installation	0.80	1.28	2.50	45.25
Vehicles	3.12	17.45	27.89	3.65
Tools and moulds	2.12	21.56	15.73	14.55
Airconditioning equipment	-	1.37	0.26	0.67
<b>Total</b>	<b>23.12</b>	<b>183.97</b>	<b>288.17</b>	<b>507.19</b>

## Indebtedness

As of June 30, 2021, as per the Restated Consolidated Financial Information, we had long-term borrowings of ₹ 216.29 million and short-term borrowings of ₹ 299.68 million.

The following table sets forth certain information relating to our outstanding indebtedness as of June 30, 2021 (as per the Restated Consolidated Financial Information), and our repayment obligations in the periods indicated:

(₹ million)

Particulars	Outstanding amount as of June 30, 2021
<b>Long term borrowings</b>	
Secured	216.29
Unsecured	-
<b>Total long term borrowings</b>	<b>216.29</b>
<b>Short Term Borrowings</b>	
Secured	299.68
Unsecured	-
<b>Total Short Term Borrowings</b>	<b>299.68</b>

The following table sets forth certain information relating to our outstanding indebtedness as of June 30, 2021, as per the Proforma Condensed Combined Financial Information, and our repayment obligations in the periods indicated:

(₹ million)

Particulars	Outstanding amount as of June 30, 2021
<b>Long term borrowings</b>	
Secured	223.77
Unsecured	0.80
<b>Total long term borrowings</b>	<b>224.57</b>
<b>Short Term Borrowings</b>	
Secured	792.04
Unsecured	-

Particulars	Outstanding amount as of June 30, 2021
Total Short Term Borrowings	792.04

For further details regarding our indebtedness, see “*Financial Indebtedness*” and “*Restated Financial Information*” on pages 599 and 244, respectively.

### Contingent Liabilities, Commitments and Other Off-balance Sheet Arrangements

#### Contingent Liabilities

As of June 30, 2021, our contingent liabilities as per the Restated Consolidated Financial Information, that have not been provided for were as follows:

Particulars	Amount (₹ in million)
Claims against the company not acknowledged as debt	56.17
Karnataka VAT related matters	14.02
Company's share of associate contingent liability	1.06
<b>Total</b>	<b>71.25</b>

Further, as of June 30, 2021, our contingent liabilities as per the Proforma Condensed Combined Financial Information, that have not been provided for were as follows:

Particulars	Amount (₹ in million)
Claims against the company not acknowledged as debt	75.48
<b>Total</b>	<b>75.48</b>

#### Commitments

The amount of capital commitments that are estimated as of June 30, 2021, March 31, 2021, March 31, 2020, and March 31, 2019 was ₹ 193.71 million, ₹ 125.30 million, ₹ 123.53 million and nil, respectively. For further information on our contingent liabilities and commitments, see “*Restated Financial Information*” on page 244.

Further, as per the Proforma Condensed Combined Financial Information, the amount of proforma capital commitments that are estimated as of June 30, 2021, March 31, 2021, March 31, 2020, and March 31, 2019 was ₹ 201.20 million, ₹ 129.29 million, ₹ 139.60 million and nil, respectively.

#### Off Balance Sheet Commitments and Arrangements

We do not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that we believe are material to investors.

#### Related Party Transactions

We enter into various transactions with related parties in the ordinary course of business. For further information relating to our related party transactions, see “*Restated Financial Information*” on page 244.

#### Changes in Accounting Policies

As required under applicable law, our Company transitioned from Indian GAAP to Ind AS and for the purposes of the transition to Ind AS, we have followed the guidance prescribed under Ind AS 101 - First Time Adoption of Indian Accounting Standards with April 1, 2019 being the transition date. Except as disclosed in this Draft Red Herring Prospectus, there have been no changes in our accounting policies in the last three fiscals.

#### Quantitative and qualitative analysis of financial risks

In the course of business, amongst others, our Company is exposed to several financial risks arising from our underlying operations and finance activities. Our Company is primarily exposed to market risk (i.e. interest rate and foreign currency risk), credit risk and liquidity risk.

### ***Market risk***

Our Company is exposed to the market risk arising out of the fluctuations in fair value of future cash flows of a financial instrument because of changes in market prices. Financial instruments affected by market risk includes loans and borrowings, deposits, investments and derivative financial instruments. Market risk comprises three types of risks: foreign currency risk, interest rate risk and other price risk, such as equity price risk and commodity risk. Details of the foreign currency risk and interest rate risk are set forth below:

#### ***Foreign currency risk:***

Our Company is exposed to the foreign currency risk arising out of fluctuations in the fair value or future cash flows of an exposure because of changes in foreign exchange rates. Foreign currency risk in our Company is attributable to company's operating activities and financing activities. In the operating activities, our Company's exchange rate risk primarily arises when revenue/costs are generated in a currency that is different from the reporting currency.

#### ***Interest rate risk:***

Our Company is exposed to the interest rate risk arises from movements in interest rates which could have effects on our Company's net income or financial position. Changes in interest rates may cause variations in interest income and expenses resulting from interest bearing assets and liabilities. Our Company's exposure to the risk of changes in market interest rates relates primarily to our Company's long-term debt obligations with floating interest rates.

#### ***Credit risk***

Our Company is exposed to the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Our Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. To manage trade receivables, our Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends, analysis of historical bad debts and ageing of such receivables.

#### ***Liquidity risk***

Our Company is exposed to the risk of non-availability of financial facilities available to our Company to meet its financial obligations. Our Company seeks to maintain a balance between continuity of funding and flexibility using money market instruments, bank overdrafts, bank loans and other types of facilities. Our Company assesses the concentration of risk with respect to refinancing its debt, guarantee given, and funding of its capital expenditure needs of the future.

### **Unusual or Infrequent Events or Transactions**

Except as described in "*Risk Factors*" and "*Our Business*", on pages 30 and 180, respectively, there have been no events or transactions to our knowledge which may be described as "unusual" or "infrequent".

### **Known Trends or Uncertainties**

Our business has been impacted and we expect will continue to be impacted by the trends identified above under "*Significant Factors Affecting our Results of Operations*" and the uncertainties described in "*Risk Factors*" on page 30. To our knowledge, except as described in this Draft Red Herring Prospectus, there are no known factors, which are expected to have a material adverse impact on our revenues or income from continuing operations.

### **Significant economic changes that materially affected or are likely to affect income from operations**

Other than as described in this chapter, the chapters "*Our Business*" and "*Industry Overview*" on pages 180 and 137 respectively and the section "*Risk Factors*" on page 30, there have been no significant economic changes that materially affected or are likely to affect our income from operations.

### **Material Increase in Revenue from Contracts with Customers or Other Income**

Our business has been affected and we expect that it will continue to be affected by the trends identified above in “*Significant Factors Affecting Our Results of Operations*” and the uncertainties described in the section “*Risk Factors*” on pages 561 and 30, respectively. To our knowledge, except as disclosed in this Draft Red Herring Prospectus, there are no known factors which we expect to have a material adverse impact on revenue from operations or other income.

#### **Future Relationships between Costs and Income**

Other than as described elsewhere in the sections “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 30, 180 and 557, respectively, to our knowledge there are no known factors that will have a material adverse impact on our operations and finances.

#### **New Products or New Business Segments**

Except as set out in this Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or new business segments.

#### **Competitive Conditions**

For a description of the competitive conditions in which we operate, see “*Our Business—Competitors*” and “*Industry Overview*” respectively on pages 201 and 137, respectively.

#### **Seasonality of Business**

Our business is not seasonal in nature.

#### **Significant dependence on a single or few Customers or Suppliers**

Other than as described in this Draft Red Herring Prospectus, particularly in sections “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 30 and 557, respectively, to our knowledge, there is no significant dependence on a single or few customers or suppliers.

#### **Significant developments after June 30, 2021 that may affect our future results of operations**

Except as disclosed this Draft Red Herring Prospectus and set out herein below, to our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Draft Red Herring Prospectus which have materially or adversely affected or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months:

- Our Company completed the acquisition of 100% of the outstanding equity shares of SGS Teknics in September 2021 and allotted an aggregate of 125,690 Equity Shares to each of Jasbir Singh Gujral, Sanjiv Narayan, Ranjeet Singh Lonial, and Krishna Kumar Pant at a premium of ₹ 5,331 per Equity Share, pursuant to the share sale and purchase and shareholders’ agreement dated October 23, 2020, entered into between SGS Teknics, Sanjiv Narayan, Jasbir Singh Gujral, Krishna Kumar Pant, Ranjeet Singh Lonial, Sandeep Tandon, Tandon Electronics Private Limited, Veena Kumari Tandon and our Company and the share sale and purchase and shareholders’ agreement dated September 16, 2021, entered into between SGS Teknics, Sanjiv Narayan, Jasbir Singh Gujral, Krishna Kumar Pant, Ranjeet Singh Lonial and our Company. For details, see “*Capital Structure – Share Capital History of our Company*” and “*History and Certain Corporate Matters – Details regarding acquisition or divestment of business or undertakings*” on pages 82 and 209 respectively.
- Our Company acquired 75% of the outstanding equity shares of Perfect ID in October 2021, pursuant to the investment agreement dated October 11, 2021, entered into between Perfect ID, Perfect ID USA Inc., Sakun Ahuja and our Company.
- Our Company has allotted an aggregate of 106,132 Equity Shares on October 19, 2021 to South Asia EBT Trust and South Asia Growth Fund II, Holdings LLC pursuant to conversion of 104,002 0.01% compulsory convertible preference shares held by them. For details, see “*Capital Structure – Share Capital History of our Company*” on page 82.

- Our Company has undertaken private placement of 5,620 Equity Shares on October 27, 2021 to certain employees of the Company at a premium of ₹ 5,331 per Equity Share. For details, see “*Capital Structure – Share Capital History of our Company*” on page 82.
- Pursuant to a special resolution of our Shareholders dated October 28, 2021, our Company has undertaken a bonus issue of its Equity Shares in the ratio of 100 Equity Shares for every one Equity Share held by our Shareholders, pursuant to which our Company issued and allotted an aggregate of 136,255,300 Equity Shares to its Shareholders on October 29, 2021.

## Results of Operations based on our Proforma Condensed Combined Financial Information

The following table sets forth certain information with respect to our results of operations, as derived from our Proforma Condensed Combined Financial Information, for the years / period indicated:

Particulars	Fiscal 2019		Fiscal 2020		Fiscal 2021		Three months ended June 30, 2021	
	₹ in million	% of total income	₹ in million	% of total income	₹ in million	% of total income	₹ in million	% of total income
Proforma Revenue from operations	7,947.40	98.57%	8,656.50	98.37%	8,873.99	98.13%	2,452.77	98.23%
Other proforma income	114.98	1.43%	143.04	1.63%	168.92	1.87%	44.25	1.77%
<b>Total income</b>	<b>8,062.38</b>	<b>100.00%</b>	<b>8,799.54</b>	<b>100.00%</b>	<b>9,042.91</b>	<b>100.00%</b>	<b>2,497.02</b>	<b>100.00%</b>
<b>Expenses</b>								
Proforma cost of materials consumed	5,172.58	64.16%	5,595.05	63.58%	5,895.14	65.19%	1,954.57	78.28%
Proforma purchases of stock-in-trade	348.85	4.33%	26.92	0.31%	38.09	0.42%	2.14	0.09%
Proforma changes in inventories of finished goods, stock-in-trade and work-in-progress	-86.32	-1.07%	-80.61	-0.92%	47.02	0.52%	-230.52	-9.23%
Proforma employee benefits expense	673.17	8.35%	750.22	8.53%	789.84	8.73%	218.07	8.73%
Proforma finance costs	118.58	1.47%	128.28	1.46%	71.47	0.79%	13.02	0.52%
Proforma depreciation and amortisation expense	177.39	2.20%	190.80	2.17%	227.52	2.52%	55.18	2.21%
Other proforma expenses	935.46	11.60%	999.29	11.36%	1,104.76	12.22%	280.42	11.23%
<b>Total proforma expenses</b>	<b>7,339.71</b>	<b>91.04%</b>	<b>7,609.95</b>	<b>86.48%</b>	<b>8,173.84</b>	<b>90.39%</b>	<b>2,292.88</b>	<b>91.82%</b>
<b>Proforma profit before exceptional items and tax</b>	<b>722.67</b>	<b>8.96%</b>	<b>1,189.59</b>	<b>13.52%</b>	<b>869.07</b>	<b>9.61%</b>	<b>204.14</b>	<b>8.18%</b>
Proforma exceptional items	-	NA	55.99	0.64%	-	NA	-	NA
<b>Profit before tax</b>	<b>722.67</b>	<b>8.96%</b>	<b>1,133.60</b>	<b>12.88%</b>	<b>869.07</b>	<b>9.61%</b>	<b>204.14</b>	<b>8.18%</b>
<b>Proforma Tax expense</b>								
Proforma current tax	177.80	2.21%	247.79	2.82%	221.53	2.45%	58.25	2.33%
Proforma tax pertaining to previous years	1.56	0.02%	1.55	0.02%	3.78	0.04%	-	0.00%
Proforma MAT credit entitlement	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Proforma deferred tax	14.48	0.18%	-30.75	-0.35%	-12.35	-0.14%	1.50	0.06%
<b>Total proforma tax expense</b>	<b>193.84</b>	<b>2.40%</b>	<b>218.59</b>	<b>2.48%</b>	<b>212.96</b>	<b>2.35%</b>	<b>59.75</b>	<b>2.39%</b>
<b>Share of Post-acquisition Profit of Associate</b>	<b>-0.58</b>	<b>-0.01%</b>	<b>0.02</b>	<b>0.00%</b>	<b>-0.67</b>	<b>-0.01%</b>	<b>0.51</b>	<b>0.02%</b>
<b>Proforma profit for the period / year</b>	<b>528.25</b>	<b>6.55%</b>	<b>915.03</b>	<b>10.40%</b>	<b>655.44</b>	<b>7.25%</b>	<b>144.90</b>	<b>5.80%</b>
<b>Other proforma comprehensive income</b>								
<b>Items that will not be reclassified to profit or loss</b>								
Proforma remeasurement of the defined benefit plans	-10.28	-0.13%	2.38	0.03%	-0.86	-0.01%	4.46	0.18%
Proforma income tax expenses relating to the above	3.20	0.04%	-0.79	-0.01%	0.22	0.00%	-1.54	-0.06%
<b>Other proforma comprehensive income for the period / year</b>	<b>-7.08</b>	<b>-0.09%</b>	<b>1.59</b>	<b>0.02%</b>	<b>-0.64</b>	<b>-0.01%</b>	<b>2.92</b>	<b>0.12%</b>
Exchange differences in translating financial statements of foreign operations	0.12	0.00%	-0.10	0.00%	-0.05	0.00%	0.34	0.00%
<b>Total comprehensive income for the year</b>	<b>521.90</b>	<b>6.47%</b>	<b>916.52</b>	<b>10.42%</b>	<b>654.75</b>	<b>7.24%</b>	<b>148.16</b>	<b>5.93%</b>
<b>Proforma Earnings per equity share</b>	<b>3.81</b>		<b>6.42</b>		<b>4.58</b>		<b>0.97</b>	

## **FISCAL 2021 COMPARED WITH FISCAL 2020**

Set forth below is a discussion of our results of operations based on our Proforma Condensed Combined Financial Information, in Fiscal 2020 as compared with Fiscal 2021.

### **Total income**

Our total proforma income, as per our Proforma Condensed Combined Financial Information, increased by ₹ 243.37 million, or 2.77%, from ₹ 8,799.54 million in Fiscal 2020 to ₹ 9,042.91 million in Fiscal 2021.

#### *Proforma revenue from operations*

Our proforma revenue from operations, as per our Proforma Condensed Combined Financial Information, increased by ₹ 217.49 million, or 2.51%, from ₹ 8,656.50 million in Fiscal 2020 to ₹ 8,873.99 million in Fiscal 2021. This was due to the increase in proforma sale of products from ₹ 8,204.02 million in Fiscal 2020 to ₹ 8,658.84 million in Fiscal 2021. This was partially offset by the decrease in proforma sale of services from ₹ 128.14 million in Fiscal 2020 to ₹ 109.45 million in Fiscal 2021 and the decrease in other operating proforma revenues (which primarily comprise of export incentives and tooling income) from ₹ 324.34 million in Fiscal 2020 to ₹ 105.70 million in Fiscal 2021, which was pursuant to lower tooling income from customers.

#### *Other proforma income*

Our other proforma income, as per our Proforma Condensed Combined Financial Information, increased by ₹ 25.88 million, or 18.09%, from ₹ 143.04 million in Fiscal 2020 to ₹ 168.92 million in Fiscal 2021. This was primarily due to the increase in proforma interest income from ₹ 11.47 million in Fiscal 2020 to ₹ 19.74 million in Fiscal 2021, proforma foreign exchange gain (net) from ₹ 80.74 million in Fiscal 2020 to ₹ 84.02 million in Fiscal 2021, proforma insurance / other claims from ₹ 0.20 million in Fiscal 2020 to ₹ 0.28 million in Fiscal 2021, proforma dividend income from ₹ 3.70 million in Fiscal 2020 to ₹ 3.92 million in Fiscal 2021 and proforma net gain / (losses) on fair value changes from ₹ (5.52) million in Fiscal 2020 to ₹ 35.04 million in Fiscal 2021 and proforma government incentive from ₹ 1.40 million in Fiscal 2020 to ₹ 4.07 million in Fiscal 2021. This was partially offset by the decrease in proforma profit on sale of property, plant and equipment (net) from ₹ 1.71 million in Fiscal 2020 to ₹ 0.64 million in Fiscal 2021, proforma liabilities no longer required to be written back from ₹ 7.57 million in Fiscal 2020 to ₹ 3.73 million in Fiscal 2021, proforma net gain on account of sale of investment from ₹ 12.42 million in Fiscal 2020 to ₹ 7.98 million in Fiscal 2021, proforma mark to market gain on cross currency interest rate swaps from ₹ 8.22 million in Fiscal 2020 to nil in Fiscal 2021 and lower recoveries of proforma common expenses from group companies resulting in a reduction from ₹ 21.13 million in Fiscal 2020 to ₹ 8.45 million in Fiscal 2021.

### **Total expenses**

Our total proforma expenses, as per our Proforma Condensed Combined Financial Information, increased by ₹ 563.89 million, or 7.41%, from ₹ 7,609.95 million in Fiscal 2020 (which constituted 86.48% of our total proforma income in Fiscal 2020) to ₹ 8,173.84 million in Fiscal 2021 (which constituted 90.39% of our total proforma income in Fiscal 2021). This was due to the increase in proforma cost of materials consumed, proforma purchases of stock-in-trade, proforma employee benefits expense, proforma depreciation and amortisation expense, and other proforma expenses. This was partially offset by the decrease in proforma finance costs.

#### *Proforma cost of materials consumed*

Our proforma cost of materials consumed, as per our Proforma Condensed Combined Financial Information, increased by ₹ 300.09 million, or 5.36%, from ₹ 5,595.05 million in Fiscal 2020 to ₹ 5,895.14 million in Fiscal 2021 which was primarily driven by increase in our proforma revenue from operations (which was further driven by growth in our primary business)

#### *Proforma purchases of stock-in-trade*

Our proforma purchases of stock-in-trade increased by ₹ 11.17 million, or 41.49%, from ₹ 26.92 million in Fiscal 2020 to ₹ 38.09 million in Fiscal 2021.

#### *Proforma Changes in inventories of finished goods, stock-in-trade and work-in-progress*

Our proforma changes in inventories of finished goods, stock-in-trade and work-in-progress, as per our Proforma Condensed Combined Financial Information, changed from ₹ (80.61) million in Fiscal 2020 to ₹ 47.02 million in Fiscal 2021.

#### *Proforma employee benefits expense*

Our proforma employee benefits expense, as per our Proforma Condensed Combined Financial Information, increased by ₹ 39.62 million, or 5.28%, from ₹ 750.22 million in Fiscal 2020 to ₹ 789.84 million in Fiscal 2021. This was due to the increase in proforma salaries, wages and bonus from ₹ 684.13 million in Fiscal 2020 to ₹ 708.56 million in Fiscal 2021, proforma contribution to provident and other funds from ₹ 24.83 million in Fiscal 2020 to ₹ 27.62 million in Fiscal 2021, proforma gratuity expense from ₹ 9.02 million in Fiscal 2020 to ₹ 10.00 million in Fiscal 2021, proforma compensated absences expense from ₹ 4.93 million in Fiscal 2020 to ₹ 6.98 million in Fiscal 2021, and proforma staff welfare expenses from ₹ 24.76 million in Fiscal 2020 to ₹ 27.29 million in Fiscal 2021. This was partially offset by the decrease in proforma remuneration to Directors from ₹ 27.95 million in Fiscal 2020 to ₹ 26.85 million in Fiscal 2021.

#### *Proforma finance costs*

Our proforma finance costs, as per our Proforma Condensed Combined Financial Information, decreased by ₹ 56.81 million, or 44.29%, from ₹ 128.28 million in Fiscal 2020 to ₹ 71.47 million in Fiscal 2021. This was primarily attributable to the decrease in proforma interest on borrowings from ₹ 68.56 million in Fiscal 2020 to ₹ 38.42 million in Fiscal 2021.

#### *Proforma depreciation and amortisation expense*

Our proforma depreciation and amortisation expense, as per our Proforma Condensed Combined Financial Information, increased by ₹ 36.72 million, or 19.25%, from ₹ 190.80 million in Fiscal 2020 to ₹ 227.52 million in Fiscal 2021.

#### *Other expenses*

Our other proforma expenses, as per our Proforma Condensed Combined Financial Information, increased by ₹ 105.47 million, or 10.55%, from ₹ 999.29 million in Fiscal 2020 to ₹ 1,104.76 million in Fiscal 2021. This was primarily due to the increase in proforma stipend to BOAT apprentices from ₹ 27.41 million in Fiscal 2020 to ₹ 47.29 million in Fiscal 2021, proforma freight outward & clearing from ₹ 32.65 million in Fiscal 2020 to ₹ 59.96 million in Fiscal 2021, proforma repairs and maintenance from ₹ 53.36 million in Fiscal 2020 to ₹ 65.85 million in Fiscal 2021, proforma legal and professional fees from ₹ 57.58 million in Fiscal 2020 to ₹ 103.03 million in Fiscal 2021, proforma corporate social responsibility from ₹ 2.11 million in Fiscal 2020 to ₹ 21.76 million in Fiscal 2021, and proforma exchange loss on financial instrument from nil in Fiscal 2020 to ₹ 16.92 million in Fiscal 2021. This was partially offset primarily by the decrease in proforma power and fuel expenses from ₹ 91.65 million in Fiscal 2020 to ₹ 77.55 million in Fiscal 2021, proforma labour charges from ₹ 280.64 million in Fiscal 2020 to ₹ 295.17 million in Fiscal 2021, and proforma provision for other liabilities from ₹ 10.00 million in Fiscal 2020 to nil in Fiscal 2021.

#### **Exceptional item**

Our Company incurred exceptional expense amounting to ₹ 55.99 million in Fiscal 2020, pursuant to the settlement agreement entered with one of our customers in relation to incorrect remittance of money (which is, misrepresentation of email-ID) at their end, the Company has waived of the said amount receivable from the customer and accordingly the same has been written off by our Company.

#### **Profit before tax**

For the reasons discussed above, our proforma profit before tax, as per our Proforma Condensed Combined Financial Information, decreased by ₹ 264.53 million, or 23.34%, from ₹ 1,133.60 million in Fiscal 2020 to ₹ 869.07 million in Fiscal 2021.

#### **Tax expense**

Our proforma tax expense, as per our Proforma Condensed Combined Financial Information, decreased by ₹ 5.63 million, or 2.58%, from ₹ 218.59 million in Fiscal 2020 to ₹ 212.96 million in Fiscal 2021. This was due to the decrease in proforma current tax from ₹ 247.79 million in Fiscal 2020 to ₹ 221.53 million in Fiscal 2021. This was partially offset by the increase in proforma deferred tax from ₹ 30.75 million in Fiscal 2020 to ₹ 12.35 million in Fiscal 2021 and proforma tax pertaining to previous years from ₹ 1.55 million in Fiscal 2020 to ₹ 3.78 million in Fiscal 2021.

#### **Share of Post-Acquisition profit of Associate**



The post acquisition profit/(loss) of associate (i.e. Perfect IOT Wireless Limited), as per our Proforma Condensed Combined Financial Information, decreased from ₹ 0.02 million in Fiscal 2020 to ₹ (0.67) million in fiscal 2021.

#### **Profit for the year**

For the reasons discussed above, our proforma profit for the year, as per our Proforma Condensed Combined Financial Information, decreased by ₹ 259.59 million, or 28.37%, from ₹ 915.03 million in Fiscal 2020 to ₹ 655.44 million in Fiscal 2021.

#### **Other comprehensive income/loss for the year**

Our other comprehensive proforma income/loss for the year (which primarily comprise of income / loss arising from re-measurement of defined employee benefit plans (gratuity and compensated absence)), as per our Proforma Condensed Combined Financial Information, decreased by ₹ 2.18 million, or 146.31%, from ₹ 1.49 million in Fiscal 2020 to ₹ (0.69) million in Fiscal 2021.

#### **Total comprehensive income for the year**

For the reasons stated above, our total comprehensive proforma income for the year, as per our Proforma Condensed Combined Financial Information, decreased by ₹ 261.77 million, or 28.56%, from ₹ 916.52 million in Fiscal 2020 to ₹ 654.75 million in Fiscal 2021.

#### **FISCAL 2020 COMPARED WITH FISCAL 2019**

Set forth below is a discussion of our results of operations based on our Proforma Condensed Combined Financial Information, in Fiscal 2019 as compared with Fiscal 2020.

#### **Total income**

Our total proforma income, as per our Proforma Condensed Combined Financial Information, increased by ₹ 737.16 million, or 9.14%, from ₹ 8,062.38 million in Fiscal 2019 to ₹ 8,799.54 million in Fiscal 2020.

#### *Revenue from operations*

Our proforma revenue from operations, as per our Proforma Condensed Combined Financial Information, increased by ₹ 709.10 million, or 8.92%, from ₹ 7,947.40 million in Fiscal 2019 to ₹ 8,656.50 million in Fiscal 2020. This was due to the increase in proforma sale of products from ₹ 7,514.20 million in Fiscal 2019 to ₹ 8,204.02 million in Fiscal 2020 and increase in other proforma operating revenues (which primarily comprise of export incentives and tooling income) from ₹ 292.24 million in Fiscal 2019 to ₹ 324.34 million in Fiscal 2020. This was partially offset by the decrease in proforma sale of services from ₹ 140.26 million in Fiscal 2019 to ₹ 128.14 million in Fiscal 2020.

#### *Other income*

Our proforma other income, as per our Proforma Condensed Combined Financial Information, increased by ₹ 28.06 million, or 24.40%, from ₹ 114.98 million in Fiscal 2019 to ₹ 143.04 million in Fiscal 2020. This was due to the increase in proforma foreign exchange gain (net) from ₹ 19.89 million in Fiscal 2019 to ₹ 80.74 million in Fiscal 2020, proforma insurance / other claims from nil in Fiscal 2019 to ₹ 0.20 million in Fiscal 2020, proforma liabilities written back from nil in Fiscal 2019 to ₹ 7.57 million in Fiscal 2020, proforma dividend income from ₹ 2.72 million in Fiscal 2019 to ₹ 3.70 million in Fiscal 2020, proforma net gain on account of sale of investment from ₹ (2.25) million in Fiscal 2019 to ₹ 12.42 million in Fiscal 2020, proforma mark to market (loss)/gain on cross currency interest rate swaps from nil in Fiscal 2019 to ₹ 8.22 million in Fiscal 2020, proforma government incentive from ₹ 0.03 million in Fiscal 2019 to ₹ 1.40 million in Fiscal 2020 and others (i.e. recoveries of common expenses from group companies) from ₹ 15.82 million in Fiscal 2019 to ₹ 21.13 million in Fiscal 2020. This was partially offset by the decrease in proforma interest income from ₹ 14.43 million in Fiscal 2019 to ₹ 11.47 million in Fiscal 2020, proforma profit on sale of property, proforma plant and equipment (net) from ₹ 55.67 million in Fiscal 2019 to ₹ 1.71 million in Fiscal 2020, proforma allowance for expected credit loss from ₹ 1.82 million in Fiscal 2019 to nil in Fiscal 2020, and proforma net gain/(losses) on fair value charges from ₹ 6.85 million in Fiscal 2019 to ₹ (5.52) million in Fiscal 2020.

#### **Total expenses**

Our total proforma expenses, as per our Proforma Condensed Combined Financial Information, increased by ₹ 270.24 million, or 3.68%, from ₹ 7,339.71 million in Fiscal 2019 (which constituted 91.04% of our total proforma income in Fiscal 2019) to ₹ 7,609.95 million in Fiscal 2020 (which constituted 86.48% of our total proforma

income in Fiscal 2020). This was due to the increase in proforma cost of materials consumed, proforma purchases of stock-in-trade, proforma employee benefits expense, proforma finance costs, proforma depreciation and amortisation expense and other expenses.

#### *Proforma cost of materials consumed*

Our proforma cost of materials consumed, as per our Proforma Condensed Combined Financial Information, increased by ₹ 422.47 million, or 8.17%, from ₹ 5,172.58 million in Fiscal 2019 to ₹ 5,595.05 million in Fiscal 2020 which was primarily driven by increase in our proforma revenue from operations (which was further driven by growth in our primary business)

#### *Proforma purchases of stock-in-trade*

Our proforma purchases of stock-in-trade, as per our Proforma Condensed Combined Financial Information, decreased by ₹ 321.93 million, or 92.28%, from ₹ 348.85 million in Fiscal 2019 to ₹ 26.92 million in Fiscal 2020.

#### *Changes in inventories of finished goods, stock-in-trade and work-in-progress*

Our proforma changes in inventories of finished goods, stock-in-trade and work-in-progress, as per our Proforma Condensed Combined Financial Information, changed from ₹ (86.32) million in Fiscal 2019 to ₹ (80.61) million in Fiscal 2020.

#### *Employee benefits expense*

Our proforma employee benefits expense, as per our Proforma Condensed Combined Financial Information, increased by ₹ 77.05 million, or 11.45%, from ₹ 673.17 million in Fiscal 2019 to ₹ 750.22 million in Fiscal 2020. This was due to the increase in proforma salaries, wages and bonus from ₹ 589.85 million in Fiscal 2019 to ₹ 684.13 million in Fiscal 2020, proforma contribution to provident and other funds from ₹ 21.47 million in Fiscal 2019 to ₹ 24.83 million in Fiscal 2020, proforma gratuity expenses from ₹ 7.20 million in Fiscal 2019 to ₹ 9.02 million in Fiscal 2020, proforma compensated absences expenses from ₹ 13.47 million in Fiscal 2019 to ₹ 4.93 million in Fiscal 2020, proforma remuneration to directors from ₹ 24.54 million in Fiscal 2019 to ₹ 27.95 million in Fiscal 2020, and proforma staff welfare expenses from ₹ 23.69 million in Fiscal 2019 to ₹ 24.76 million in Fiscal 2020.

#### *Finance costs*

Our proforma finance costs, as per our Proforma Condensed Combined Financial Information, increased by ₹ 9.70 million, or 8.18%, from ₹ 118.58 million in Fiscal 2019 to ₹ 128.28 million in Fiscal 2020. This was primarily attributable to the increase in proforma interest on lease liability of ₹ 9.89 million in Fiscal 2019 to ₹ 11.28 million in Fiscal 2020, proforma interest on unsecured loan from ₹ 13.39 million in Fiscal 2019 to ₹ 17.76 million in Fiscal 2021, proforma factoring charges from ₹ 7.36 million in Fiscal 2019 to ₹ 16.51 million in Fiscal 2020, and proforma interest on delayed payment of taxes from ₹ 0.57 million in Fiscal 2019 to ₹ 5.55 million in Fiscal 2020. This was partially offset by the decrease in proforma interest on borrowings from ₹ 78.09 million in Fiscal 2019 to ₹ 68.56 million in Fiscal 2020, proforma interest on financial instrument from ₹ 6.86 million in Fiscal 2019 to ₹ 6.77 million in Fiscal 2021 and proforma interest on delayed payments to micro enterprises and small enterprises from ₹ 2.42 million in Fiscal 2019 to ₹ 1.85 million in Fiscal 2020.

#### *Depreciation and amortisation expense*

Our proforma depreciation and amortisation expense, as per our Proforma Condensed Combined Financial Information, increased by ₹ 13.41 million, or 7.56%, from ₹ 177.39 million in Fiscal 2019 to ₹ 190.80 million in Fiscal 2020.

#### *Other expenses*

Our other proforma expenses, as per our Proforma Condensed Combined Financial Information, increased by ₹ 63.83 million, or 6.82%, from ₹ 935.46 million in Fiscal 2019 to ₹ 999.29 million in Fiscal 2020. This was primarily due to the increase in proforma power and fuel expenses from ₹ 76.85 million in Fiscal 2019 to ₹ 91.65 million in Fiscal 2020, proforma labour charges from ₹ 280.64 million in Fiscal 2019 to ₹ 305.84 million in Fiscal 2020, and proforma sub-contracting charges from ₹ 36.35 million in Fiscal 2019 to ₹ 72.53 million in Fiscal 2020. This was partially offset primarily by the decrease in proforma advertising and sales promotion expenses from ₹ 123.29 million in Fiscal 2019 to ₹ 86.21 million in Fiscal 2020, and proforma bad receivables written off from ₹ 15.38 million in Fiscal 2019 to nil in Fiscal 2020.

#### **Profit before tax**

For the reasons discussed above, our proforma profit before tax, as per our Proforma Condensed Combined Financial Information, increased by ₹ 410.93 million, or 56.86%, from ₹ 722.67 million in Fiscal 2019 to ₹ 1,133.60 million in Fiscal 2020.

#### **Tax expense**

Our proforma tax expense, as per our Proforma Condensed Combined Financial Information, increased by ₹ 24.75 million, or 12.77%, from ₹ 193.84 million in Fiscal 2019 to ₹ 218.59 million in Fiscal 2020. This was due to the increase in proforma current tax from ₹ 177.80 million in Fiscal 2019 to ₹ 247.79 million in Fiscal 2020. This was partially offset by the decrease in proforma tax pertaining to previous years from ₹ 1.56 million in Fiscal 2019 to ₹ 1.55 million in Fiscal 2020 and deferred proforma tax from ₹ 14.48 million in Fiscal 2019 to ₹ (30.75) million in Fiscal 2020.

#### **Profit for the year**

For the reasons discussed above, our proforma profit for the year, as per our Proforma Condensed Combined Financial Information, increased by ₹ 386.78 million, or 73.22%, from ₹ 528.25 million in Fiscal 2019 to ₹ 915.03 million in Fiscal 2020.

#### **Other comprehensive income/loss for the year**

Our other comprehensive proforma income/loss for the year (which primarily comprise of income / loss arising from re-measurement of defined employee benefit plans (gratuity and compensated absence)), as per our Proforma Condensed Combined Financial Information, increased by ₹ 8.45 million, or 121.41%, from ₹ (6.96) million in Fiscal 2019 to ₹ 1.49 million in Fiscal 2020.

#### **Total comprehensive income for the year**

For the reasons discussed above, our total comprehensive proforma income for the year, as per our Proforma Condensed Combined Financial Information, increased by ₹ 395.23 million, or 75.82%, from ₹ 521.29 million in Fiscal 2019 to ₹ 916.52 million in Fiscal 2020.

## FINANCIAL INDEBTEDNESS

Our Company and its Subsidiaries have entered into financing arrangements with various banks, including borrowings in the form of term loans and other working capital facilities to meet working capital requirements.

Our Company has obtained the necessary consents required under the relevant loan documentation for undertaking activities in relation to the Offer, including, *inter alia*, effecting a change in our *shareholding* pattern, effecting a change in the composition of our Board, and amending our constitutional documents.

The details of the consolidated indebtedness of our Company as on June 30, 2021, are provided below:

<i>(in ₹ million, unless stated otherwise)</i>		
Category of borrowing	Sanctioned amount	Outstanding amount
Term loans	321.80	291.13
Working capital facilities from bank	1,090.50	224.84
Non fund based facilities	478.80	237.00

### Principal terms of the borrowings availed by our Company:

The details provided below are indicative, and there may be additional terms, conditions and requirements under various documentation executed by our Company in relation to our indebtedness.

1. **Interest:** In terms of the facilities availed by us, the interest rate is typically linked to benchmark rates including MCLR, LIBOR or the repo rate, as applicable. In most of our facilities, a spread per annum is charged above these benchmark rates and the spread ranges from 0.75% to 2.00% per annum.
2. **Penal Interest:** We are bound to pay additional interest to the lenders for any irregularity in payments or maintenance of accounts for our term loans and other fund based working capital facilities. This additional rate of interest is charged as per the terms of the financing documentation and is typically up to 4.00% per annum above the standard rate of interest.
3. **Pre-payment penalty:** Should we choose to pay some or all of the outstanding amount to the lender before its due date, some of our loan agreements require us to pay a premium of up to 2.00% on the amount paid before it is due.
4. **Security:** Our facilities are typically secured by the creation of a charge over the movable assets of our Company, including our current assets, movable fixed assets, present and future stocks, book debts and plant and machinery, the creation of a charge over the immovable properties of our Company or cash collaterals. Our facilities are secured by guarantees from Tancom Magnetics (India) Private Limited, Manohar Lal Tandon and our Promoters.
5. **Validity and Repayment:** The working capital facilities are typically repayable on demand of the lender as well as the on the basis of a mutually agreed repayment schedule. The validity of our credit facilities typically range between 3 and 12 months.
6. **Key Covenants:** Our financing arrangements entail various conditions and covenants restricting certain corporate actions and we are required to take prior approval of the lender before carrying out such activities, without which, it would result in an event of default under the financing arrangements. For instance, certain actions prior to which our Company is required to obtain written consent of the lenders include:
  - (a) Effectuating any change in our shareholding pattern.
  - (b) Effectuating any change in the management or control of our Company.
  - (c) Diluting the promoter's stake from present levels.
  - (d) Making any changes in the memorandum and articles of our Company.
  - (e) Opening bank accounts with banks other than the lender bank.
  - (f) Effectuating any change in the constitution of our Company.
7. **Events of default:** In terms of the loan facilities, the occurrence of any of the following, may constitute an event of default:
  - (a) Default in payment of the loan obligations or any amount due or any part thereof.

- (b) One or more events, conditions or circumstances (including any change in law or any change in the business prospects or financial condition of our Company) shall occur or exist which in the reasonable opinion of the lender, could have a material adverse effect.
  - (c) If our Company attempts or purports to create any security interest (other than as permitted under the financing documents) over any of its assets which are charged in favour of the lenders.
  - (d) Misleading information and representation.
  - (e) Any notice/action in relation to actual or threatened liquidation, dissolution, bankruptcy, or insolvency of our Company.
  - (f) Cessation in business or change in general nature or scope of the business, operations, management (Key Managerial Personnel, CEO and CFO) or ownership of the Company.
  - (g) Security is in jeopardy or ceases to exist.
  - (h) Expropriation by any government, governmental authority, agency, official or entity, which in reasonable opinion of the lender causes material adverse effect.
  - (i) Illegality of any obligation under the facility agreement.
  - (j) Change in control of our Company without the prior consent of the lenders.
  - (k) Any transaction document becomes ineffective, unenforceable or invalid.
8. ***Consequences of occurrence of events of default:*** In terms of the loan facility, upon the occurrence of events of default, our lenders may:
- (a) Terminate either whole or part of the facility agreement and declare any amount as immediately due and payable.
  - (b) Accelerate the maturity of the facility and declare all amounts as payable by our Company in respect of the facility to be due and payable immediately.
  - (c) Suspend or cancel further access/drawls.
  - (d) Declare the security created, to be enforceable.
  - (e) Exercise any other rights available to the lender under any regulations/law or the transaction documents.

## SECTION VIII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND OTHER MATERIAL DEVELOPMENTS

*Except as stated below, there are no outstanding (i) criminal proceedings; (ii) actions by statutory or regulatory authorities; (iii) claims for any direct or indirect tax liabilities; or (iv) proceeding (other than proceedings covered under (i) to (ii) above) which have been determined to be material pursuant to the Materiality Policy (as disclosed herein below), involving our Company, Directors, Promoters or Subsidiaries (the “**Relevant Parties**”).*

*In relation to (iv) above, our Board in its meeting held on November 20, 2021, has considered and adopted a policy of materiality for identification of material litigation/arbitration (“**Materiality Policy**”). In terms of the Materiality Policy:*

- a) The following shall be considered “material” for the purposes of disclosure in this Draft Red Herring Prospectus:*
  - (i) Any pending litigation / arbitration proceedings involving the Relevant Parties where the aggregate monetary claim made by or against the Relevant Parties (individually or in the aggregate), in any such pending litigation / arbitration proceeding is equal to or in excess of 1.00% of the Company’s total income on a consolidated basis, derived from the most recently completed fiscal year as per the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus;*
  - (ii) Any pending litigation / arbitration proceedings involving the Relevant Parties wherein a monetary liability is not quantifiable, or which does not fulfil the threshold as specified in (i) above, but the outcome of which could, nonetheless, have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of the Company; or*
  - (iii) Any pending litigation / arbitration proceedings involving the Relevant Parties where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in an individual litigation may not exceed 1.00% of the Company’s total income, on a consolidated basis, derived from the most recently completed fiscal year as per the Restated Consolidated Financial Information included in this Draft Red Herring Prospectus.*
- b) Any pending litigation/arbitration proceedings (other than litigations mentioned in points (i) to (iii) above) involving the Promoters or Directors of the Company shall also be considered “material” for the purposes of disclosure in the Offer Documents, if such proceedings are (1) likely to have material adverse effect on the business, operations, performance, prospects, financial position or reputation of the Company; and (2) is likely to affect the relevant Director’s or Promoter’s ability to discharge its responsibilities towards the Company; irrespective of the amount involved in such proceedings.*

*Further, except as disclosed in this section, there are no (i) disciplinary actions taken against any of our Promoters by SEBI or any Stock Exchange in the five Fiscals preceding the date of this Draft Red Herring Prospectus; or (ii) pending litigations involving any Group Company which may have a material impact on our Company.*

*For the purposes of the above, pre-litigation notices received by the Relevant Parties or our Group Companies from third parties (excluding those notices issued by statutory / regulatory / tax authorities or notices threatening criminal action) have not and shall not, unless otherwise decided by our Board, be considered material until such time that the Relevant Parties or our Group Companies, as the case may be, are impleaded as a defendant in litigation/arbitration before any judicial/arbitral forum.*

*All terms defined in a particular litigation disclosure below are for that particular litigation only.*

*Further, our Board, in its meeting held on November 20, 2021, has approved that a creditor of our Company shall be considered ‘material’ if the amount due to such creditor is equal to or in excess of 5.00% of the consolidated trade payables of our Company as of the end of the most recent period covered in the Restated Consolidated Financial Information. The consolidated trade payables of our Company as on June 30, 2021, were ₹ 1,474.08 million. Accordingly, a creditor has been considered ‘material’ if the amount due to such creditor exceeds ₹ 73.70 million as on June 30, 2021.*

Unless stated to the contrary, the information provided below is as on the date of this Draft Red Herring Prospectus.

### **Litigation proceedings involving our Company**

#### **(a) Criminal proceedings**

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings involving our Company.

#### **(b) Actions by statutory or regulatory authorities**

As on the date of this Draft Red Herring Prospectus, there are no pending actions initiated by statutory or regulatory authorities against our Company.

#### **(c) Claims related to direct and indirect taxes**

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no pending claims related to direct and indirect taxes involving our Company:

S.No.	Nature of Proceedings	Number of cases	Approximate amount in dispute (in ₹ million)
1	Value Added Tax	2	14.02
<b>Total</b>		2	14.02

#### **(d) Other material proceedings**

Except as disclosed below, as on the date of this Draft Red Herring Prospectus there are no other proceedings involving our Company, which have been considered material by our Company in accordance with the Materiality Policy:

A commercial suit (“**Suit**”) was filed by Powerwave Technologies Sweden AB (“**Powerwave**”) before the High Court of Judicature at Madras (“**High Court**”) against our Company, claiming the recovery of a sum equivalent to ₹ 39.02 million with interest at the rate of 18% per annum from the date of the plaint till the date of realisation. Pursuant to the Suit, it was alleged that, in respect of certain purchase orders issued by Powerwave to us, our Company only provided goods worth a part of the advance payment made to us, and that our Company continued to retain the remaining portion of such advance payment. In 2018, an application for summary judgment was filed by Powerwave, before the High Court seeking a summary judgment and decree to the extent of ₹ 35.69 million. Pursuant to this application, a single judge bench of the High Court passed its order dated December 12, 2018 (“**1<sup>st</sup> Order**”), directing our Company to pay a sum of ₹ 56.17 million, with further interest at the rate of 18% per annum on the sum of ₹ 35.69 million, from the date of the judgment until the date of realisation. Pursuant to an appeal filed by our Company, a division bench of the High Court passed its order dated March 13, 2020 (“**2<sup>nd</sup> Order**”), setting aside the 1<sup>st</sup> Order and allowing the appeal in part. The 2<sup>nd</sup> Order further required our Company to deposit a sum of ₹ 28.00 million in the name of the Registrar General, High Court, Madras, in an interest bearing deposit, within a period of four weeks from the receipt of the judgment. Our Company subsequently filed a special leave petition before the Supreme Court of India, praying for special leave to petition against the 2<sup>nd</sup> Order, an ex-parte interim stay of the 2<sup>nd</sup> Order to the extent that it directed our Company to deposit the sum of ₹ 28.00 million and such other and further reliefs as the circumstances of the case may require. On October 26, 2020, the Supreme Court of India stayed the operation of the 2<sup>nd</sup> Order. The matter is currently pending.

### **Litigation proceedings involving our Subsidiaries**

#### **(a) Criminal proceedings**

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings involving our Subsidiaries.

#### **(b) Statutory or regulatory proceedings**

As on the date of this Draft Red Herring Prospectus, there are no pending actions initiated by statutory or

regulatory authorities against our Subsidiaries.

**(c) *Claims related to direct and indirect taxes***

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no pending claims related to direct and indirect taxes involving our Subsidiaries:

S.No.	Nature of Proceedings	Number of cases	Approximate amount in dispute (in ₹ million)
1	Income Tax	4	5.11
2	Value Added Tax	1	0.19
<b>Total</b>		5	5.30

**(d) *Other pending proceedings***

As on the date of this Draft Red Herring Prospectus there are no other proceedings involving our Subsidiaries, which have been considered material by our Company in accordance with the Materiality Policy.

**Litigation proceedings involving our Directors**

**(a) *Criminal proceedings***

Except as disclosed below, as on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings involving any of our Directors:

1. Unity Infraprojects Limited has filed a criminal complaint against Sai Sudhir Infrastructure Limited (“SSIL”) and Sridhar Narayan, in his capacity as the (now erstwhile) nominee director of Global Environment Emerging Market Fund III on the board of SSIL, among others, before the High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh under the provisions of Sections 138 and 141 of the Negotiable Instruments Act, 1881, wherein it is alleged that cheques for an aggregate of ₹ 50.00 million each that were issued by SSIL to Unity Infraprojects Limited, as a guarantee for certain work being carried out for SSIL, were subsequently dishonoured. The matter is currently pending.
2. The Legal Metrology Inspector has filed a criminal complaint under the Legal Metrology Act, 2009, against Hardcastle Restaurants Private Limited and Smita Jatia, in her capacity as a director of Hardcastle Restaurants Private Limited, among others, before the Court of the Metropolitan Magistrate, 53<sup>rd</sup> Court, Mulund, Mumbai. Pursuant to this complaint, it was alleged that a restaurant belonging to the franchise licensed to Hardcastle Restaurants Private Limited was using an unverified electronic weighing scale and serving certain beverages in low volumes in violation of the Legal Metrology Act, 2009. The matter is currently pending.

**(b) *Statutory or regulatory proceedings***

As on the date of this Draft Red Herring Prospectus, there are no pending actions initiated by statutory or regulatory authorities against our Directors.

**(c) *Claims related to direct and indirect taxes***

As on the date of this Draft Red Herring Prospectus, there are no pending claims related to direct and indirect taxes involving our Directors.

**(d) *Other pending proceedings***

As on the date of this Draft Red Herring Prospectus there are no other proceedings involving our Directors, which have been considered material by our Company in accordance with the Materiality Policy.

**Litigation proceedings involving our Promoters**



**(a) Criminal proceedings**

As on the date of this Draft Red Herring Prospectus, there are no pending criminal proceedings involving any of our Promoters.

**(b) Statutory or regulatory proceedings**

As on the date of this Draft Red Herring Prospectus, there are no pending actions initiated by statutory or regulatory authorities against our Promoters.

**(c) Claims related to direct and indirect taxes**

As on the date of this Draft Red Herring Prospectus, there are no pending claims related to direct or indirect taxes involving our Promoters.

**(d) Other pending proceedings**

As on the date of this Draft Red Herring Prospectus there are no other pending proceedings involving any of our Promoters, which have been considered material by our Company in accordance with the Materiality Policy.

**(e) Disciplinary action taken against our Promoters in the five Fiscals preceding the date of this Draft Red Herring Prospectus by SEBI or any stock exchange**

No disciplinary action has been taken against our Promoters in the five Fiscals preceding the date of this Draft Red Herring Prospectus either by SEBI or any stock exchange.

**Litigation proceedings involving our Group Companies**

As on the date of this Draft Red Herring Prospectus, there are no pending litigation proceedings involving any of our Group Companies which will have a material impact on our Company.

**Outstanding dues to small scale undertakings or any other creditors**

In terms of the Materiality Policy, such creditors are considered 'material' to whom the amount due is equal to or in excess of 5.00% of the consolidated trade payables of our Company as on June 30, 2021. Based on this, our Company owed a total sum of ₹ 1,474.08 million to a total number of 596 creditors as on June 30, 2021. The details of our outstanding dues to the 'material' creditors of our Company, MSMEs, and other creditors, on a consolidated basis, as on June 30, 2021, are as follows:

Particulars	No. of creditors	Amount due (in ₹ million)
Micro, small or medium enterprises	21	10.50
'Material' creditors	3	489.38
Other creditors	572	974.20

For complete details of outstanding overdues to material creditors, see <http://syrmasgs.com/investors/>.

*It is clarified that such details available on our Company's website do not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information including our Company's website would be doing so at their own risk.*

**Material Developments**

Except as stated in the section "*Management's Discussion and Analysis of Financial Position and Results of Operations*" on page 557, there have not arisen, since the date of the last Restated Consolidated Financial Information disclosed in this Draft Red Herring Prospectus, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our consolidated assets or our ability to pay our liabilities within the next 12 months.

## GOVERNMENT AND OTHER APPROVALS

*Except as disclosed herein, we have obtained all material consents, licenses, registrations, permissions and approvals from various governmental, statutory and regulatory authorities, which are necessary for undertaking our Company's current business activities and operations. Except as disclosed below, no further approvals are material for carrying on the present business operations of our Company. In the event any of the approvals and licenses that are required for our business operations expire in the ordinary course, we make applications for their renewal from time to time. For details in connection with the regulatory and legal framework within which our Company operates, see "Key Regulations and Policies" on page 202.*

*For Issue related approvals, see "Other Regulatory and Statutory Disclosures" on page 607 and for incorporation details of our Company, see "History and Certain Corporate Matters" on page 207.*

### **Material approvals in relation to our business and operations**

#### ***Tax related approvals***

1. Permanent account number and tax deduction and collection account number issued by the Income Tax Department under the Income Tax Act, 1961; and
2. Goods and services tax registration issued by the Government of India, under the Central Goods and Services Tax Act, 2017, and the goods and services tax legislations of various states.

#### ***Business related approvals***

1. Licenses to work factories issued under the Factories Act, 1948, to enable our Company to operate a factory within the manufacturing units, for all our manufacturing facilities.
2. Consent or authorisation issued by the respective state pollution control boards, to the extent applicable, under: (i) the Water (Prevention and Control of Pollution) Act, 1974; (ii) the Air (Prevention and Control of Pollution) Act, 1981; (iii) the Hazardous & Other Wastes (Management and Transboundary Movement) Rules, 2016, and; (iv) the E-Waste (Management) Rules, 2016, to operate a factory within the manufacturing units.
3. Fire no-objection certificates from the relevant fire departments.
4. Importer-exporter code issued by the Directorate General of Foreign Trade, Ministry of Commerce and Industry, Government of India.

#### ***Labour/employment related approvals***

1. Certificates of registration as a principal employer under the Contract Labour (Regulation & Abolition) Act, 1970 issued by relevant registering officer, to enable our Company to employ labour on a contractual basis.
2. Registration for employees' provident fund issued by the Employees' Provident Fund Organization under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
3. Registration for employees' insurance issued by the relevant regional office of the Employees State Insurance Corporation under the Employees' State Insurance Act, 1948.

### **Material approvals applied for, including renewal applications**

As on the date of this Draft Red Herring Prospectus, the following are the material approvals for which applications have been made:

Nature of approval	Issuing authority	Date of acknowledgement of renewal application / date of renewal application
Authorisation under the Hazardous & Other Wastes (Management and Transboundary Movement) Rules, 2016, for our manufacturing unit at 232/A1, Madepalli Village, Bargur, Krishnagiri	Tamil Nadu Pollution Control Board	November 19, 2020
Authorisation under the E-Waste (Management) Rules, 2016, for the manufacturing unit of SGS Teknics at Plot No. 88, HPSIDC Industrial Area, Baddi, Solan	Himachal Pradesh Pollution Control Board	October 13, 2021
Authorisation under the E-Waste (Management) Rules, 2016, for the manufacturing unit of SGS Teknics at Plot No. 89, HPSIDC Industrial Area, Baddi, Solan	Himachal Pradesh Pollution Control Board	October 26, 2021
Authorisation under the E-Waste (Management) Rules, 2016, for our manufacturing unit at Plot No. 61, Sector 14, Bawal	Haryana State Pollution Control Board	November 10, 2021
Authorisation under the Hazardous & Other Wastes (Management and Transboundary Movement) Rules, 2016, for our manufacturing unit at Plot No. 61, Sector 14, Bawal	Haryana State Pollution Control Board	November 15, 2021
Authorisation under the Bio-Medical Waste Management Rules, 2016, for our manufacturing unit at Plot No. 61, Sector 14, Bawal	Haryana State Pollution Control Board	November 16, 2021
Fire no objection certificate for our manufacturing unit at Plot No. 211, Ground and 1 <sup>st</sup> Floor, Jigani-Bommsandra Link Road Industrial Area, Jigani, Bangalore	Karnataka Fire & Emergency Service Department	November 10, 2021

#### **Material approvals to be applied for, including renewal applications**

There are no material approvals for which applications are yet to be made by our Company as on the date of this Draft Red Herring Prospectus.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Offer

The Offer has been authorized by a resolution of our Board dated November 13, 2021, and the Fresh Issue has been authorized by a special resolution of our Shareholders, dated November 20, 2021.

Our Board has approved this Draft Red Herring Prospectus pursuant to their resolution dated December 13, 2021.

The Selling Shareholder has authorized and confirmed inclusion of the Offered Shares as part of the Offer for Sale, as set out below:

S. No.	Name of the Selling Shareholder	Maximum number of Offered Shares in the Offer for Sale	Date of Selling Shareholder's Consent Letter
1.	Veena Kumari Tandon	3,369,360	November 13, 2021

Our Company has received in-principle approvals from the BSE and the NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

### Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, our Directors, the members of the Promoter Group and the Selling Shareholder have not been prohibited from accessing the capital markets and have not been debarred from buying, selling or dealing in securities under any order or direction passed by SEBI or any securities market regulator in any jurisdiction or any other authority/court.

### Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, our Promoters, the members of the Promoter Group and the Selling Shareholder are in compliance with the Companies (Significant Beneficial Owners) Rules, 2018, to the extent in force and applicable.

### Directors associated with the Securities Market

None of our Directors are, in any manner, associated with the securities market. There are no outstanding action(s) initiated by SEBI against the Directors of our Company in the five years preceding the date of this Draft Red Herring Prospectus.

### Eligibility for the Offer

Our Company is eligible for the Offer in accordance with Regulation 6(1) of the SEBI ICDR Regulations, and is in compliance with the conditions specified therein in the following manner:

- Our Company has had net tangible assets of at least ₹ 30 million, calculated on a restated and consolidated basis, in each of the preceding three full years (of 12 months each), of which not more than 50% are held in monetary assets;
- Our Company has an average operating profit of at least ₹ 150 million, calculated on a restated and consolidated basis, during the preceding three years (of 12 months each), with operating profit in each of these preceding three years;
- Our Company has a net worth of at least ₹ 10 million in each of the preceding three full years (of 12 months each), calculated on a restated and consolidated basis; and
- Following the acquisition of SGS Teknics Manufacturing Private Limited, the name of our Company, the name of our Company was changed from 'Syrma Technology Private Limited' to 'Syrma SGS Technology Private Limited'. Subsequently, our Company was converted into a public limited company, and consequently, a fresh certificate of incorporation was issued by the RoC recording the change of our Company's name from 'Syrma SGS Technology Private Limited' to our present name. No change in business activity is indicated by our present name and there has not been any change in the business activities of our

Company.

Our Company's net tangible assets, monetary assets, monetary assets as a percentage of the net tangible assets, restated pre-tax operating profits and net worth, on a consolidated basis, derived from the Restated Standalone Financial Information included in this Draft Red Herring Prospectus, as at and for the Fiscals ended March 31, 2019, 2020, and 2021 is set forth below:

*(₹ in million, unless otherwise stated)*

Particulars	As at and for the Fiscal ended		
	March 31, 2019	March 31, 2020	March 31, 2021
Restated net tangible assets	542.73	985.48	2,373.73
Restated monetary assets	61.49	307.68	279.63
Restated monetary assets as a percentage of restated net tangible assets (in %)	11.33%	31.22%	11.78%
Pre-tax operating profits (excluding other income and finance costs)	299.31	523.95	346.83
Net worth	571.93	1,017.05	2,381.71

Our Company has operating profits in each of Fiscal 2021, 2020 and 2019 in terms of our Restated Standalone Financial Information. Our average pre-tax operating profit for Fiscals 2021, 2020 and 2019 is ₹ 390.03 million.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of Allottees under the Offer shall be not less than 1,000; and should our Company fail to do so, the Bid Amounts received by our Company shall be refunded to the Bidders, in accordance with the SEBI ICDR Regulations and applicable law.

Our Company confirms that it is in compliance with the conditions specified in Regulation 7(1) of the SEBI ICDR Regulations, to the extent applicable, and will ensure compliance with the conditions specified in Regulation 7(2) of the SEBI ICDR Regulations, to the extent applicable.

Further, our Company confirms that it is not ineligible to make the Offer in terms of Regulation 5 of the SEBI ICDR Regulations, to the extent applicable. The details of our compliance with Regulation 5 of the SEBI ICDR Regulations are as follows:

- (a) None of our Company, our Promoters, members of our Promoter Group, our Directors or the Selling Shareholder are debarred from accessing the capital markets by the SEBI.
- (b) None of our Promoters or Directors are promoters or directors of companies which are debarred from accessing the capital markets by the SEBI.
- (c) None of our Company, our Promoters or Directors is a Wilful Defaulter.
- (d) None of our Promoters or Directors has been declared a fugitive economic offender in accordance with the Fugitive Economic Offenders Act, 2018.
- (e) There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into, or which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.

The Selling Shareholder confirms that they are in compliance with Regulation 8 of the SEBI ICDR Regulations.

Further, our Company and Directors have not been declared as 'Fraudulent Borrowers' by any lending bank, financial institution or consortium, in terms of RBI master circular dated July 1, 2016.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO 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 THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, DAM CAPITAL ADVISORS LIMITED (FORMERLY IDFC SECURITIES LIMITED), ICICI SECURITIES LIMITED AND IIFL SECURITIES LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BRLMs ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDER (TO THE EXTENT OF STATEMENTS CONFIRMED OR UNDERTAKEN BY THEM IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO THEMSELVES AND THE OFFERED SHARES) DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLMS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED DECEMBER 13, 2021 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V (FORM A) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED.**

**THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE THE COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY AND/OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.**

All legal requirements pertaining to this Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act. All legal requirements pertaining to this Offer will be complied with at the time of filing of the Prospectus with the RoC in terms of Sections 26, 32, 33(1) and 33(2) of the Companies Act.

#### **Disclaimer from our Company, our Directors, the Selling Shareholder and the BRLMs**

Our Company, the Directors, and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website, [www.syrmasgs.com](http://www.syrmasgs.com), or the website of any affiliate of our Company, would be doing so at his or her own risk. The Selling Shareholder and their partners, affiliates, associates and officers accept or undertake no responsibility for any statements other than those undertaken or confirmed by the Selling Shareholder in relation to himself and the Offered Shares.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholder and our Company.

All information shall be made available by our Company, the Selling Shareholder (to the extent that the information pertain to himself and the Offered Shares through the Offer Documents), and the BRLMs 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 Bidding centres or elsewhere.

None among our Company, the Selling Shareholder or any member of the Syndicate is liable for any failure in (i) uploading the Bids due to faults in any software/ hardware system or otherwise, or (ii) the blocking of the Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on the account of any errors, omissions or non-compliance by various parties involved, or any other fault, malfunctioning, breakdown or otherwise, in the UPI Mechanism.

Prospective investors who Bid in the Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholder, 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 the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholder, 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.

The BRLMs and their respective associates and affiliates in their capacity as principals or agents may engage in transactions with, and perform services for, our Company, our Promoters, the Selling Shareholder and their respective directors and officers, group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Promoters, the Selling Shareholder and their respective directors, officers, group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

### **Disclaimer in respect of Jurisdiction**

Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

The Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, state industrial development corporations, permitted insurance companies registered with IRDAI, provident funds (subject to applicable law) and pension funds, insurance funds set up and managed by the army, navy or air force of Union of India and insurance funds set up and managed by the Department of Posts, GoI, systematically NBFCs registered with the RBI and permitted Non-Residents including FPIs and Eligible NRIs, AIFs and other eligible foreign investors, if any, provided that they are eligible under all applicable laws and regulations to purchase the Equity Shares.

This Draft Red Herring Prospectus does not constitute an invitation to subscribe to or purchase the Equity Shares in the Offer in any jurisdiction, including India. Invitations to subscribe to or purchase the Equity Shares in the Offer will be made only pursuant to the Red Herring Prospectus if the recipient is in India or the preliminary offering memorandum for the Offer, which comprises the Red Herring Prospectus and the preliminary international wrap for the Offer, if the recipient is outside India. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions.

Neither the delivery of this Draft Red Herring Prospectus nor the offer of the Offered Shares shall, under any circumstances, create any implication that there has been no change in the affairs of our Company or the Selling Shareholder since the date of this Draft Red Herring Prospectus or that the information contained herein is correct as of any time subsequent to this date.

**No person outside India is eligible to Bid for Equity Shares in the Offer unless that person has received the preliminary offering memorandum for the Offer, which contains the selling restrictions for the Offer outside India.**

### **Eligibility and Transfer Restrictions**

**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 unless so registered, 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 U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in “offshore transactions” as defined in and in reliance on, Regulation S and the applicable laws of each jurisdiction where such offers and sales are made.**

**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 Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**Bidders are advised to ensure that any Bid from them does not exceed investment limits or maximum number of Equity Shares that can be held by them under applicable law. Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or 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 in accordance with applicable laws.**

#### **Disclaimer Clause of BSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

#### **Disclaimer Clause of NSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus and the Prospectus prior to the RoC filing.

#### **Listing**

The Equity Shares issued pursuant to the Red Herring Prospectus and the Prospectus are proposed to be listed on BSE and NSE. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised. Applications will be made to the BSE and NSE for obtaining their permission for the listing and trading of the Equity Shares.

#### **Consents**

Consents in writing of the Selling Shareholder, our Directors, our Company Secretary and Compliance Officer, Statutory Auditors, our Chief Financial Officer, legal counsel to the Company, legal counsel to the Book Running Lead Managers, Bankers to our Company, Monitoring Agency, the BRLMs, the Registrar to the Offer, in their respective capacities, K. Vinod, chartered engineer, Rahul R Pujara & Associates and F&S have been obtained; and consents in writing of the Syndicate Members, Public Offer Account Bank, Sponsor Bank, Escrow Collection Bank(s) and Refund Bank(s) to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act and such consents shall not be withdrawn up to the time of filing of the Red Herring Prospectus with the RoC.

#### **Experts to the Offer**

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

Our Company has received written consent dated December 13, 2021 from Deloitte Haskins & Sells LLP, to include their name as required under section 26 (1) of the Companies Act, 2013 read with the SEBI ICDR Regulations, in this DRHP, and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Statutory Auditors, and in respect of their (i) examination report dated December 9, 2021 on our Restated Standalone Financial Information; (ii) examination report dated December 9, 2021 on our Restated Consolidated Financial Information, (iii) report dated December 9, 2021 on Proforma Condensed Combined Financial Information, and (iv) report dated December 12, 2021 on the ‘Statement of possible special tax benefits’ in this Draft Red Herring Prospectus, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent dated October 20, 2021 from the independent chartered engineer, namely K. Vinod, Chartered Engineer, to include their name in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013, to the extent and in their capacity as a chartered engineer, in relation to his certificate dated October 16, 2021 certifying the capacity utilization at our present manufacturing facilities, as applicable.

Further, our Company has received written consent dated October 7, 2021, from M/s Sundararajan & Co, Chartered Accountants, to include their name as required under Section 26(5) of the Companies Act, 2013 read



with SEBI ICDR Regulations, in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act, 2013. Our Company has also received written consent dated December 13, 2021 from N B T and Co., Chartered Accountants to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act, 2013.

Our Company has received written consent dated December 13, 2021 from M/s. Rahul R Pujara & Associates to include their name as required under Section 26(5) of the Companies Act, 2013 read with SEBI ICDR Regulations, in this Draft Red Herring Prospectus as an “expert” as defined under Section 2(38) of the Companies Act, 2013, in respect of the B&M Project Report, Chennai Project Report, Hosur Project Report and the Hyderabad Project Report.

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

**Particulars regarding public or rights issues by our Company during the last five years and performance *vis-à-vis* objects**

Our Company has not made any public or rights issues (as defined under the SEBI ICDR Regulations) during the five years preceding the date of this Draft Red Herring Prospectus.

**Performance *vis-à-vis* objects – Last issue of subsidiaries and promoters**

Our corporate Promoter and Subsidiaries have not made any public issue or rights issue during the ten years immediately preceding the date of this Draft Red Herring Prospectus.

**Underwriting Commission, Brokerage and Selling Commission paid on previous issues of the Equity Shares**

Since this is the initial public issue of Equity Shares, no sum has been paid or is payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of the Equity Shares in the five years preceding the date of this Draft Red Herring Prospectus.

**Capital issue during the previous three years by our Company**

Other than as disclosed in “*Capital Structure*” on page 82, our Company has not undertaken a capital issue in the last three years preceding the date of this Draft Red Herring Prospectus.

**Capital issue during the previous three years by listed subsidiaries or associates of our Company**

Our Company does not have any listed subsidiaries or associates, as on the date of this Draft Red Herring Prospectus.

## Price information of past issues handled by the Book Running Lead Managers

### A. DAM Capital

#### 1. Price information of past issues handled by DAM Capital (during the current Fiscal and two Fiscals preceding the current financial year):

S. No.	Issue name	Issue size (₹ millions)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30th 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	Mazagon Dock Shipbuilders Limited	4,436.86	145.00	October 12, 2020	214.90	+18.90%, [+5.87%]	+52.90%, [+20.25%]	+45.79% [+24.34%]
2	Indian Railway Finance Corporation Limited	46,333.79	26.00	January 29, 2021	24.90	-5.19%, [+6.56%]	-18.65%, [+9.02%]	-11.15% [+15.49%]
3	Laxmi Organic Industries Limited	6,000.00	130.00	March 25, 2021	155.50	+37.85%, [+0.11%]	+71.96%, [+10.11%]	+294.50% [+21.45%]
4	Glenmark Life Sciences Limited	15,136.00	720.00	August 6, 2021	750.00	-6.40%, [+6.68%]	-12.85%, [+9.80%]	Not applicable
5	Windlas Biotech Limited	4,015.35	460.00	August 16, 2021	437.00	-18.04%, [+4.93%]	-34.46%, [+9.30%]	Not applicable
6	Krsnaa Diagnostics Limited	12,133.35	954.00*	August 16, 2021	1,005.55	-9.42%, [+4.93%]	-27.73%, [+9.30%]	Not applicable
7	Go Fashion (India) Limited	10,136.09	690.00	November 30, 2021	1,310.00	Not applicable	Not applicable	Not applicable
8	Star Health and Allied Insurance Company Limited	60,186.84	900.00 <sup>@</sup>	December 10, 2021	845.00	Not applicable	Not applicable	Not applicable

Source: [www.nseindia.com](http://www.nseindia.com)

\*A discount of INR 93 per equity share to eligible employees bidding in the employee reservation portion.

<sup>@</sup> A discount of INR 80 per equity share to eligible employees bidding in the employee reservation portion.

#### Notes:

- Issue size derived from prospectus / basis of allotment advertisement, as applicable
- Price on NSE is considered for all of the above calculations
- % of change in closing price on 30th / 90th / 180th calendar day from listing day is calculated vs issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30th / 90th / 180th calendar day from listing day.
- Wherever 30th / 90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered.
- The Nifty 50 index is considered as the benchmark index
- Not applicable – Period not completed

#### 2. Summary statement of price information of past issues handled by DAM Capital:

Financial Year	Total no. of IPOs	Total funds raised (₹ in millions)	Nos. of IPOs trading at discount on as on 30th calendar days from listing date			Nos. of IPOs trading at premium on as on 30th calendar days from listing date			Nos. of IPOs trading at discount as on 180th calendar days from listing date			Nos. of IPOs trading at premium as on 180th calendar days from listing date		
			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%
2021-22	5	101,607.63	-	-	3	-	-	-	-	-	-	-	-	-
2020-21	3	56,770.65	-	-	1	-	1	1	-	-	1	1	1	-
2019-20	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Source: [www.nseindia.com](http://www.nseindia.com)

Notes:

- The information is as on the date of this offer document.
- The information for each of the financial years is based on issues listed during such financial year.
- Since 30 or 180 calendar days from listing date has not elapsed for few issues, hence data for same is not available.

## B. ICICI Securities

### 1. Price information of past issues handled by ICICI Securities (during the current Fiscal and two Fiscals preceding the current financial year):

Sr. No.	Issue Name	Issue Size (₹ million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % 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	Aditya Birla Sun Life AMC Limited	27,682.56	712.00	October 11, 2021	715.00	-11.36%, [+0.55%]	NA*	NA*
2	FSN E-Commerce Ventures Limited	53,497.24	1,125.00 <sup>(1)</sup>	November 10, 2021	2,018.00	+92.31%, [-2.78%]	NA*	NA*
3	Fino Payments Bank Limited	12,002.93	577.00	November 12, 2021	544.35	-30.56%, [-3.27%]	NA*	NA*
4	PB Fintech Limited	57,097.15	980.00	November 15, 2021	1150.00	NA*	NA*	NA*
5	One 97 Communications Limited	1,83,000.00	2,150.00	November 18, 2021	1,950.00	NA*	NA*	NA*
6	Sapphire Foods India Limited	20,732.53	1,180.00	November 18, 2021	1,350.00	NA*	NA*	NA*
7	Latent View Analytics Limited	6,000.00	197.00 <sup>(2)</sup>	November 23, 2021	512.20	NA*	NA*	NA*
8	Tarsons Products Limited	10,234.74	662.00 <sup>(3)</sup>	November 26, 2021	682.00	NA*	NA*	NA*
9	Go Fashion (India) Limited	10,136.09	690.00	November 30, 2021	1,310.00	NA*	NA*	NA*
10	Star Health and Allied Insurance Company Limited	60,186.84	900.00 <sup>(4)</sup>	December 10, 2021	845.00	NA*	NA*	NA*

\*Data not available.

- Discount of ₹ 100 per equity share offered to eligible employees. All calculations are based on Issue Price of ₹ 1,125.00 per equity share.
- Discount of ₹ 19 per equity share offered to eligible employees. All calculations are based on Issue Price of ₹ 197.00 per equity share.
- Discount of ₹ 61 per equity share offered to eligible employees. All calculations are based on Issue Price of ₹ 662.00 per equity share.

(4) Discount of ₹ 80 per equity share offered to eligible employees. All calculations are based on Issue Price of ₹ 900.00 per equity share.

## 2. Summary statement of price information of past issues handled by ICICI Securities:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ million)	No. of IPOs trading at discount - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount - 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 180 <sup>th</sup> calendar days from listing		
			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%
2021-22*	20	6,42,533.19	-	1	3	3	3	3	-	-	-	1	-	-
2020-21	14	1,74,546.09	-	-	5	5	2	2	-	1	3	5	3	2
2019-20	4	49,850.66	-	-	2	-	1	1	1	-	-	2	-	1

\* The information is as on the date of this Draft Red Herring Prospectus.

### Notes:

1. All data sourced from [www.nseindia.com](http://www.nseindia.com), except for Computer Age Management Services Limited for which the data is sourced from [www.bseindia.com](http://www.bseindia.com)
2. Benchmark index considered is NIFTY
3. 30<sup>th</sup>, 90<sup>th</sup>, 180<sup>th</sup> calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30<sup>th</sup>, 90<sup>th</sup>, 180<sup>th</sup> calendar day is a holiday, in which case we have considered the closing data of the previous trading day

## C. IIFL

### 1. Price information of past issues handled by IIFL (during the current Fiscal and two Fiscals preceding the current financial year):

S. No.	Issue Name	Issue Size (in ₹ million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price*, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 180th calendar days from listing
1	Krishna Institute of Medical Sciences Limited	21,437.44	825.00 <sup>(1)</sup>	June 28, 2021	1,009.00	+48.10%;[-0.43%]	+48.35%, [+12.89%]	N.A.
2	Windlas Biotech Limited	4,015.35	460.00	August 16, 2021	437.00	-18.04%, [+4.93%]	-34.46%, [+9.30%]	N.A.
3	Krsnaa Diagnostics Limited	12,133.35	954.00 <sup>(2)</sup>	August 16, 2021	1,005.55	-9.42%, [+4.93%]	-27.73%, [+9.30%]	N.A.
4	Chemplast Sanmar Limited	38,500.00	541.00	August 24, 2021	550.00	+2.06%, [+5.55%]	+12.94%, [+6.86%]	N.A.
5	Sansera Engineering Limited	12825.20	744.00 <sup>(3)</sup>	September 24, 2021	811.50	+0.35%, [+1.47%]	N.A.	N.A.
6	Aditya Birla Sun Life AMC Ltd	27,682.56	712.00	October 11, 2021	715.00	-11.36%, [+0.55%]	N.A.	N.A.
7	PB Fintech Ltd.	57,097.15	980.00	November 15, 2021	1,150.00	N.A.	N.A.	N.A.
8	SJS Enterprises Ltd.	8,000.00	542.00	November 15, 2021	542.00	N.A.	N.A.	N.A.

S. No.	Issue Name	Issue Size (in ₹ million)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price*, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price*, [+/- % change in closing benchmark]- 180th calendar days from listing
9	Sapphire Foods India Limited	20,732.53	1,180.00	November 18, 2021	1,350.00	N.A.	N.A.	N.A.
10	Star Health and Allied Insurance Company Limited	60,186.84	900.00 <sup>(4)</sup>	December 10, 2021	845.00	N.A.	N.A.	N.A.

Source: www.nseindia.com

- (1) A discount of ₹ 40 per equity share was offered to eligible employees bidding in the employee reservation portion
- (2) A discount of ₹ 93 per equity share to eligible employees bidding in the employee reservation portion
- (3) A discount of ₹ 36 per equity share was offered to eligible employees bidding in the employee reservation portion
- (4) A discount of ₹ 80 per equity share was offered to eligible employees bidding in the employee reservation portion

Note: Benchmark Index taken as CNX NIFTY. Price on NSE is considered for all of the above calculations. The 30th, 90th and 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th /90th / 180th calendar day from listing day is a holiday, the closing data of the previous trading day has been considered. % change taken against the Issue Price in case of the Issuer. The Nifty 50 index is considered as the benchmark index. NA means Not Applicable. The above past price information is only restricted to past 10 initial public offers.

## 2. Summary statement of price information of past issues handled by IIFL:

Financial Year	Total No. of IPOs	Total Funds Raised (in ₹ million)	No. of IPOs trading at discount – 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium – 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount – 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium – 180 <sup>th</sup> calendar days from listing		
			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%
2019–20	5	65,827.61	-	-	-	-	1	2	1	1	1	-	-	2
2020-21	8	47,017.65	-	-	4	2	1	1	-	1	-	3	3	1
2021-22	13	301,224.66	-	-	3	-	3	3	-	-	-	2	-	-

Source: www.nseindia.com

Note: Data for number of IPOs trading at premium/discount taken at closing price on NSE on the respective date. In case any of the days falls on a non-trading day, the closing price on the previous trading day has been considered.

NA means Not Applicable.

### Track record of past issues handled by the BRLMs

For details regarding the track record of the Book Running Lead Managers, as specified in circular (reference CIR/MIRSD/1/2012) dated January 10, 2012 issued by SEBI, please see the website of the Book Running Lead Managers, as set forth in the table below:

S. No.	Name of the Book Running Lead Managers	Website
1.	DAM Capital	www.damcapital.in
2.	ICICI Securities	www.icicisecurities.com
3.	IIFL	www.iiflcap.com

### Stock Market Data of Equity Shares

This being an initial public issue of the Equity Shares of our Company, the Equity Shares are not listed on any stock exchange and accordingly, no stock market data is available for the Equity Shares.

### Mechanism for Redressal of Investor Grievances in the Offer

The agreement between the Registrar to the Offer, our Company and the Selling Shareholder provides for retention of records with the Registrar to the Offer for a period of at least eight years from the last date of dispatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

**Bidders can contact the Company Secretary and Compliance Officer and/or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all Offer related queries and for redressal of complaints, Bidders may also write to the BRLMs or the Registrar to the Offer, in the manner provided below.**

All Offer related grievances, other than by Anchor Investors, may be addressed to the Registrar to the Offer, with a copy to the relevant Designated Intermediary, with whom the ASBA Form was submitted, quoting the full name of the sole or first Bidder, ASBA Form number, Bidders' DP ID, Client ID, UPI ID, PAN, address of the Bidder, number of Equity Shares applied for, date of ASBA Form, name and address of the relevant Designated Intermediary, where the Bid was submitted and ASBA Account number (for Bidders other than RIBs using the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or the UPI ID in case of RIBs using the UPI Mechanism. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove. The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. For offer related grievances, investors may contact Book Running Lead Managers, details of which are given in "*General Information*" on page 73.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid / Offer Closing Date, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, the Bidder shall be compensated at a uniform rate of ₹ 100 per day for the entire duration of delay exceeding four Working Days from the Bid / Offer Closing Date by the intermediary responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

In terms of SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018, SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and subject to applicable law, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days. The following compensation mechanism shall be applicable for investor grievances in relation to Bids made through the UPI Mechanism for public issues opening on or after May 1, 2021, for which the relevant SCSBs shall be liable to compensate the investor:

Scenario	Compensation amount	Compensation period
Delayed unblock for cancelled / withdrawn / deleted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the date on which the request for cancellation / withdrawal / deletion is placed on the bidding platform of the Stock Exchanges till the date of actual unblock
Blocking of multiple amounts for the same Bid made through the UPI Mechanism	1. Instantly revoke the blocked funds other than the original application amount and 2. ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original Bid Amount, whichever is higher	From the date on which multiple amounts were blocked till the date of actual unblock
Blocking more amount than the Bid Amount	1. Instantly revoke the difference amount, i.e., the blocked amount less the Bid Amount and 2. ₹ 100 per day or 15% per annum of the difference amount, whichever is higher	From the date on which the funds to the excess of the Bid Amount were blocked till the date of actual unblock
Delayed unblock for non – Allotted / partially Allotted applications	₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher	From the Working Day subsequent to the finalisation of the Basis of Allotment till the date of actual unblock

Further, in the event there are any delays in resolving the investor grievance beyond the date of receipt of the complaint from the investor, for each day delayed, the Book Running Lead Managers shall be liable to compensate the investor ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher. The compensation shall be payable for the period ranging from the day on which the investor grievance is received till the date of actual unblock.

Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI ICDR Regulations. In terms of SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/22, dated February 15, 2018, any ASBA Bidder whose Bid has not been considered for Allotment, due to failure on the part of any SCSB, shall have the option to seek redressal of the same by the concerned SCSB within three months of the date of listing of the Equity Shares. SCSBs are required to resolve these complaints within 15 days, failing which the concerned SCSB would have to pay interest at the rate of 15% per annum for any delay beyond this period of 15 days.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as the name of the sole or First Bidder, Bid cum Application Form number, Bidders' DP ID, Client ID, PAN, date of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for, name and address of the Book Running Lead Managers, unique transaction reference number, the name of the relevant bank, Bid Amount paid on submission of the Bid cum Application Form and the name and address of the BRLMs where the Bid cum Application Form was submitted by the Anchor Investor. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking.

All grievances relating to Bids submitted with Registered Brokers, may be addressed to the Stock Exchanges, with a copy to the Registrar to the Offer. Further, Bidders shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

#### **Disposal of Investor Grievances by our Company**

We have obtained authentication on the SCORES and comply with the SEBI circular (CIR/OIAE/1/2014) dated December 18, 2014, in relation to redressal of investor grievances through SCORES.

Our Company has also constituted a Stakeholders Relationship Committee to review and redress the shareholders and investor grievances such as transfer of Equity Shares, non-recovery of balance payments, declared dividends, approve subdivision, consolidation, transfer and issue of duplicate shares. For details of our Stakeholders Relationship Committee, please see “*Our Management*” beginning on page 217.

Our Company has also appointed Rahul N Sinnarkar, Company Secretary of our Company, as the Compliance Officer for the Offer. For details, “*General Information – Company Secretary and Compliance Officer*” beginning

on page 74. The Selling Shareholder has authorised the Company Secretary and Compliance Officer of the Company, and the Registrar to the Offer to redress any complaints received from Bidders in respect of the Offer for Sale.

Our Company has not received any investor complaint during the three years preceding the date of this Draft Red Herring Prospectus.

Further, no investor complaint in relation to our Company is pending as on the date of filing of this Draft Red Herring Prospectus.

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the relevant Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.



## SECTION IX - OFFER INFORMATION

### TERMS OF THE OFFER

The Equity Shares being offered and Allotted pursuant to this Offer are subject to the provisions of the Companies Act, the SCRA, SCRR, SEBI ICDR Regulations, the SEBI Listing Regulations, our Memorandum and Articles of Association, the terms of this Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the abridged prospectus, the Bid cum Application Form, the Revision Form, CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the offer of capital and listing and trading of securities offered 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 this Offer and to the extent applicable or such other conditions as may be prescribed by such governmental, regulatory or statutory authority while granting its approval for the Offer.

#### The Offer

The Offer comprises a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholder. Expenses for the Offer shall be shared amongst our Company and the Selling Shareholder in the manner specified in “*Objects of the Offer*”, beginning on page 95.

#### Ranking of the Equity Shares

The Equity Shares being Allotted in the Offer shall be subject to the provisions of the Companies Act, our Memorandum and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend and other corporate benefits if any, declared by our Company after the date of Allotment. For further details, see “*Main Provisions of the Articles of Association*” beginning on page 649.

#### Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to shareholders of our Company as per the provisions of the Companies Act, 2013, our Memorandum and Articles of Association, the SEBI Listing Regulations and other applicable law. All dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been Allotted Equity Shares in the Offer, in accordance with applicable law. For further details in relation to dividends, see “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” beginning on pages 243 and 649, respectively.

#### Face Value and Offer Price

The face value of the Equity Shares is ₹ 10. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share. The Price Band and minimum Bid Lot for the Offer will be decided by our Company, in consultation with the BRLMs, and advertised in [●] editions of the English national daily newspaper [●], [●] editions of the Hindi national daily newspaper [●], and [●] edition of the Marathi daily newspaper [●] (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, respectively, at least two Working Days prior to the Bid/ Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges. The Offer Price shall be determined by our Company in consultation with the BRLMs, after the Bid/Offer Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of Book Building Process.

At any given point of time there shall be only one denomination for the Equity Shares.

#### Compliance with disclosure and accounting norms

Our Company shall comply with all applicable 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 provisions of our Articles, our Shareholders shall have the following rights:

- The right to receive dividend, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote on a poll either in person or by proxy or 'e-voting' in accordance with the provisions of the Companies Act;
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive any surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- The right to freely transfer their Equity Shares, subject to foreign exchange regulations and other applicable laws; and
- Such other rights, as may be available to a shareholder of a listed public company under applicable law, including the Companies Act, 2013, the terms of the SEBI Listing Regulations, and our Memorandum and Articles of Association.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and/ or consolidation/ splitting, see "*Main Provisions of the Articles of Association*" beginning on page 649.

## **Allotment of Equity Shares in dematerialised form**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. Hence, the Equity Shares offered through the Red Herring Prospectus can be applied for in the dematerialised form only. In this context, our Company has entered into the following agreements:

- Tripartite agreement dated August 26, 2020 amongst our Company, NSDL and Registrar to the Offer.
- Tripartite agreement dated September 29, 2021 amongst our Company, CDSL and Registrar to the Offer.

## **Market Lot and Trading Lot**

Further, the trading of our Equity Shares on the Stock Exchanges shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares. For the method of Basis of Allotment, see "*Offer Procedure*" on page 629.

## **Joint Holders**

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold such Equity Shares as joint holders with benefits of survivorship.

## **Jurisdiction**

The courts of Mumbai, India will have exclusive jurisdiction in relation to this Offer.

## **Period of operation of subscription list**

See "*Offer Structure – Bid/Offer Programme*" beginning on page 626.

## **Nomination facility to investors**

In accordance with Section 72 of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014, as amended, the sole or First Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner. A person, being a nominee, entitled to the Equity Shares by reason of death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person 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 the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer of Equity Share(s) by the person nominating. A nomination may be cancelled or varied by nominating any other person in place of the present nominee by the holder of the Equity Shares who has made the nomination by giving a notice of such cancellation. A buyer will be entitled to make a fresh nomination in the manner prescribed. A fresh nomination can be made only on the prescribed form, which is available on request at our Registered Office or with the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of Section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our 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, our 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 90 days, our Board may thereafter withhold payment of all dividend, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant will prevail. If Bidders wish to change their nomination, they are requested to inform their respective Depository Participant.

### **Minimum Subscription**

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a subscription in the Offer as specified under Rule 19(2)(b) of the SCRR, including through devolvement of Underwriters, as applicable, within sixty (60) days from the date of Bid Closing Date, or if the subscription level falls below the thresholds mentioned above after the Bid Closing Date, on account of withdrawal of applications or after technical rejections or any other reason, or if the listing or trading permission is not obtained from the Stock Exchanges for the Equity Shares being offered under the Red Herring Prospectus, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond four days, our Company and the Selling Shareholder, to the extent applicable, shall pay interest at the rate of 15% per annum including the SEBI circular bearing no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021. No liability to make any payment of interest shall accrue to the Selling Shareholder unless any delay in making any of the payments hereunder or any delay in obtaining listing and/or trading approvals or any other approvals in relation to the Offer is solely attributable to the Selling Shareholder.

In the event of under-subscription in the Offer, subject to receiving minimum subscription for 90% of the Fresh Issue and compliance with Rule 19(2)(b) of the SCRR, the Allotment for valid Bids will be made in the first instance towards subscription for 90% of the Fresh Issue, subject to any balance valid Bids in the Offer, the Allotment for the balance valid Bids will be made towards the balance Fresh Issue, and thereafter towards Equity Shares offered by the Selling Shareholder.

Further, in accordance with Regulation 49(1) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 1,000 failing which the entire application money shall be unblocked in the respective ASBA Accounts of the Bidders. In case of delay, if any, in unblocking the ASBA Accounts within such timeline as prescribed under applicable laws, the Selling Shareholder and our Company shall be liable to pay interest on the application money in accordance with applicable laws.

The Selling Shareholder shall reimburse any expenses and interest incurred by our Company on behalf of them for any delays in making refunds as required under the Companies Act and any other applicable law, provided that the Selling Shareholder shall not be responsible or liable for payment of such expenses or interest, unless such delay is solely and directly attributable to an act or omission of the Selling Shareholder.

### **Arrangements for disposal of odd lots**

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one Equity Share, no arrangements for disposal of odd lots are required.

### **New Financial Instruments**

Our Company is not issuing any new financial instruments through this Offer.

### **Restriction on transfer and transmission of shares**

Except for the lock-in of the pre-Offer Equity Shares, the Promoter's Contribution and Equity Shares allotted to Anchor Investors pursuant to the Offer, as detailed in "*Capital Structure*" beginning on page 82 and except as provided in our Articles, there are no restrictions on transfers and transmission of Equity Shares or on their consolidation or splitting. See, "*Main Provisions of the Articles of Association*" at page 649.

### **Option to receive Equity Shares in Dematerialized Form**

Allotment of Equity Shares to successful Bidders will only be in the dematerialized form. Bidders will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only in the dematerialized segment of the Stock Exchanges.

### **Withdrawal of the Offer**

Our Company in consultation with the BRLMs, reserves the right not to proceed with the entire or portion of the Offer for any reason at any time after the Bid/Offer Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges shall be informed promptly in this regard by our Company and the BRLMs, through the Registrar to the Offer, shall notify the SCSBs and the Sponsor Bank to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. In the event of withdrawal of the Offer and subsequently, plans of a fresh offer by our Company, a fresh draft red herring prospectus will be submitted again to SEBI.

Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment and within six Working Days or such other period as may be prescribed, and the final RoC approval of the Prospectus after it is filed with the RoC.

## OFFER STRUCTURE

The Offer is being made through the Book Building Process. The Offer is of up to [●] Equity Shares for cash at a price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million comprising of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 9,260.00 million by our Company and an Offer of Sale of up to 3,369,360 Equity Shares aggregating up to [●] million by Veena Kumari Tandon.

Our Company, in consultation with the BRLMs, may consider a Pre-IPO Placement aggregating up to ₹ 1,800.00 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, it will be at a price to be decided by our Company in consultation with the BRLMs, and the Fresh Issue size will be reduced to the extent of such Pre-IPO Placement, subject to the Offer complying with Rule 19(2)(b) of the SCRR.

Particulars	QIBs <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation* <sup>(2)</sup>	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for Allotment/ allocation	Not more than 50% of the Offer size shall be allocated to QIB Bidders. However, 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining balance Net QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15% of the Offer, or the Offer less allocation to QIB Bidders and Retail Individual Bidders.	Not less than 35% of the Offer, or the Offer less allocation to QIB Bidders and Non-Institutional Bidders
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above  Up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Mutual Funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price	Proportionate	The allotment to each Retail Individual Investor shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details, see “Offer Procedure” beginning on page 629
Minimum Bid	Such number of Equity Shares in multiples of [●] Equity Shares, that the Bid Amount exceeds ₹200,000	Such number of Equity Shares that the Bid Amount exceeds ₹200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares
Maximum Bid	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of	Such number of Equity Shares in multiples of [●] Equity Shares not exceeding the size of	Such number of Equity Shares in multiples of [●] Equity

Particulars	QIBs <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
	the Offer, subject to applicable limits under applicable law	the Offer (excluding the QIB Portion), subject to limits prescribed under applicable law	Shares so that the Bid Amount does not exceed ₹200,000
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Mode of allotment	Compulsorily in dematerialised form		
Allotment Lot	[●] Equity Shares and in multiples of one Equity Share thereafter		
Trading Lot	One Equity Share		
Who can apply <sup>(3)</sup>	Public financial institutions (as specified in Section 2(72) of the Companies Act), scheduled commercial banks, Mutual Funds, Eligible FPIs, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance companies registered with IRDAI, provident funds (subject to applicable law) with minimum corpus of ₹250 million, pension funds with minimum corpus of ₹250 million, National Investment Fund set up by the Government of India, the insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts, India and Systemically Important Non-Banking Financial Companies.	Resident Indian individuals, Eligible NRIs, HUFs (in the name of the karta), companies, corporate bodies, scientific institutions societies and trusts and any individuals, corporate bodies and family offices which are recategorised as category II FPIs and registered with SEBI	Resident Indian individuals, Eligible NRIs and HUFs (in the name of the karta)
Terms of Payment	<b>In case of Anchor Investors:</b> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids <sup>(4)</sup> <b>In case of all other Bidders:</b> Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form.		
Mode of Bidding	Only through the ASBA process (except for Anchor Investors).	Only through the ASBA process.	Only through the ASBA process

\* Assuming full subscription in the Offer

(1) Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. For further details, see "Offer Procedure" beginning on page 629.

(2) Subject to valid Bids being received at or above the Offer Price. The Offer is being made in terms of Rule 19(2)(b) of the SCRR read with Regulation 45 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to all QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion or the Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange, on a proportionate basis. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories. For further details, please see "Terms of the Offer" beginning on page 620.

(3) In the event that a Bid is submitted in joint names, the relevant Bidders should ensure that the depository account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form. The Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held

in joint names. The signature of only such First Bidder would be required in the Bid cum Application Form and such First Bidder would be deemed to have signed on behalf of the joint holders. Our Company reserves the right to reject, in its absolute discretion, all or any multiple Bids in any or all categories.

- (4) Anchor Investors shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid, provided that any positive difference between the Anchor Investor Allocation Price and the Offer Price, shall be payable by the Anchor Investor Pay-in Date as mentioned in the CAN.

Bids by FPIs with certain structures as described under “Offer Procedure - Bids by FPIs” on page 634 and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares Allocated and Allotted to such successful Bidders (with same PAN) may be proportionately distributed.

**Note: Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholder, the Underwriters, their respective directors, officers, agents, affiliates and representatives that they are eligible under applicable law, rules, regulations, guidelines and approvals to acquire the Equity Shares.**

## Bid/Offer Programme

<b>BID/ OFFER OPENS ON*</b>	
<b>BID/ OFFER CLOSES ON**</b>	

\*Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI ICDR Regulations. Anchor Investors shall Bid on the Anchor Investor Bidding Date.

\*\*Our Company may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

# UPI Mandate end date and time shall be 12.00 pm on [●].

An indicative timetable in respect of the Offer is set out below:

Event	Indicative Date
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of refunds (if any, for Anchor Investors) / unblocking of funds from ASBA Account**	[●]
Credit of the Equity Shares to depository accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchanges	[●]

\*\* In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) for cancelled / withdrawn / deleted ASBA Forms, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher from the date on which the request for cancellation/ withdrawal/ deletion is placed in the Stock Exchanges bidding platform until the date on which the amounts are unblocked; (ii) any blocking of multiple amounts for the same ASBA Form (for amounts blocked through the UPI Mechanism), the Bidder shall be compensated at a uniform rate ₹ 100 per day or 15% per annum of the total cumulative blocked amount except the original application amount, whichever is higher from the date on which such multiple amounts were blocked till the date of actual unblock; (iii) any blocking of amounts more than the Bid Amount, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the difference in amount, whichever is higher from the date on which such excess amounts were blocked till the date of actual unblock; (iv) any delay in unblocking of non-allotted/ partially allotted Bids, exceeding four Working Days from the Bid/Offer Closing Date, the Bidder shall be compensated at a uniform rate of ₹ 100 per day or 15% per annum of the Bid Amount, whichever is higher for the entire duration of delay exceeding four Working Days from the Bid/Offer Closing Date by the SCSB responsible for causing such delay in unblocking. The BRLMs shall, in their sole discretion, identify and fix the liability on such intermediary or entity responsible for such delay in unblocking. The post Offer BRLMs shall be liable for compensating the Bidder at a uniform rate of ₹100 per day or 15% per annum of the Bid Amount, whichever is higher from the date of receipt of the investor grievance until the date on which the blocked amounts are unblocked. The Bidder shall be compensated in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 and SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, which for the avoidance of doubt, shall be deemed to be incorporated in the deemed agreement of the Company with the SCSBs, to the extent applicable.

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholder or the BRLMs. While our Company and the Selling Shareholder shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/Offer Closing Date or such period as may be prescribed, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholder, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. The Selling Shareholder confirms that they shall extend complete co-operation required

**by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date, or within such other period as may be prescribed.**

In terms of the UPI Circulars, in relation to the Offer, the Book Running Lead Managers will be required to submit reports of compliance with timelines and activities prescribed by SEBI in connection with the allotment and listing procedure within six Working Days from the Bid/Offer Closing Date, identifying non-adherence to timelines and processes and an analysis of entities responsible for the delay and the reasons associated with it.

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time (“IST”)) during the Bid/Offer Period (except on the Bid/Offer Closing Date) at the Bidding Centres as mentioned on the Bid cum Application Form **except that:**

- (i) on the QIB Bid/Offer Closing Date, in case of Bids by QIBs under the Net QIB Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m. (IST);
- (ii) on the Bid/Offer Closing Date:
  - (a) in case of Bids by Non-Institutional Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 4.00 p.m. (IST); and
  - (b) in case of Bids by Retail Individual Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (IST) and uploaded until 5.00 p.m. (IST), which may be extended up to such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received up to the closure of timings and reported by the BRLMs to the Stock Exchanges.

The Registrar to the Offer shall submit the details of cancelled/withdrawn/deleted applications to the SCSBs on daily basis from the Bid/ Offer Opening Date till the Bid/Offer Closing Date by obtaining the same from the Stock Exchanges. The SCSBs shall unblock such applications by the closing hours of the Working Day and submit the confirmation to the BRLMs and the RTA on a daily basis.

For the avoidance of doubt, it is clarified that Bids not uploaded on the electronic bidding system or in respect of which full Bid Amount is not blocked by SCSBs or not blocked under the UPI Mechanism in the relevant ASBA Account, as the case may be, will be rejected.

Due to limitation of the time available for uploading the Bids on the Bid/Offer Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid/ Offer Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/ Offer Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded on the electronic bidding system will not be considered for allocation under this Offer. Bids and any revision in Bids will only be accepted on Working Days. Investors may please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, Bids and any revision in Bids shall not be accepted on Saturdays and public holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the relevant Designated Intermediary in the electronic system to be provided by the Stock Exchanges. Neither our Company, nor the Selling Shareholder, nor any member of the Syndicate is liable for any failure in uploading or downloading the Bids due to faults in any software / hardware system or otherwise.

Our Company in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/ Offer Period in accordance with the SEBI ICDR Regulations. In such an event, the Cap Price shall not be more than 120% of the Floor Price. Subject to compliance with the immediately preceding sentence, the Floor Price can move up or down to the extent of 20% of the Floor Price.

**In case of any revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision of the Price Band, subject to the total Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, the Company may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days. Any**



**revision in the Price Band, and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate and by intimation to the Designated Intermediaries. In case of revision of Price Band, the Bid Lot shall remain the same.**

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid cum Application Form for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

## OFFER PROCEDURE

All Bidders should read the General Information Document for Investing in Public Offers 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. The General Information Document is available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

Bidders may refer to the General Information Document for information in relation to (i) category of investors eligible to participate in the Offer; (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 Offer; (vi) general instructions (limited to instructions for completing the Bid cum Application Form); (vii) designated date; (viii) disposal of applications and electronic registration of bids; (ix) submission of Bid cum 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 through the UPI Circulars has proposed to introduce an alternate payment mechanism using Unified Payments Interface (“UPI”) and consequent reduction in timelines for listing in a phased manner. UPI has been introduced in a phased manner as a payment mechanism in addition to ASBA for applications by Retail Individual Bidders through intermediaries from January 1, 2019. The UPI Mechanism for Retail Individual Bidders applying through Designated Intermediaries, in phase I, was effective along with the prior process and existing timeline of T+6 days (“UPI Phase I”), until June 30, 2019. Subsequently, for applications by Retail Individual Bidders through Designated Intermediaries, the process of physical movement of forms from Designated Intermediaries to SCSBs for blocking of funds has been discontinued and RIBs submitting their ASBA Forms through Designated Intermediaries (other than SCSBs) can only use UPI Mechanism with existing timeline of T+6 days until further notice pursuant to SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2020/50) dated March 30, 2020 (“UPI Phase II”). The final reduced timeline will be made effective using the UPI Mechanism for applications by Retail Individual Bidders (“UPI Phase III”), as may be prescribed by SEBI. The Offer will be made under UPI Phase II of the UPI Circular, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021 except as amended pursuant to SEBI vide its circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular, as amended, are deemed to form part of this Draft Red Herring Prospectus.

In terms of Regulation 23(5) and Regulation 52 of SEBI ICDR Regulations, the timelines and processes mentioned in SEBI Circular No. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 shall continue to form part of the agreements being signed between the intermediaries involved in the public issuance process and lead managers shall continue to coordinate with intermediaries involved in the said process.

Further, our Company, the Selling Shareholder and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring 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 Equity Shares that can be held by them under applicable law or as specified in the Red Herring Prospectus and the Prospectus.

Our Company and the Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

### Book Building Procedure

The Offer is being made in terms of Rule 19(2)(b) of the SCRR through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations wherein not more than 50% of the Offer shall be available for allocation to QIBs on a proportionate basis, provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI

ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. Further, in the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Under-subscription, if any, in any category except in the QIB Portion, 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 BRLMs and the Designated Stock Exchange subject to applicable laws.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

**Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including the DP ID and the Client ID and the PAN and UPI ID (for Retail Individual Bidders Bidding through the UPI Mechanism), shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.**

#### **Phased implementation of UPI for Bids by RIBs as per the UPI Circulars**

SEBI has issued UPI Circulars in relation to streamlining the process of public issue of equity shares and convertibles by introducing an alternate payment mechanism using UPI. Pursuant to the UPI Circulars, UPI has been introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six Working Days to up to three Working Days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI payment mechanism, the UPI Circulars have introduced and implemented the UPI payment mechanism in three phases in the following manner:

- (a) **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 until June 30, 2019. Under this phase, an RIB also had the option to submit the ASBA Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing would continue to be six Working Days.
- (b) **Phase II:** This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. SEBI vide its circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019 has decided to extend the timeline for implementation of UPI Phase II until March 31, 2020. Under this phase, submission of the physical ASBA Form by an RIB through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds has been discontinued and is replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice.
- (c) **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 would be reduced to be three Working Days.

Pursuant to the UPI Streamlining Circulars, SEBI has set out specific requirements for redressal of investor grievances for applications that have been made through the UPI Mechanism. The requirements of the UPI Streaming Circular include, appointment of a nodal officer by the SCSB and submission of their details to SEBI, the requirement for SCSBs to send SMS alerts for the blocking and unblocking of UPI mandates, the requirement for the Registrar to submit details of cancelled, withdrawn or deleted applications, and the requirement for the bank accounts of unsuccessful Bidders to be unblocked no later than one day from the date on which the Basis of Allotment is finalised. Failure to unblock the accounts within the timeline would result in the SCSBs being penalised under the relevant securities law. Additionally, if there is any delay in the redressal of investors'

complaints, the relevant SCSB as well as the post-Offer BRLM will be required to compensate the concerned investor.

All SCSBs offering facility of making application in public issues shall also provide facility to make application using UPI.

Our Company will be required to appoint one of the SCSBs as a sponsor bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and / or payment instructions of the Retail Individual Bidders using the UPI.

For further details, refer to the General Information Document available on the websites of the Stock Exchanges and the BRLMs.

### ***Electronic registration of Bids***

- a) The Designated Intermediary may register the Bids using the online facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the online facilities for the Book Building process on a regular basis before the closure of the Offer.
- b) On the Bid/ Offer Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.
- c) Only Bids that are uploaded on the Stock Exchanges' platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the next Working Day following the Bid/ Offer Closing Date to modify select fields uploaded in the Stock Exchanges' platform during the Bid/ Offer Period after which the Stock Exchange(s) send the bid information to the Registrar to the Offer for further processing.

### **Bid cum Application Form**

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available with the Designated Intermediaries at relevant Bidding Centers and at our Registered Office and at our Corporate Office. An electronic copy of the ASBA Form will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/Offer Opening Date.

For Anchor Investors, the Bid cum Application Forms will be available at the offices of the BRLMs.

All Bidders (other than Anchor Investors) must compulsorily use the ASBA process to participate in the Offer. Anchor Investors are not permitted to participate in this Offer through the ASBA process.

Bidders (other than Anchor Investors and Retail Individual Bidders Bidding using the UPI Mechanism) must provide bank account details and authorisation by the ASBA account holder to block funds in their respective ASBA Accounts in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain such details are liable to be rejected.

Retail Individual Bidders submitting their Bid cum Application Form to any Designated Intermediary (other than SCSBs) shall be required to Bid using the UPI Mechanism and must provide the UPI ID in the relevant space provided in the Bid cum Application Form. Bids submitted by Retail Individual Bidders with any Designated Intermediary (other than SCSBs) without mentioning the UPI ID are liable to be rejected. Retail Individual Bidders Bidding using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

Further, ASBA Bidders shall ensure that the Bids are submitted at the Bidding Centres only on ASBA Forms bearing the stamp of a Designated Intermediary (except in case of electronic ASBA Forms) and ASBA Forms not bearing such specified stamp maybe liable for rejection. Bidders, using the ASBA process to participate in the Offer, must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked therein. In order to ensure timely information to investors SCSBs are required to send SMS alerts to investors intimating them about the Bid Amounts blocked/unblocked.

Since the Offer is made under Phase II, ASBA Bidders may submit the ASBA Form in the manner below:

- (i) RIBs (other than the RIBs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (ii) RIBs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- (iii) QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Bid. In order to ensure timely information to investors, SCSBs are required to send SMS alerts to investors intimating them about Bid Amounts blocked/ unblocked.

The prescribed colour of the Bid cum Application Forms for various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians including resident QIBs, Non-Institutional Bidders, Retail Individual Bidders and Eligible NRIs applying on a non-repatriation basis	[●]
Non-Residents including FPIs, Eligible NRIs applying on a repatriation basis, FVCIs and registered bilateral and multilateral institutions	[●]
Anchor Investors	[●]

\* Excluding electronic Bid cum Application Forms

Notes:

(1) Electronic Bid cum Application forms will also be available for download on the website of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)).

(2) Bid cum Application Forms for Anchor Investors will be made available at the offices of the BRLMs.

In case of ASBA Forms, the relevant Designated Intermediaries shall upload the relevant Bid details in the electronic bidding system of the Stock Exchanges. Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms (except Bid cum Application Forms submitted by Retail Individual Bidders Bidding using the UPI Mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank(s). For Retail Individual Bidders using the UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate a UPI Mandate Request to such Retail Individual Bidders for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to RIBs, 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 RIBs (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 Bank and the issuer bank. The Sponsor Bank and the Bankers to the Offer shall provide the audit trail to the BRLMs for analysing the same and fixing liability. For ensuring timely information to investors, SCSBs shall send SMS alerts as specified in SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, as amended pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021.

For all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 12:00 pm on the first Working Day after the Bid/Issue Closing Date (“**Cut-Off Time**”). Accordingly, RIBs Bidding using through the UPI Mechanism should accept UPI Mandate Requests for blocking off funds prior to the Cut-Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse.

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 BRLMs 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 Banks UPI switch data, CBS data and UPI raw data. NPCI is to coordinate with issuer banks and Sponsor Banks on a continuous basis.

The Sponsor Bank shall host a web portal for intermediaries (closed user group) from the date of Bid/Offer Opening Date till the date of listing of the Equity Shares with details of statistics of mandate blocks/unblocks, performance of apps and UPI handles, down-time/network latency (if any) across intermediaries and any such processes having an impact/bearing on the Offer Bidding process.

**Participation by Promoter, Promoter Group, the BRLMs, associates and affiliates of the BRLMs and the Syndicate Members and the persons related to Promoter, Promoter Group, BRLMs and the Syndicate Members and Bids by Anchor Investors**

The BRLMs and the Syndicate Members shall not be allowed to purchase the Equity Shares in any manner, except towards fulfilling their underwriting obligations. However, the respective associates and affiliates of the BRLMs and the Syndicate Members may purchase Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including respective associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except for Mutual Funds, AIFs or FPIs other than individuals, corporate bodies and family offices sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associates of the BRLMs, no BRLMs or its respective associates can apply in the Offer under the Anchor Investor Portion.

Further, an Anchor Investor shall be deemed to be an “associate of the Lead Manager” if: (i) either of them controls, directly or indirectly through its subsidiary or holding company, not less than 15% of the voting rights in the other; or (ii) either of them, directly or indirectly, by itself or in combination with other persons, exercises control over the other; or (iii) there is a common director, excluding nominee director, amongst the Anchor Investors and the BRLMs.

Further, the Promoter and members of the Promoter Group shall not participate by applying for Equity Shares in the Offer, except in accordance with the applicable law. Furthermore, persons related to the Promoter and the Promoter Group shall not apply in the Offer under the Anchor Investor Portion. It is clarified that a qualified institutional buyer who has rights under a shareholders’ agreement or voting agreement entered into with any of the Promoter or members of the Promoter Group of our Company, veto rights or a right to appoint any nominee director on our Board, shall be deemed to be a person related to the Promoter or Promoter Group of our Company.

**Bids by Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, the Company in consultation with BRLMs reserve the right to reject any Bid without assigning any reason thereof. Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

In case of a Mutual Fund, a separate Bid may be made in respect of each scheme of a Mutual Fund registered with the SEBI and such Bids in respect of more than one scheme of a Mutual Fund will not be treated as multiple Bids, provided that such Bids clearly indicate the scheme for which the Bid is submitted.

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in case of index funds or sector or industry specific scheme. No Mutual Fund under all its schemes should own more than 10% of any company’s paid-up share capital carrying voting rights.

**Bids by Eligible NRIs**

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the Designated Intermediaries. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs Bidding on a repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of Retail Individual Bidders Bidding through the UPI Mechanism) to block their Non-Resident External Accounts (“**NRE Account**”), or Foreign Currency Non-Resident Accounts (“**FCNR**

**Account**”), and Eligible NRIs bidding on a non-repatriation basis should authorise their SCSBs or confirm or accept the UPI Mandate Request (in case of Retail Individual Bidders Bidding through the UPI Mechanism) to block their Non-Resident Ordinary (“**NRO**”) accounts for the full Bid amount, at the time of submission of the Bid cum Application Form. Participation of Eligible NRIs in the Offer shall be subject to the FEMA regulations. NRIs applying in the Offer through the UPI Mechanism are advised to enquire with the relevant bank, whether their account is UPI linked, prior to submitting a Bid cum Application Form.

In accordance with the FEMA Rules, the total holding by any individual NRI, on a repatriation basis, shall not exceed 5% of the total paid-up equity capital on a fully diluted basis or shall not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrant. Provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company. Pursuant to the special resolution dated November 20, 2021, by the Shareholders, the aggregate ceiling of 10% was raised to 24%.

Eligible NRIs will be permitted to apply in the Offer through Channel I or Channel II (as specified in the SEBI UPI Circulars). Further, subject to applicable law, Eligible NRIs may use Channel IV (as specified in the SEBI UPI Circulars) to apply in the Offer, provided the UPI facility is enabled for their NRE/NRO accounts.

Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents ([●] in colour).

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents ([●] in colour).

For details of restrictions on investment by NRIs, see “*Restrictions on Foreign Ownership of Indian Securities*” on page 648.

### **Bids by HUFs**

Bids by Hindu Undivided Families or HUFs, should be made in the individual name of the Karta. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta”. Bids by HUFs will be considered at par with Bids from individuals.

### **Bids by FPIs**

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, *i.e.*, the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than 50% or common control)) shall be below 10% of our post-Offer Equity Share capital on a fully diluted basis. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis, the total investment made by the FPI or investor group 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. Further, the total holdings of all FPIs put together, with effect from April 1, 2020, can be up to the sectoral cap applicable to the sector in which our Company operates (*i.e.*, up to 100%). In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued under the SEBI FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason. FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non-Residents ([●] in colour).

To ensure compliance with the above requirement, SEBI, pursuant to its circular dated July 13, 2018, has directed that at the time of finalisation of the Basis of Allotment, the Registrar shall (i) use the PAN issued by the Income Tax Department of India for checking compliance for a single FPI; and (ii) obtain validation from Depositories for the FPIs who have invested in the Offer to ensure there is no breach of the investment limit, within the timelines for issue procedure, as prescribed by SEBI from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI is permitted to issue, subscribe to, or otherwise deal in offshore derivative instruments, directly or indirectly, only if it complies with the following conditions:

- (a) such offshore derivative instruments are issued only by persons registered as Category I FPIs;
- (b) such offshore derivative instruments are issued only to persons eligible for registration as Category I FPIs;
- (c) such offshore derivative instruments are issued after compliance with the 'know your client' norms as specified by SEBI; and
- (d) such other conditions as may be specified by SEBI from time to time.

An FPI is required to ensure that the transfer of an offshore derivative instruments issued by or on behalf of it, is subject to (a) the transfer being made to persons which fulfil the criteria provided under Regulation 21(1) of the SEBI FPI Regulations (as mentioned above from points (a) to (d)); and (b) prior consent of the FPI is obtained for such transfer, except in cases, where the persons to whom the offshore derivative instruments are to be transferred, are pre-approved by the FPI.

Bids by following FPIs, submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs shall not be treated as multiple Bids:

- FPIs which utilise the multi investment manager structure;
- Offshore derivative instruments which have obtained separate FPI registration for ODI and proprietary derivative investments;
- Sub funds or separate class of investors with segregated portfolio who obtain separate FPI registration;
- FPI registrations granted at investment strategy level/sub fund level where a collective investment scheme or fund has multiple investment strategies/sub-funds with identifiable differences and managed by a single investment manager.
- Multiple branches in different jurisdictions of foreign bank registered as FPIs;
- Government and Government related investors registered as Category 1 FPIs; and
- Entities registered as collective investment scheme having multiple share classes.

The Bids belonging to any of the above mentioned seven structures and having same PAN may be collated and identified as a single Bid in the Bidding process. The Equity Shares allotted in the Bid may be proportionately distributed to the applicant FPIs (with same PAN).

In order to ensure valid Bids, FPIs making multiple Bids using the same PAN, and with different beneficiary account numbers, Client IDs and DP IDs, are required to provide a confirmation along with each of their Bid cum Application Forms that the relevant FPIs making multiple Bids utilize any of the above-mentioned structures and indicate the name of their respective investment managers in such confirmation. In the absence of such compliance from the relevant FPIs with the operational guidelines for FPIs and designated Depository Participants issued to facilitate implementation of SEBI FPI Regulations, such multiple Bids shall be rejected.

Participation of FPIs in the Offer shall be subject to the FEMA Rules.

**There is no reservation for Eligible NRI Bidders, AIFs and FPIs. All Bidders will be treated on the same basis with other categories for the purpose of allocation.**

**Bids by SEBI registered Alternative Investment Funds, Venture Capital Funds and Foreign Venture Capital Investors**

The Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended (the "SEBI AIF Regulations") prescribe, amongst others, the investment restrictions on AIFs. Post the repeal of the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, venture capital funds which have not re-registered as AIFs under the SEBI AIF Regulations shall continue to be regulated by the Securities



and Exchange Board of India (Venture Capital Funds) Regulations, 1996 until the existing fund or scheme managed by the fund is wound up and such fund shall not launch any new scheme after the notification of the SEBI AIF Regulations. The Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended ("**SEBI FVCI Regulations**") prescribe the investment restrictions on FVCIs.

The category I and II AIFs cannot invest more than 25% of their investible funds in one investee company. A category III AIF cannot invest more than 10% of its investible funds in one investee company. A VCF registered as a category I AIF, cannot invest more than one-third of its investible funds, in the aggregate, in certain specified instruments, including by way of subscription to an initial public offering of a venture capital undertaking. An FVCI can invest only up to 33.33% of its investible funds, in the aggregate, in certain specified instruments, which includes subscription to an initial public offering of a venture capital undertaking or an investee company (as defined under the SEBI AIF Regulations) whose shares are proposed to be listed.

Participation of AIFs, VCFs and FVCIs shall be subject to the FEMA Rules.

**All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

Our Company, the Selling Shareholder or the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

#### **Bids by limited liability partnerships**

In case of Bids 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 Bid cum Application Form. Failing this, our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof.

#### **Bids by banking companies**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee is required to be attached to the Bid cum Application Form, failing which our Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof, subject to applicable law.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949 (the "**Banking Regulation Act**"), and Master Direction – Reserve Bank of India (Financial Services provided by Banks) Directions, 2016 is 10% of the paid-up share capital of the investee company or 10% of the bank's own paid-up share capital and reserves, as per the last audited balance sheet or a subsequent balance sheet, whichever is less. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the bank's paid-up share capital and reserves. 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: (a) the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act or 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, provided that the bank is required to submit a time-bound action plan for disposal of such shares (in this sub-clause (b)) within a specified period to the RBI. A banking company would require a prior approval of the RBI to make investment in excess of 30% of the paid-up share capital of the investee company, investment in a subsidiary and a financial services company that is not a subsidiary (with certain exceptions prescribed), and investment in a non-financial services company in excess of 10% of such investee company's paid-up share capital as stated in the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended.

#### **Bids by SCSBs**

SCSBs participating in the Offer are required to comply with the terms of the circulars dated September 13, 2012 and January 2, 2013 issued by SEBI. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such Bids.

### **Bids by insurance companies**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, the Company in consultation with BRLMs, reserve the right to reject any Bid without assigning any reason thereof. The exposure norms for insurers are prescribed under Regulation 9 of the Insurance Regulatory and Development Authority of India (Investment) Regulations, 2016 (“**IRDA Investment Regulations**”), and are based on investments in the equity shares of a company, the entire group of the investee company and the industry sector in which the investee company operates. Bidders are advised to refer to the IRDA Investment Regulations for specific investment limits applicable to them and shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### **Bids by Systemically Important Non-Banking Financial Companies**

In case of Bids made by NBFC-SI, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid-cum Application Form. Failing this, our Company and the Selling Shareholder, in consultation with BRLMs, reserve the right to reject any Bid, without assigning any reason thereof. NBFC-SI participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

### **Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, eligible FPIs, AIFs, Mutual Funds, insurance companies, NBFC-SI, 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 (subject to applicable laws) and pension funds with a minimum corpus of ₹ 250 million, 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 must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholder reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Selling Shareholder in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the Selling Shareholder in consultation with the BRLMs, may deem fit.

### **Bids by provident funds/pension funds**

In case of Bids 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 Bid cum Application Form. Failing this, our Company and the Selling Shareholder, in consultation with BRLMs reserve the right to reject any Bid, without assigning any reason therefor.

### **Bids by Anchor Investors**

In accordance with the SEBI ICDR Regulations, in addition to details and conditions mentioned in this section the key terms for participation by Anchor Investors are provided below.

- (a) Anchor Investor Application Forms to be made available for the Anchor Investor Portion at the offices of the BRLMs.
- (b) The Bids are required to be for a minimum of such number of Equity Shares so that the Bid Amount exceeds ₹ 100 million. A Bid can not be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of ₹ 100 million.

- (c) One-third of the Anchor Investor Portion is reserved for allocation to domestic Mutual Funds.
- (d) Bidding for Anchor Investors will open one Working Day before the Bid/Offer Opening Date, and will be completed on the same day.
- (e) Our Company and in consultation with the BRLMs will finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum number of Allottees in the Anchor Investor Portion is not less than:
  - maximum of two Anchor Investors, where allocation under the Anchor Investor Portion is up to ₹ 100 million;
  - minimum of two and maximum of 15 Anchor Investors, where the allocation under the Anchor Investor Portion is more than ₹ 100 million but up to ₹ 2,500 million, subject to a minimum Allotment of ₹ 50 million per Anchor Investor; and
  - in case of allocation above ₹ 2,500 million under the Anchor Investor Portion, a minimum of five such investors and a maximum of 15 Anchor Investors for allocation up to ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million, subject to minimum Allotment of ₹ 50 million per Anchor Investor.
- (f) Allocation to Anchor Investors is required to be completed on the Anchor Investor Bid/Offer Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation will be made, is required to be made available in the public domain by the BRLMs before the Bid/Offer Opening Date, through intimation to the Stock Exchanges.
- (g) Anchor Investors can not withdraw or lower the size of their Bids at any stage after submission of the Bid.
- (h) Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
- (i) Neither the BRLMs nor any associate of the BRLMs (except Mutual Funds sponsored by entities which are associates of the BRLMs or insurance companies promoted by entities which are associate of BRLMs or AIFs sponsored by the entities which are associate of the BRLMs or FPIs, other than individuals, corporate bodies and family offices sponsored by the entities which are associate of the and BRLMs) can apply in the Offer under the Anchor Investor Portion.
- (j) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered as multiple Bids

**The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholder and the Book Running Lead Managers are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus, when filed. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable laws or regulation and as specified in the Red Herring Prospectus, when filed.**

**In accordance with RBI regulations, OCBs cannot participate in the Offer.**

#### **Information for Bidders**

The relevant Designated Intermediary will enter a maximum of three Bids at different price levels opted in the Bid cum Application Form and such options are not considered as multiple Bids. It is the Bidder's responsibility to obtain the acknowledgment slip from the relevant Designated Intermediary. The registration of the Bid by the Designated Intermediary does not guarantee that the Equity Shares shall be allocated/Allotted. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier Acknowledgement Slip and may request for a revised acknowledgment slip from the relevant Designated Intermediary as proof of his or her having revised the previous Bid.

In relation to electronic registration of Bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding 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 BRLMs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements, nor does it take any responsibility for the financial or other soundness of our Company, the 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 the Red Herring Prospectus or the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.

### **Pre-Offer Advertisement**

Subject to Section 30 of the Companies Act, our Company will, after filing the Red Herring Prospectus with the RoC, publish a pre-Offer advertisement, in the form prescribed by the SEBI ICDR Regulations, in [●] editions of [●], an English national daily newspaper, [●] editions of [●], a Hindi national daily newspaper, and [●] edition of [●], a Marathi daily newspaper (Marathi being the regional language of Maharashtra, where our Registered is located). Our Company shall, in the pre-Offer advertisement state the Bid/Offer Opening Date, the Bid/Offer Closing Date and the QIB Bid/Offer Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, shall be in the format prescribed in Part A of Schedule X of the SEBI ICDR Regulations.

### **Signing of Underwriting Agreement and filing of Prospectus with the RoC**

Our Company and the Selling Shareholder intend to enter into an Underwriting Agreement with the Underwriters on or after the determination of the Offer Price. After signing the Underwriting Agreement, the Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and would be complete in all material respects.

### **General Instructions**

Please note that QIBs and Non-Institutional Bidders are not permitted to withdraw their Bid(s) or lower the size of their Bid(s) (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise or withdraw their Bid(s) until the Bid/ Offer Closing Date. Anchor Investors are not allowed to withdraw or lower the size of their Bids after the Anchor Investor Bidding Date.

#### **Do's:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than Retail Individual Bidders Bidding using the UPI Mechanism) in the Bid cum Application Form and such ASBA account belongs to you and no one else. Retail Individual Bidders using the UPI Mechanism must mention their correct UPI ID and shall use only his/her own bank account which is linked to such UPI ID;
4. Retail Individual Bidders Bidding using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking is UPI 2.0 certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries;
5. Retail Individual Bidders Bidding using the UPI Mechanism shall make Bids only through the SCSBs, mobile applications and UPI handles whose name appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. RIBs shall ensure that the name of the app and the UPI handle which is used for making the application appears in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/COR/P/2019/85 dated July 26, 2019. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected;
6. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
7. Ensure that the details about the PAN, DP ID, Client ID and UPI ID (where applicable) are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in dematerialized form only;

8. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time. RIBs using UPI Mechanism, may submit their ASBA Forms with Syndicate, sub-Syndicate Members, Registered Brokers, RTA or CDP;
9. In case of joint Bids, ensure that First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;
10. Retail Individual Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and not with any other Designated Intermediary;
11. Ensure that they have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of RIBs submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
12. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
13. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
14. Bidders should ensure that they receive the Acknowledgment slip or the acknowledgement number duly signed and stamped by a Designated Intermediary, as applicable, for submission of the Bid cum Application Form;
15. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to any of the Designated Intermediaries;
16. Ensure that you submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
17. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, and (iii) any other category of Bidders, including without limitation, multilateral/ bilateral institutions, which may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
18. Ensure that the Demographic Details are updated, true and correct in all respects;
19. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
20. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
21. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;

22. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
23. Retail Individual Bidders Bidding using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
24. Note that in case the DP ID, UPI ID (where applicable), Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, UPI ID (where applicable), Client ID and PAN available in the Depository database, then such Bids are liable to be rejected;
25. However, Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs.
26. FPIs making MIM Bids using the same PAN, and different beneficiary account numbers, Client IDs and DP IDs, are required to submit a confirmation that their Bids are under the MIM structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
27. In case of QIBs and NIBs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);
28. Ensure that you have correctly signed the authorization /undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank, as applicable via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
29. Retail Individual Bidders Bidding using the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, the Retail Individual Investor shall be deemed to have verified the attachment containing the application details of the Retail Individual Investor Bidding using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to issue a request to block the Bid Amount mentioned in the Bid Cum Application Form in his/her ASBA Account;
30. Retail Individual Bidders Bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the First Bidder (in case of joint account) in the Bid cum Application Form;
31. Retail Individual Bidders Bidding using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in his/her account and subsequent debit of funds in case of allotment in a timely manner;
32. RIBs who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which RIBs should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount in the RIB's ASBA Account;
33. Ensure that Anchor Investors submit their Bid cum Application Forms only to the BRLMs.
34. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 12:00 p.m. of the Working Day immediately after the Bid/ Offer Closing Date.
35. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with Central Board of

Direct Taxes notification dated February 13, 2020 and press release dated June 25, 2021.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

**Don'ts:**

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to a Designated Intermediary;
4. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
5. Do not send Bid cum Application Forms by post, instead submit the same to the Designated Intermediary only;
6. Bids by HUFs not mentioned correctly as provided in “- *Bids by HUFs*” on page 634;
7. Anchor Investors should not Bid through the ASBA process;
8. Do not submit the ASBA Forms to any non-SCSB bank or to our Company or at a location other than the Bidding Centers;
9. Do not submit the ASBA Forms to any Designated Intermediary that is not authorised to collect the relevant ASBA Forms or to our Company;
10. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
11. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
12. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer/Issue size and/ or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
13. Do not submit your Bid after 3.00 pm on the Bid/Offer Closing Date;
14. If you are a QIB, do not submit your Bid after 3.00 p.m. on the QIB Bid/Offer Closing Date;
15. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
16. If you are a RIB and are using UPI mechanism, do not submit more than one Bid cum Application Form for each UPI ID
17. Do not submit the General Index Register (GIR) number instead of the PAN;
18. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (where applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
19. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA Account or in the case of Retail Individual Bidders Bidding using the

UPI Mechanism, in the UPI-linked bank account where funds for making the Bid are available;

20. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor. Retail Individual Bidders can revise or withdraw their Bids until the Bid/Offer Closing Date;
21. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
22. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by Retail Individual Bidders using the UPI Mechanism;
23. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
24. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
25. Do not submit more than one Bid cum Application Form per ASBA Account. If you are a Retail Individual Investor Bidding using the UPI Mechanism, do not submit Bids through an SCSB and/or mobile application and/or UPI handle that is not listed on the website of SEBI;
26. Do not submit a Bid using UPI ID, if you are not a Retail Individual Investor;
27. Do not Bid for Equity Shares more than specified by respective Stock Exchanges for each category;
28. Anchor Investors shall not bid through the ASBA Process;
29. Do not submit the Bid cum Application Form to any non-SCSB Bank or our Company;
30. Do not submit a Bid cum Application Form with third party UPI ID or using a third party bank account (in case of Bids submitted by Retail Individual Bidders using the UPI Mechanism); and
31. Do not Bid if you are an OCB.

For helpline details of the Book Running Lead Managers pursuant to the SEBI circular bearing reference number SEBI/HO.CFD.DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, see “*General Information – Book Running Lead Managers*” on page 74.

**The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.**

#### **Grounds for Technical Rejection**

In addition to the grounds for rejection of Bids on technical grounds as provided in the GID, Bidders are requested to note that Bids could be rejected on the following additional technical grounds:

1. Bids submitted without instruction to the SCSBs to block the entire Bid Amount;
2. Bids which do not contain details of the Bid Amount and the bank account details in the ASBA Form;
3. Bids submitted on a plain paper;
4. Bids submitted by RIBs using the UPI Mechanism through an SCSBs and/or using a mobile application or UPI handle, not listed on the website of SEBI;
5. Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID (subject to availability of information regarding third party account from Sponsor Bank);



6. ASBA Form submitted to a Designated Intermediary does not bear the stamp of the Designated Intermediary;
7. Bids submitted without the signature of the First Bidder or sole Bidder;
8. The ASBA Form not being signed by the account holders, if the account holder is different from the Bidder;
9. ASBA Form by the RIBs by using third party bank accounts or using third party linked bank account UPI IDs;
10. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are “suspended for credit” in terms of SEBI circular CIR/MRD/DP/ 22 /2010 dated July 29, 2010;
11. GIR number furnished instead of PAN;
12. Bids by RIBs with Bid Amount of a value of more than ₹200,000 (net of retail discount);
13. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
14. Bids accompanied by stock invest, money order, postal order or cash; and
15. Bids uploaded by QIBs after 4.00 pm on the QIB Bid/ Offer Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid/ Offer Closing Date, and Bids by RIBs uploaded after 5.00 p.m. on the Bid/ Offer Closing Date, unless extended by the Stock Exchanges.

In case of any pre-Offer or post Offer related issues regarding demat credit/refund orders/unblocking etc., investors shall reach out to the Company Secretary and Compliance Officer, and the Registrar. For details of the Company Secretary and Compliance Officer and the Registrar, see “*General Information*” on page 73.

In case of any delay in unblocking of amounts in the ASBA Accounts (including amounts blocked through the UPI Mechanism) exceeding four Working Days from the Bid/ Offer Closing Date, the Bidder shall be compensated in accordance with applicable law. Further, Investors shall be entitled to compensation in the manner specified in the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 in case of delays in resolving investor grievances in relation to blocking/unblocking of funds.

#### **Names of entities responsible for finalising the basis of allotment in a fair and proper manner**

The authorised employees of the Designated Stock Exchange, along with the BRLMs and the Registrar, shall ensure that the basis of allotment is finalised in a fair and proper manner in accordance with the procedure specified in SEBI ICDR Regulations.

#### **Method of allotment as may be prescribed by SEBI from time to time**

Our Company will not make any Allotment in excess of the Equity Shares offered through the Offer through the offer document except in case of oversubscription for the purpose of rounding off to make Allotment, in consultation with the Designated Stock Exchange. Further, upon oversubscription, an Allotment of not more than 1% of the net offer to public may be made for the purpose of making Allotment in minimum lots.

The allotment of Equity Shares to Bidders other than to the Retail Individual Bidders and Anchor Investors shall be on a proportionate basis within the respective investor categories and the number of securities allotted shall be rounded off to the nearest integer, subject to minimum allotment being equal to the minimum application size as determined and disclosed.

The allotment of Equity Shares to each Retail Individual Investor shall not be less than the minimum bid lot, subject to the availability of shares in Retail Individual Investor category, and the remaining available shares, if any, shall be allotted on a proportionate basis.

#### **Payment into Escrow Account(s) for Anchor Investors**

Our Company and the Selling Shareholder, in consultation with the BRLMs, in their absolute discretion, will

decide the list of Anchor Investors to whom the Allotment Advice will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. Anchor Investors are not permitted to Bid in the Offer through the ASBA process. Instead, Anchor Investors should transfer the Bid Amount (through direct credit, RTGS, NACH or NEFT) to the Escrow Accounts. The payment instruments for payment into the Escrow Accounts should be drawn in favour of:

- (i) In case of resident Anchor Investors: “[●]”
- (ii) In case of non-resident Anchor Investors: “[●]”

Anchor Investors should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholder, the Syndicate, the Bankers to the Offer and the Registrar to the Offer to facilitate collections from Anchor Investors.

### **Depository Arrangements**

The Allotment of the Equity Shares in the Offer shall be only in a dematerialised form, (*i.e.*, not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, tripartite agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Tripartite agreement dated August 26, 2020 amongst our Company, NSDL and Registrar to the Offer
- Tripartite Agreement dated September 29, 2021 among CDSL, our Company and Registrar to the Offer.

### **Undertakings by our Company**

Our Company undertakes the following:

- (i) that the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- (ii) that if the Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;
- (iii) that all steps will be taken for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days of the Bid/Offer Closing Date or such other time as may be prescribed;
- (iv) that funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- (v) where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- (vi) that if our Company does not proceed with the Offer after the Bid/Offer Closing Date but prior to Allotment, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- (vii) that if our Company and the Selling Shareholder, in consultation with the BRLMs, withdraw the Offer after the Bid/Offer Closing Date, our Company shall be required to file a fresh draft offer document with SEBI, in the event our Company and/or the Selling Shareholder subsequently decide to proceed with the Offer thereafter;
- (viii) that adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Application Form from Anchor Investors; and

- (ix) No further issue of Equity Shares shall be made until the Equity Shares issued or offered through the Red Herring Prospectus are listed or until the Bid monies are refunded/unblocked in the ASBA Accounts on account of non-listing, under-subscription etc.

### **Undertakings by the Selling Shareholder**

The Selling Shareholder undertakes the following in respect of themselves as the Selling Shareholder and the Offered Shares:

- (i) that the Offered Shares are eligible for being offered in the Offer for Sale in terms of Regulation 8 of the SEBI ICDR Regulations and are in dematerialised form;
- (ii) that they are the legal and beneficial owner of, and have clear and marketable title to the Offered Shares;
- (iii) that the Equity Shares being sold by them pursuant to the Offer are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances and shall be in dematerialized form at the time of transfer and shall be transferred to the eligible investors within the time specified under applicable law;
- (iv) that they shall provide all reasonable co-operation as requested by our Company in relation to the completion of Allotment and dispatch of the Allotment Advice and CAN, if required, and refund orders to the extent of the Offered Shares;
- (v) that they shall not have recourse to the proceeds of the Offer for Sale which shall be held in escrow in its favour, until final listing and trading approvals have been received from the Stock Exchanges; and
- (vi) that it will provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the BRLMs in redressal of such investor grievances that pertain to the Offered Shares.

### **Utilisation of Offer Proceeds**

Our Board certifies that:

- all monies received out of the Offer 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;
- details of all monies utilized out of the Fresh Issue shall be disclosed, and continue to be disclosed till the time any part of the Offer proceeds remains unutilized, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized; and
- details of all unutilized monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilized monies have been invested.

### **Impersonation**

Attention of the Bidders 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 for action under Section 447.”* The liability prescribed under Section 447 of the Companies Act, 2013 for fraud involving an amount of at least ₹1 million or one per cent of the turnover of the company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years and fine of an amount not less than the amount involved in the fraud, extending up to three times such amount (provided that where the fraud involves public interest, such term shall not be less than three years.) Further, where the fraud involves an amount less than ₹1 million or one per cent of the turnover of the company, whichever is lower, and does not

involve public interest, any person guilty of such fraud shall be punishable with imprisonment for a term which may extend to five years or with fine which may extend to ₹ 5 million or with both.

**Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification issued by Central Board of Direct Taxes (CBDT) on February 13, 2020, and press release dated June 25, 2021.**

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, 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. The RBI and the concerned ministries/departments are responsible for granting approval for foreign investment. The Government has from time to time made policy pronouncements on foreign direct investment (“**FDI**”) through press notes and press releases. The DPIIT, issued the Consolidated FDI Policy Circular of 2020 (“**FDI Policy**”), which, with effect from October 15, 2020, subsumes and supersedes all press notes, press releases, clarifications, circulars issued by the DPIIT, which were in force as on October 15, 2020. The FDI Policy will be valid until the DPIIT issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that: (i) the activities of the investee company are under the automatic route under the foreign direct investment policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

On October 17, 2019, Ministry of Finance, Department of Economic Affairs, had notified the FEMA Rules, which had replaced the Foreign Exchange Management (Transfer and Issue of Security by a Person Resident Outside India) Regulations 2017. Foreign investment in this Offer shall be on the basis of the FEMA Rules. Further, in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020 issued by the DPIIT and the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2020 which came into effect from April 22, 2020, any investment, subscription, purchase or sale of equity instruments by entities of a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country, will require prior approval of the Government, as prescribed in the Consolidated FDI Policy and the FEMA Rules. Further, in the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/ purview, such subsequent change in the beneficial ownership will also require approval of the Government. Pursuant to the Foreign Exchange Management (Non-debt Instruments) (Fourth Amendment) Rules, 2020 issued on December 8, 2020, a multilateral bank or fund, of which India is a member, shall not be treated as an entity of a particular country nor shall any country be treated as the beneficial owner of the investments of such bank or fund in India.

As per the FDI Policy, FDI in companies engaged in manufacturing sector is permitted up to 100% of the paid-up share capital of such company under the automatic route.

As per the existing policy of the Government of India, OCBs cannot participate in this Offer. For further details, see “*Offer Procedure*” on page 629.

**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 unless so registered, 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 U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in “offshore transactions” as defined in, and in reliance on, Regulation S and the applicable laws of each jurisdiction where such offers and sales are made.**

**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 Bids 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 Bidders. Our Company, the Selling Shareholder and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations, seek independent legal advice about its ability to participate in the Offer and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

## SECTION X – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

*The Articles of the Company comprises two parts, Part A and Part B, which shall be applicable in the following manner:*

- (a) Until the date of admission to listing and trading of the Equity Shares of the Company on BSE Limited and/or the National Stock Exchange of India Limited pursuant to an Initial Public Offering of the Company ("Listing Date"), the Articles of Association shall consist of Part A and Part B, and the provisions of Part B shall, in the event of a conflict with the provisions of Part A, prevail.*
- (b) On the Listing Date, Part B shall automatically terminate, be deleted and cease to have any force and effect, without any further action by the Company, the Board of Directors or by the Shareholders.*

### **1. Table F Applicable**

No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.

## **INTERPRETATION CLAUSE**

- 2.** In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:

### **Act**

- (a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.

### **Articles**

- (b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.

### **Auditors**

- (c) "Auditors" means and includes those persons appointed as such for the time being of the Company.

*\*Shareholders of the Company approved conversion of Company from private to public vide resolution dated October 06, 2021*

### **Capital**

- (d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.

### **Company**

- (e) "The Company" shall mean SYRMA SGS TECHNOLOGY LIMITED.

### **Executor or Administrator**

- (f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession

Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.

### **Initial Public Offering**

- (g) “Initial Public Offering” or “IPO” means the initial public offering of the Equity Shares or any other security which may be converted into or exchanged with Equity Shares (whether by a fresh issue of Equity Shares or any such other security by the Company, or a sale of the existing Equity Shares or any such other security held by a Shareholder, or a combination of both), including the listing of such Equity Shares or other security (including depository receipts), on BSE Limited or the National Stock Exchange of India Limited or an international stock exchange and such other registered stock exchange as may be agreed by the Board.

### **Legal Representative**

- (h) “Legal Representative” means a person who in law represents the estate of a deceased Member.

### **Gender**

- (i) Words importing the masculine gender also include the feminine gender.

### **In Writing and Written**

- (j) “In Writing” and “Written” includes printing lithography and other modes of representing or reproducing words in a visible form.

### **Marginal notes**

- (k) The marginal notes hereto shall not affect the construction thereof.

### **Meeting or General Meeting**

- (l) “Meeting” or “General Meeting” means a meeting of members.

### **Member**

- (m) “Member” shall mean the member of the Company holding Share or Shares of any class and whose name is entered in the Register of Members of the Company, and shall comprise the subscribers/signatories to the Memorandum of Association and these Articles, and such other persons, as the Board shall admit as members of the Company from time to time;

### **Month**

- (n) “Month” means a calendar month.

### **Annual General Meeting**

- (o) “Annual General Meeting” means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.

### **Equity Shares or Shares**

- (p) “Equity Shares” or “Shares” shall mean equity shares of the Company having a par value of INR 10 (Rupees Ten) per equity share and one vote per share;

### **Extra-Ordinary General Meeting**

- (q) “Extra-Ordinary General Meeting” means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.

**National Holiday**

- (r) “National Holiday” means and includes a day declared as National Holiday by the Central Government.

**Non-retiring Directors**

- (s) “Non-retiring Directors” means a director not subject to retirement by rotation.

**Office**

- (t) “Office” means the registered Office for the time being of the Company.

**Ordinary and Special Resolution**

- (u) “Ordinary Resolution” and “Special Resolution” shall have the meanings assigned thereto by Section 114 of the Act.

**Person**

- (v) “Person” shall be deemed to include corporations and firms as well as individuals.

**Proxy**

- (w) “Proxy” means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.

**Register of Members**

- (x) “The Register of Members” means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.

**Seal**

- (y) “Seal” means the common seal for the time being of the Company.

**Singular number**

- (z) Words importing the Singular number include where the context admits or requires the plural number and vice versa.

**Statutes**

- (aa) “The Statutes” means the Companies Act, 2013, as amended, and every other statute for the time being in force affecting the Company.

**These presents**

- (bb) “These presents” means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.

**Variation**

- (cc) “Variation” shall include abrogation; and “vary” shall include abrogate.

**Year and Financial Year**



(dd) “Year” means the calendar year and “Financial Year” shall have the meaning assigned thereto by Section 2(41) of the Act.

### **Expressions in the Act to bear the same meaning in Articles**

Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.

## **CAPITAL**

### **3. Authorized Capital**

The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.

### **4. Increase of capital by the Company how carried into effect**

The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.

### **5. Further Issue of Share Capital**

- (a) Where, at any time, it is proposed to increase the subscribed capital of the company by allotment of further shares then such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date by sending a letter of offer, subject to the following conditions, namely:
  - (i) The offer shall be made by a notice specifying the number of Shares offered and limiting a time not less than fifteen (15) days and not exceeding thirty (30) days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
  - (ii) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) hereof shall contain a statement of this right; provided that the Directors may decline, without assigning any reason to allot any Shares to any person in whose favour any member may, renounce the Shares offered to him.
  - (iii) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the Shares offered, the Board of Directors may dispose of them in such manner which is not disadvantageous to the Shareholders and the Company such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person.
  - (iv) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (ii) shall contain a statement of this right.
  - (v) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the company.

- (b) Notwithstanding anything contained in subclause (a), the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (i) of sub-clause (a) hereof) in any manner whatsoever.
  - (i) If a special resolution to that effect is passed by the company in general meeting, or
  - (ii) Where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the company.
- (c) Nothing in sub-clause (iii) of (a) hereof shall be deemed:
  - (i) To extend the time within which the offer should be accepted; or
  - (ii) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- (d) Nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debentures issued by the company:
  - (i) To convert such debentures or loans into shares in the company; or
  - (ii) To subscribe for shares in the company

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- (a) Either has been approved by the central Government before the issue of debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and
- (b) In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the company in General Meeting before the issue of the loans.

## **6. New Capital same as existing capital**

Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

## **7. Non-Voting Shares**

The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.

## **8. Redeemable Preference Shares**

Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted

shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.

#### **9. Voting rights of preference shares**

The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.

#### **10. Provisions to apply on issue of Redeemable Preference Shares**

On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions shall take effect:

- (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;
- (b) No such Shares shall be redeemed unless they are fully paid;
- (c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;
- (d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and
- (e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital.

#### **11. Reduction of capital**

The Company may (subject to the provisions of sections 52, 55, 66, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce:

- (a) the share capital;
- (b) any capital redemption reserve account; or
- (c) any security premium account

In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.

#### **12. Debentures**

Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

#### **13. Issue of Sweat Equity Shares**

The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act

of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.

#### **14. ESOP**

The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.

#### **15. Buy Back of shares**

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.

#### **16. Consolidation, Sub-Division and Cancellation**

Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

#### **17. Issue of Depository Receipts**

Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.

#### **18. Issue of Securities**

Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.

#### **19. Register of Members**

The Company shall cause to be kept a register and index of members in accordance with all applicable provisions of the Companies Act, 2013 and the Depositories Act, 1996 with details of shares held in physical and dematerialised forms in any medium as may be permitted by law including in any form of electronic medium. The Company shall be entitled to keep in any State or Country outside India a branch Register of Members Resident in that State or Country.

### **MODIFICATION OF CLASS RIGHTS**

#### **20. Modification of rights.**

(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.

Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions

of this section shall apply to such variation.

**New Issue of Shares not to affect rights attached to existing shares of that class.**

(b) The rights conferred upon the holders of the Shares including Preference Share, if any of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.

**21. Shares at the disposal of the Directors.**

Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being 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 (or at a discount, subject to compliance with Sections 53 and 54 of the Act) and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.

PROVIDED THAT option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.

**22. Power to issue shares on preferential basis.**

The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.

**23. Shares should be Numbered progressively and no share to be subdivided.**

The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.

**24. Acceptance of Shares.**

An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.

**25. Directors may allot shares as full paid-up**

Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.

**26. Deposit and call etc. to be a debt payable immediately.**

The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.

## **27. Liability of Members.**

Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.

## **28. Registration of Shares.**

Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.

### **RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT**

- 29.** The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Section 39 of the Act

### **CERTIFICATES**

## **30. Share Certificates.**

- (a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve.

PROVIDED THAT in respect of a 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 of shares to one or several joint holders shall be a sufficient delivery to all such holders.

- (b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.

## **31. Issue of new certificates in place of those defaced, lost or destroyed.**

- (a) If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof 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 lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate.
- (b) Every certificate under the article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding ₹ 2 for each certificate) as the Directors shall prescribe.

PROVIDED THAT no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer and that fees will also not be charged for registration of transfer, transmission, succession certificate, certificate of death or marriage.

FURTHER PROVIDED THAT notwithstanding what is stated above, the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Companies Act, 2013 or rules made under Securities Contracts (Regulation) Act, 1956 or any other act, or rules applicable thereof in this behalf.

(c) The provision of this Article shall mutatis mutandis apply to debentures of the company.

**32. The first named joint holder deemed Sole holder.**

(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.

**Maximum number of joint holders.**

(b) The Company shall not be bound to register more than three persons as the joint holders of any share.

**33. Company not bound to recognise any interest in share other than that of registered holders.**

Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

**34. Instalment on shares to be duly paid.**

If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalment, every such instalment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.

## **UNDERWRITING AND BROKERAGE**

**35. Commission**

Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

**36. Brokerage**

The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.

## **CALLS**

**37. Directors may make calls**

(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys

unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.

(2) A call may be revoked or postponed at the discretion of the Board.

(3) A call may be made payable by instalments.

### **38. Notice of Calls**

Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.

### **39. Calls to date from resolution.**

A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.

### **40. Calls on uniform basis.**

Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.

### **41. Directors may extend time.**

The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.

### **42. Calls to carry interest.**

If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.

### **43. Sums deemed to be calls.**

If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or instalment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or instalment accordingly.

### **44. Proof on trial of suit for money due on shares.**

On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books; and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles; and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.



**45. Judgment, decree, partial payment motto proceed for forfeiture.**

Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.

**46. Payments in Anticipation of calls may carry interest**

- (a) The Board may, if it thinks fit, subject to compliance with applicable law, agree to and receive from any Member willing to advance the same, all or any part of the amounts due of his respective shares beyond the sums, actually called up and upon the moneys so paid or satisfied in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.
- (b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.
- (c) The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.

**LIEN**

**47. Company to have Lien on shares.**

The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.

**48. Fully paid shares to be free from all lien**

Fully paid shares of the Company shall be free from all lien. In the case of partly paid shares, the Company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares.

**49. As to enforcing lien by sale.**

For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.

**50. Application of proceeds of sale.**

The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to 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.

**FORFEITURE AND SURRENDER OF SHARES**

**51. If call or instalment not paid, notice may be given.**

If any Member fails to pay the whole or any part of any call or instalment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or instalment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or instalment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or instalment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.

**52. Terms of notice.**

The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or instalment and such interest thereon as the Directors shall determine from the day on which such call or instalment ought to have been paid and expenses as aforesaid are to be paid.

The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

**53. On default of payment, shares to be forfeited.**

If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or instalments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.

**54. Notice of forfeiture to a Member**

When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.

**55. Forfeited shares to be property of the Company and may be sold etc.**

Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.

**56. Members still liable to pay money owing at time of forfeiture and interest.**

Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, instalments, interest and expenses owing upon

or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.

**57. Effect of forfeiture.**

The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

**58. Evidence of Forfeiture.**

A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles 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 shares.

**59. Title of purchaser and allottee of Forfeited shares.**

The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: 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, re-allotment or other disposal of the shares.

**60. Cancellation of share certificate in respect of forfeited shares.**

Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.

**61. Forfeiture may be remitted.**

In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.

**62. Validity of sale**

Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

**63. Surrender of shares.**

The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.

**TRANSFER AND TRANSMISSION OF SHARES**

**64. Execution of the instrument of shares.**

- (a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee.
- (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.

**65. Transfer Form.**

The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.

The instrument of transfer shall be in a common form approved by the Exchange.

**66. Transfer not to be registered except on production of instrument of transfer.**

The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.

**67. Directors may refuse to register transfer.**

Subject to the provisions of Section 58 and 59 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, these Articles and other applicable provisions of the Act, the Directors may, whether in pursuance of any power of the company under these Articles or otherwise, decline to register the transfer of, or the transmission by operation of law of the right to, any shares, or interest of a Member therein, or debentures of the Company. The Company shall, within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal.

PROVIDED THAT registration of transfer shall however not be refused 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.

**68. Notice of refusal to be given to transferor and transferee.**

If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.

**69. No fee on transfer.**

No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.

**70. Closure of Register of Members or debenture holder or other security holders**

The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.

**71. Custody of transfer Deeds.**

The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.

**72. Application for transfer of partly paid shares.**

Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

**73. Notice to transferee.**

For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

**74. Recognition of legal representative.**

- (a) 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 person recognized by the Company as having any title to his interest in the shares.
- (b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.

Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate

- (c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

**75. Titles of Shares of deceased Member**

The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Companies Act.

**76. Notice of application when to be given**

Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.

**77. Registration of persons entitled to share otherwise than by transfer. (transmission clause).**

Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.

**78. Refusal to register nominee.**

Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

**79. Board may require evidence of transmission.**

Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.

**80. Company not liable for disregard of a notice prohibiting registration of transfer**

The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.

**81. Form of transfer Outside India.**

In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.

**82. No transfer to insolvent etc.**

No transfer shall be made to any minor, insolvent or person of unsound mind.

**NOMINATION**

**83. Nomination**

- i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.
- ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014
- iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.
- iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.

#### **84. Transmission of Securities by nominee**

A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-

- (i) to be registered himself as holder of the security, as the case may be; or
- (ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;
- (iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;
- (iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

PROVIDED FURTHER 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 or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.

### **DEMATERIALISATION OF SHARES**

#### **85. Dematerialisation of Securities**

- 1) Notwithstanding anything contained herein, the Company shall be entitled to dematerialize its shares, debentures and other securities pursuant to the Depositories Act, 1996.
- 2) Every Person subscribing to the Shares offered by the Company shall have the option to receive Share certificates or to hold the Shares with a depository. Where Person opts to hold any Share with the depository, the Company shall intimate such depository of details of allotment of the Shares to enable the depository to enter in its records the name of such Person as the beneficial owner of such Shares. Such a Person who is the beneficial owner of the Shares can at any time opt out of a depository, if permitted by the law, in respect of any Shares in the manner provided by the Depositories Act, 1996 and the regulations made thereunder and the Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of Shares. In the case of transfer of Shares or other marketable securities where the Company has not issued any certificates and where such Shares or securities are being held in an electronic and fungible form, the provisions of the Depositories Act shall apply.

- 3) If a Person opts to hold his Shares with a depository, the Company shall intimate such depository the details of allotment of the Shares, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the Shares.
- 4) Subject to the applicable provisions of the Act, either the Company or the investor may exercise an option to issue, deal in, hold the securities (including shares) with a depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification thereto or re-enactment thereof.
- 5) All Shares held by a depository shall be dematerialized and shall be in a fungible form.
- 6) Notwithstanding anything to the contrary contained in the Act or the Articles, a depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of Shares on behalf of the beneficial owner.
- 7) Save as otherwise provided in (6) above, the depository as the registered owner of the Shares shall not have any voting rights or any other rights in respect of Shares held by it.
- 8) Every person holding Shares of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be the owner of such Shares and shall also be deemed to be a Shareholder of the Company. The beneficial owner of the Shares shall be entitled to all the liabilities in respect of his Shares which are held by a depository. The Company shall be further entitled to maintain a register of Members with the details of Members holding Shares both in material and dematerialized form in any medium as permitted by law including any form of electronic medium.
- 9) Notwithstanding anything in the Act or the Articles to the contrary, where Shares are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of disks, drives or any other mode as prescribed by law from time to time.
- 10) Nothing contained in the Act or the Articles regarding the necessity to have distinctive numbers for securities issued by the Company shall apply to securities held with a depository.
- 11) The Company shall cause to be kept a register and index of members in accordance with all applicable provisions of the Act and the Depositories Act, 1996, containing details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by law(s) including any form of electronic media.
- 12) The Company shall have the power to keep in any state or country outside India a branch register resident in that state or country.

## **JOINT HOLDER**

### **86. Joint Holders**

Where two or more persons are registered as the holders of any share, they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.

### **87. Joint and several liabilities for all payments in respect of shares.**

- (a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.

#### **Title of survivors.**



- (b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;

**Receipts of one sufficient.**

- (c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and

**Delivery of certificate and giving of notices to first named holders.**

- (d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall be deemed to be service on all the holders.

## **SHARE WARRANTS**

**88. Power to issue share warrants**

The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.

**89. Deposit of share warrants**

- (a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.
- (b) Not more than one person shall be recognized as depositor of the Share warrant.
- (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.

**90. Privileges and disabilities of the holders of share warrant**

- (a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.
- (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.

**91. Issue of new share warrant coupons**

The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.

## **CONVERSION OF SHARES INTO STOCK**

**92. Conversion of shares into stock or reconversion.**

The Company may, by ordinary resolution in General Meeting.

- a) convert any fully paid-up shares into stock; and
- b) re-convert any stock into fully paid-up shares of any denomination.

**93. Transfer of stock.**

The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation 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.

**94. Rights of stock holders.**

The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.

**95. Regulations.**

Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words “share” and “shareholders” in those regulations shall include “stock” and “stockholders” respectively.

## **BORROWING POWERS**

**96. Power to borrow**

Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, anybody corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company’s Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.

**97. Issue of discount etc. or with special privileges.**

Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.

**98. Securing payment or repayment of Moneys borrowed.**

The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities

between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.

**99. Bonds, Debentures etc. to be under the control of the Directors.**

Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.

**100. Mortgage of uncalled Capital.**

If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.

**101. Indemnity may be given.**

Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.

**MEETINGS OF MEMBERS**

**102. Distinction between AGM & EGM.**

All the General Meetings of the Company other than Annual General Meetings shall be called Extraordinary General Meetings.

**103. Extra-Ordinary General Meeting by Board and by requisition**

- (a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members

**Proceedings at General Meeting**

- (b) No business shall be transacted at any general meeting unless quorum of members, as stipulated under the provisions of the Act, is present at the time when the meeting proceeds to business.
- (c) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103 of the Act.

**When a Director or any two Members may call an Extra Ordinary General Meeting**

- (d) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.

**104. Meeting not to transact business not mentioned in notice.**

No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.

#### **105. Chairman of General Meeting**

The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Vice Chairman of the Company so shall take the chair and preside the meeting. In the absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting.

#### **106. Business confined to election of Chairman or Vice Chairman whilst chair is vacant.**

No business, except the election of a Chairman or Vice Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.

#### **107. Chairman with consent may adjourn meeting.**

- a) 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.
- b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- c) 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.
- d) 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.

#### **108. Chairman's casting vote.**

In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.

#### **109. In what case poll taken without adjournment.**

Any poll duly demanded on the election of Chairman or Vice Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.

#### **110. Demand for poll not to prevent transaction of other business.**

The demand for a poll except on the question of the election of the Chairman or Vice Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

### **VOTES OF MEMBERS**

#### **111. Members in arrears not to vote.**

No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.

#### **112. Number of votes each member entitled.**

Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in

proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.

**113. Casting of votes by a member entitled to more than one vote.**

On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.

**114. Vote of member of unsound mind and of minor**

A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor 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.

**115. Postal Ballot**

Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.

**116. E-Voting**

A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

**117. Votes of joint members.**

- a) 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. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.
- b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

**118. Votes may be given by proxy or by representative**

Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles

**119. Representation of a body corporate.**

A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.

**120. Members paying money in advance.**

- (a) A member paying the whole or a part of the amount remaining unpaid on any share held by him

although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.

**Members not prohibited if share not held for any specified period.**

- (b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.

**121. Votes in respect of shares of deceased or insolvent members.**

Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.

**122. No votes by proxy on show of hands.**

No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.

**123. Appointment of a Proxy.**

The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

**124. Form of proxy.**

An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

**125. Validity of votes given by proxy notwithstanding death of a member.**

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.

**126. Time for objections to votes.**

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.

**127. Chairperson of the Meeting to be the judge of validity of any vote.**

Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

## **DIRECTORS**

### **128. Number of Directors**

Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution. The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of applicable law. Further, such appointment of such Independent Directors shall be in terms of, and subject to, the aforesaid provisions of applicable law.

### **129. Qualification shares.**

A Director of the Company shall not be bound to hold any Qualification Shares in the Company.

### **130. Nominee Directors.**

- (a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to the financing company or body or financing corporation or credit corporation or bank or any insurance corporation (each such financing company or body or financing corporation or credit corporation or bank or any insurance corporation is hereinafter referred to as financial institution) out of any loans granted by the financial institution to the Company or so long as the financial institution hold Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the financial institution on behalf of the Company remains outstanding, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement.
- (b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.
- (c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.

### **131. Appointment of alternate Director.**

The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

### **132. Additional Director**

Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.

### **133. Directors power to fill casual vacancies.**

Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated

before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.

**134. Sitting Fees.**

Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.

**135. Travelling expenses Incurred by Director on Company's business.**

The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.

**PROCEEDINGS OF THE BOARD OF DIRECTORS**

**136. Meetings of Directors.**

- (a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.
- (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

**Quorum**

No business shall be transacted at any Board meeting unless quorum of Directors, as stipulated under the provisions of the Act, is present at the time when the meeting proceeds to business

**137. Chairman and Vice Chairman**

- a) The Directors may from time to time elect from among their members a Chairperson of the Board as well as a Vice Chairman of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, to the Vice Chairman shall preside at the meeting and in the absence of the Vice Chairman as well, the Directors present may choose one of the Directors among themselves to preside the meeting.
- b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.

**138. Questions at Board meeting how decided.**

Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman or the Vice Chairman, as the case may be will have a second or casting vote.

**139. Continuing directors may act notwithstanding any vacancy in the Board**

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.

**140. Directors may appoint committee.**

Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting



of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfilment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.

**141. Committee Meetings how to be governed.**

The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

**142. Chairperson of Committee Meetings**

- a) A committee may elect a Chairperson of its meetings.
- b) 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.

**143. Meetings of the Committee**

- a) A committee may meet and adjourn as it thinks fit.
- b) 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.

**144. Acts of Board or Committee shall be valid notwithstanding defect in appointment.**

Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.

**145. Power to fill casual vacancy**

Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.

**POWERS OF THE BOARD**

**146. Powers of the Board**

The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However, no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

#### **147. Certain powers of the Board**

Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say:

##### **To acquire any property, rights etc.**

- (1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.

##### **To take on Lease.**

- (2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.

##### **To erect & construct.**

- (3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.

##### **To pay for property.**

- (4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.

##### **To insure properties of the Company.**

- (5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.

##### **To open Bank accounts.**

- (6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.

##### **To secure contracts by way of mortgage.**

- (7) To secure the fulfilment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.

**To accept surrender of shares.**

- (8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.

**To appoint trustees for the Company.**

- (9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.

**To conduct legal proceedings.**

- (10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or foreign law and either in India or abroad and observe and perform or challenge any award thereon.

**Bankruptcy & Insolvency**

- (11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.

**To issue receipts & give discharge.**

- (12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.

**To invest and deal with money of the Company.**

- (13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.

**To give Security by way of indemnity.**

- (14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;

**To determine signing powers.**

- (15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.

**Commission or share in profits.**

- (16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.

**Bonus etc. to employees.**

- (17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.

**Transfer to Reserve Funds.**

- (18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.

**To appoint and remove officers and other employees.**

- (19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.

**To appoint Attorneys.**

- (20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.

**To enter into contracts.**

- (21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.

**To make rules.**

- (22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.

**To effect contracts etc.**

- (23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.

**To apply & obtain concessions licenses etc.**

- (24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.

**To pay commissions or interest.**

- (25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.

**To redeem preference shares.**

- (26) To redeem preference shares.

**To assist charitable or benevolent institutions.**

- (27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.
- (28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.
- (30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.
- (31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.
- (32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.

- (33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.
- (34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.
- (35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.
- (36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.
- (37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.
- (38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.

## **MANAGING AND WHOLE-TIME DIRECTORS**

### **148. Powers to appoint Managing/ Wholetime Directors.**

- a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.
- b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.

### **149. Remuneration of Managing or Wholetime Director.**

The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.

### **150. Powers and duties of Managing Director or Whole-time Director.**

- (1) Subject to control, direction and supervision of the Board of Directors, the day-today management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.

- (2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.
- (3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.
- (4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.
- (5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.

**CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER**

**151. Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer**

- a) Subject to the provisions of the Act,—
  - i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
  - ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
- b) 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**

**152. The seal, its custody and use.**

- (a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.
- (b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.

**153. Deeds how executed.**

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 authorized 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.

### **Dividend and Reserves**

#### **154. Division of profits.**

- (1) 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.
- (2) 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.
- (3) 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.

#### **155. The company in General Meeting may declare Dividends.**

The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.

#### **156. Transfer to reserves**

- a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

#### **157. Interim Dividend.**

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.

#### **158. Debts may be deducted.**

The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

#### **159. Capital paid up in advance not to earn dividend.**

No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.

#### **160. Dividends in proportion to amount paid-up.**

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 dividends as from a particular date such share shall rank for dividend accordingly.

**161. Retention of dividends until completion of transfer under Articles.**

The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.

**162. No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.**

No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.

**163. Effect of transfer of shares.**

A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.

**164. Dividend to joint holders.**

Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.

**165. Dividends how remitted.**

- a) 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.
- b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.

**166. Notice of dividend.**

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.

**167. No interest on Dividends.**

No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.

**168. Unpaid or unclaimed dividend**

- a) The Company shall comply with the provisions of the Act in respect of any dividend remaining unpaid or unclaimed with the Company. If the Company has declared a Dividend but which has not been paid or the Dividend warrant in respect thereof has not been posted or sent within 30 (thirty) days from the date of declaration, the Company shall, within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days, transfer the total amount of dividend, which remained so unpaid or unclaimed to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account".
- b) Any money so transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the

Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investor Education and Protection Fund".

- c) Further, there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law.

## **CAPITALIZATION**

### **169. Capitalization.**

- (1) The Company in General Meeting may, upon the recommendation of the Board, resolve:
  - (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and
  - (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
- (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:
  - (i) paying up any amounts for the time being unpaid on any shares held by such members respectively;
  - (ii) 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; or
  - (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).
- (3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.
- (4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

### **170. Fractional Certificates.**

- (1) 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 to do all acts and things required to give effect thereto.
- (2) The Board shall have full power -
  - (a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also
  - (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 the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.
- (3) Any agreement made under such authority shall be effective and binding on all such members.
- (4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article,

the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.

**171. Inspection of Minutes Books of General Meetings.**

- (1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.
- (2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.

**172. Inspection of Accounts**

- a) 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.
- b) 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.

**FOREIGN REGISTER**

**173. Foreign Register.**

The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.

**DOCUMENTS AND SERVICE OF NOTICES**

**174. Signing of documents & notices to be served or given.**

Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.

**175. Authentication of documents and proceedings.**

Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.

**WINDING UP**

**176. Subject to the provisions of Chapter XX of the Act and rules made thereunder—**

- (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.
- (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.

- (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

## **INDEMNITY**

### **177. Directors' and others right to indemnity.**

Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.

### **178. Not responsible for acts of others**

Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.

## **SECRECY**

### **179. Secrecy**

- (a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a court of law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

#### **Access to property information etc.**

- (b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.

## **PART – B**

## **180. OVERRIDING EFFECT**

- 180.1. The provisions of Part B shall be applicable only to the Parties to the Shareholders' Agreement with respect to their rights and obligations and to no other shareholder/member of the Company. Subject to the requirements of applicable Law, in the event of any conflict (direct or indirect) between the provisions of Articles 1 to 179 of Part A and Articles 180 to 195 of Part B (Articles 180 to 195 being and are referred to as the "**Amended Articles**" or "**Restated Articles**"), the provisions of Part B shall prevail. For any clarification with respect to Part B of these Amended Articles, reference shall be made to the Shareholders' Agreement. Terms capitalized but not defined in this Part B shall have the meaning ascribed to them under the Shareholders' Agreement. Further, the Company agrees with the Parties to the Shareholders' Agreement that to the extent any other provisions of the Shareholders' Agreement are required to be incorporated into these Amended Articles for their enforceability against the relevant party/s to the Shareholders' Agreement, such provisions shall be deemed to be incorporated by reference into these Amended Articles.
- 180.2. The plain meaning of the Amended Articles shall always be given effect to, and no rules of harmonious construction shall be applied to resolve conflicts between:
- (i) Articles 1 to 179 on the one hand; and
  - (ii) The Amended Articles, on the other.
- 180.3. In accordance with the provisions of sections 5(3) and 5(4) of the Companies Act, all the Articles contained within these Articles of Association are considered to be entrenched for the purposes of the Companies Act, and any amendment whatsoever of these Articles would require the consent of all the members of the Company (including the Investors, except in accordance with Clause 17 of the Shareholders' Agreement).
- 180.4. The Investor Fund and the Co-investor shall hereinafter, jointly and severally, be referred to as the **Investors**. It is hereby clarified that (a) all the rights of the Investors under the Shareholders' Agreement shall be exercised by the Investor Fund; and (b) any decision taken by the Investor Fund under the Shareholders' Agreement shall be binding on the Co-investor. The Investor Fund shall be authorised to communicate any information, under these Amended Articles, provided (a) by either of the Investors to a Party; or (b) to it by a Party, to the Co-investor.

## **181. BOARD OF DIRECTORS**

- 181.1. The Board of the Company shall consist of such number of directors along with the composition, as may be required or permitted under Applicable Law. Subject to Article 190 (Fall Away), the Investor Fund shall be entitled to appoint and maintain in office up to 1 (one) director (and to remove from office any director so appointed and to appoint another director in the place of the director so removed by the Investor Fund) (the Investor Director) on and from the Closing Date. The Investor Director shall not be liable to retire by rotation.
- 181.2. No Person, other than the Investor Fund appointing its Investor Director, shall have the power or right to remove and replace such Investor Director. To the extent permissible by applicable Law, the appointment of the Investor Director shall be by direct nomination by the Investor Fund individually, and any appointment or removal, unless the contrary intention appears, shall take effect from the date it is notified to the Company in writing. If applicable Law does not permit the Person nominated by the Investor Fund to be appointed as a director or alternate director of the Company merely by nomination by the Investor Fund, then the Company the Second Promoter and the SGS Shareholders shall ensure that the Board forthwith (and in any event within 7 (seven) days of such nomination or at the next Board meeting, whichever is earlier) appoints such Person as a director or alternate director, as the case may be, of the Company, and further ensure that, unless the Investor Fund changes or withdraws such nomination, such Person shall also be elected as a director or alternate director, as the case may be, of the Company, at the next general meeting of the Shareholders. Each Shareholder shall promptly vote in favour of the director and alternate director nominees nominated pursuant to the preceding sentence.

- 181.3. Subject to Article 190 (*Fall away*) the SGS Shareholders shall be entitled to appoint and maintain in office up to 2 (two) directors (and to remove from office any director so appointed and to appoint another director in the place of the director so removed by the SGS Shareholders) (the SGS Directors) on the Board. No Person, other than the SGS Shareholders appointing their SGS Directors, shall have the power or right to remove and replace such SGS Directors. To the extent permissible by applicable Law, the appointment of the SGS Directors shall be by direct nomination by the SGS Shareholders and any appointment or removal, unless the contrary intention appears, shall take effect from the date it is notified to the Company in writing. If applicable Law does not permit the Person nominated by the SGS Shareholders to be appointed as a director or alternate director of the Company merely by nomination by the SGS Shareholders, then the Company, the Investors and the Second Promoter shall ensure that the Board forthwith (and in any event within 7 (seven) days of such nomination or at the next Board meeting, whichever is earlier) appoints such Person as a director or alternate director, as the case may be, of the Company and further ensure that, unless the SGS Shareholders change or withdraw such nomination, such Person shall also be elected as a director or alternate director, as the case may be, of the Company, at the next general meeting of the Shareholders. Each Shareholder shall promptly vote in favour of the director and alternate director nominees nominated pursuant to the preceding sentence.
- 181.4. The Second Promoter shall be entitled to appoint and maintain in office up to 4 (four) directors on the Board (and to remove from office any director so appointed and to appoint another director in the place of the director so removed by the Second Promoter) (the **Promoter Directors**). It is agreed between the Parties that until the SGS Shareholders are Shareholders in the Company, one of the Promoter Directors shall always be the First Promoter, provided that the First Promoter is not incapable of holding a directorship or performing his duties as a director, due to (a) applicable Law; (b) any incapacity; (c) illness; or (d) any other personal exigency. No Person, other than the Second Promoter appointing the Promoter Directors, shall have the power or right to remove and replace such Promoter Directors. To the extent permissible by applicable Law, the appointment of the Promoter Directors shall be by direct nomination by the Second Promoter and any appointment or removal, unless the contrary intention appears, shall take effect from the date it is notified to the Company in writing. If applicable Law does not permit the Person nominated by the Second Promoter to be appointed as a director or alternate director of the Company merely by nomination by the Second Promoter, the Company, , the SGS Shareholders and the Investors shall ensure that the Board forthwith (and in any event within 7 (seven) days of such nomination or at the next Board meeting, whichever is earlier) appoints such Person as a director or alternate director, as the case may be, of the Company and further ensure that, unless the Second Promoter changes or withdraws such nomination, such Person shall also be elected as a director or alternate director, as the case may be, of the Company, at the next general meeting of the Shareholders. Each Shareholder shall promptly vote in favour of the director and alternate director nominees nominated pursuant to the preceding sentence.
- 181.5. For the avoidance of doubt, the Investor Director and the SGS Directors shall not be construed or counted by the Company as an independent director for the purpose of determining the number of independent directors which the Company is required to have on its Board under applicable Law.
- 181.6. Without prejudice to the above, each of the Parties hereto agree to exercise all powers and rights available to them so as to fix the number of directors in accordance with this Article 181 and to ensure that the Person nominated by the Investor Fund, the Second Promoter and the SGS Shareholders are expeditiously appointed or removed (as the Investor Fund or the Second Promoter or the SGS Shareholders may specify in relation to their respective nominee) as a director of the Company and the nominations / appointments and removals referred to in this Article 181 result in the Persons nominated / appointed or removed, becoming or ceasing to be directors of the Company.
- 181.7. None of the Investor Director, the Promoter Directors or the SGS Directors shall be required to hold any qualification shares in the Company.

- 181.8. The chairman of the Company, or of any meeting of the Board, shall be a Promoter Director (the **Chairman**). The Chairman shall not have a casting vote.
- 181.9. The Investor Director, the SGS Directors and the Promoter Directors or their respective alternate directors shall, at all times, be entitled to be members of each committee of the Board including the audit committee. The terms of reference / scope of work of these committees shall be as determined by the Board and will be recorded in the Board resolutions forming / reconstituting such committees. The provisions of this Article 97 shall *mutatis mutandis* apply to a meeting of a committee constituted by the Board. For the avoidance of doubt, it is hereby clarified that since the Operational Committee is not a committee of the Board, the Investors shall not be entitled to be members of the Operational Committee and the constitution of the Operational Committee shall be in accordance with the relevant provisions of the Shareholders' Agreement.
- 181.10. The Investor Fund or the Second Promoter or the SGS Shareholders shall be entitled to nominate an alternate director to their Investor Director Promoter Directors or SGS Directors, as the case may be, and the Board shall appoint such person as alternate director to the Investor Director, the Promoter Directors or the SGS Directors, as applicable.
- 181.11. Subject to Article 190 (*Fall Away*), in addition to the right to appoint an Investor Director and an alternate director, SGS Directors and their alternate directors, as the case may be, on the Board, each of the Investor Fund and the SGS Shareholders shall also be entitled to appoint an individual as an observer (each an **Investor Observer** and an **SGS Observer** and collectively, the **Observers**) to the Board and the committees of the Company including but not limited to the audit committee, nomination and remuneration committee and corporate governance committee. Such Observers shall have the right to attend any and all meetings of the Board, Shareholders and committees of the Company, without voting rights and will not be counted towards the quorum for such meetings. The Observers shall be permitted to speak at such meetings and the observations of such Observer shall be recorded in the minutes of such meetings. For the avoidance of doubt, the Investor Fund and the SGS Directors shall not be entitled to appoint an Investor Director or the SGS Directors and an Investor Observer or the SGS Observer at the same time, as the case may be, on the Board and the committees of the Company. For the avoidance of doubt, it is hereby clarified that the Investors shall not be entitled to appoint an Investor Observer on the Operational Committee.
- 181.12. The Observers shall have the right to receive all information as shall be provided to the directors of the Company.
- 181.13. The Company shall reimburse members of the Board for reasonable travel and out-of-pocket expenses incurred to attend meetings of the Board, Shareholders and committees and for any other work undertaken for the Company in terms of the Company's directors' remuneration policy, as approved by the Board from time to time. Such directors' remuneration policy shall be prepared by the Company pursuant to discussions with the SGS Directors, and any amendments to such policy shall require prior approval of the SGS Directors.
- 181.14. The Parties expressly agree and undertake that the Investor Director shall be a non-executive director and shall not be responsible for the day to day management or affairs of the Company. No Investor Director shall be designated / considered to be an 'officer who is in default', the 'manager' and / or the 'occupier' of any premises used by the Company or such other designation to hold him or her responsible for complying with all Laws, for and on behalf of the Company, for the purposes of any provisions of the Companies Act, the Factories Act, 1948 and / or any other applicable Law. Without prejudice to the generality of the foregoing, the Investor Director shall be entitled to all immunities that a non-executive director is entitled to under applicable Law.
- 181.15. The Parties expressly agree and undertake that for a period of 2 (two) years from the Closing Date, the SGS Directors (except SN) shall be involved in, and be responsible for the day to day management and affairs of the Company with respect to the executive position held by them. Upon the expiry of 2 (two) years from the Closing Date, the SGS Directors shall, at their sole discretion, decide to continue in executive positions on the Board. In the event the SGS Directors do not hold executive positions on the Board, then the SGS Directors shall be non-executive directors on the Board and shall not be responsible for any day to day management or affairs of

the Company. Notwithstanding anything provided in this Article 181.15, but subject to applicable Law, no SGS Director shall be designated / considered to be an ‘officer who is in default’, the ‘manager’ and / or the ‘occupier’ of the SGS Teknik’s plants or such other designation to hold him or her responsible for complying with any Laws, for and on behalf of the Company including for the purposes of any provisions of the Companies Act, the Factories Act, 1948 and / or any other applicable Law.

181.16. Without prejudice to the generality of the foregoing, the Parties expressly agree and undertake that, unless otherwise specified in writing by the Investor Fund, they shall not identify or designate the Investor Director with the responsibility of complying with any Law, including but not limited to, defaults under the Companies Act, Environmental Laws, Social Laws, Laws relating to tax or labour, Anti-Corruption Laws, and all applicable rules / regulations framed thereunder (central or state), or regulations, for and on behalf of the Company, or as occupiers of any premises used or occupied by the Company, or as an employer under any applicable Law.

181.17. JSG has agreed to be a ‘promoter’ of the Company and will therefore, with effect from the Closing Date, be a promoter of the Company.

181.18. The Company has obtained adequate directors’ and officers’ liability insurance for all its directors for an amount of INR 300,000,000 (Rupees three hundred million), on terms acceptable to the Investor Fund and the SGS Shareholders.

181.19. The Company shall indemnify, defend and hold harmless the Investor Director, the Promoter Directors and the SGS Directors (the *Indemnitee*) who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he or she is or was a director of the Company, to the fullest extent permitted by applicable Law, from and against all reasonable expenses and costs (including, without limitation, reasonable attorneys’ fees, experts’ fees, court costs, retainers, transcript fees, duplicating, printing and binding costs, as well as telecommunications, postage and courier charges) (the *Expenses*), damages, judgments, fines, penalties, excise taxes and amounts paid in settlement (including all interest, assessments and other charges paid or payable in connection with or in respect of such Expenses, damages, judgments, fines, penalties, excise taxes or amounts paid in settlement, provided that the settlement is for a monetary claim), actually incurred by him or her in connection with such action, suit or proceeding (the *Indemnifiable Amounts*). Additionally, the Company agrees that:

181.19.1. if requested by the Indemnitee, the Company shall pay any and all Expenses incurred by the Indemnitee, either by (i) paying such Expenses on behalf of the Indemnitee, or (ii) reimbursing the Indemnitee for such Expenses;

181.19.2. if the Indemnitee is entitled under any provision of these Amended Articles to indemnification by the Company for some or a portion of the Expenses or other Indemnifiable Amounts in respect of a claim but not, however, for the total amount thereof, the Company shall indemnify the Indemnitee for the portion thereof to which the Indemnitee is entitled; and

181.19.3. the rights of the Indemnitee hereunder shall be in addition to any other rights the Indemnitee may have under these Amended Articles or otherwise. To the extent that a change in applicable Law permits greater indemnification by agreement than would be afforded currently under these Amended Articles, it is the intent of the Parties hereto that the Indemnitee shall enjoy by these Amended Articles, the greater benefits so afforded by such change.

## **182. BOARD AND SHAREHOLDERS MEETINGS**

182.1. The Board and the committee(s) of the Board shall meet at least once every quarter and at least 4 (four) times a year, unless the Board decides different time intervals for meetings of the committees. At least 10 (ten) Business Days’ notice of each Board (or committee of the Board) meeting shall be given prior to such meeting or such shorter period as the directors on the Board (or committee of the Board), including the Investor Director and the SGS Directors, may agree.



The agenda for each Board (or committee of the Board) meeting and all agenda papers connected therewith and / or proposed to be placed or tabled before the Board (or committee of the Board) shall be circulated together with the notice for such meeting, and, no items, save and except those specified in the agenda, may be discussed at any Board (or committee of the Board) meeting, except with the Investors' Consent, SGS Shareholders' Consent and the unanimous consent of all the directors. Meetings of the Board (or committee of the Board) may be held at any place which has been designated in the notice of the meeting or at such place as may be approved by the Board (or committee of the Board).

- 182.2. The quorum for a meeting of the Board (or committee of the Board) shall be the presence of such number of directors as required under these Amended Articles and applicable Law, provided that the Investor Director or its alternate director, 1 (one) SGS Director or its alternate director and 1 (one) Promoter Director shall be present throughout the meeting in order to constitute quorum, unless otherwise agreed in writing in advance by the Investor Fund, the Second Promoter and the SGS Shareholders, as the case may be. If the quorum is not present, then the meeting shall be adjourned by 7 (seven) Business Days, to be held at the same place and time as the original meeting and at such adjourned meeting, the quorum requirement shall remain the same. If the quorum is not present even in the first adjourned meeting, then the meeting shall be adjourned by 7 (seven) Business Days and at such second adjourned meeting, the directors present shall form quorum.
- 182.3. No matter in relation to the items specified in Article 183 and **Schedule 1** (*Investor Reserved Matters*) and Article 185 and **Schedule 2** (*SGS Reserved Matters*) shall be included in the agenda without the Investors' Consent or the SGS Shareholders' Consent, as the case may be, which consent may be intimated to the Company in respect of such Reserved Matter within 7 (seven) Business Days of the Investor Fund and the Investor Director or the SGS Shareholders and the SGS Directors, as the case may be, receiving the notice and acknowledging receipt thereof (the **Period**). In the event that the Investor Fund or the SGS Shareholders decide against the Reserved Matter item or fail to communicate their decision with respect to the Reserved Matter item within the Period, no action, discussion or voting on such Reserved Matter shall be taken up in respect of any of the Reserved Matters, whether at Board level, Shareholder level or otherwise. The Symra Promoters shall not exercise any of their rights hereunder to prevent the Investor Fund and / or the SGS Shareholders from exercising their respective rights under these Amended Articles in Article 99 and Schedule 1 (*Investor Reserved Matters*) and Article 101 and Schedule 2 (*SGS Reserved Matters*).
- 182.4. Members of the Board or any committee thereof shall be entitled to participate in a meeting of the Board or such committee by means of telephone conference, video conference or similar communications equipment, provided the same is permitted by applicable Laws, by means of which all persons participating in the meeting can hear each other, and participation pursuant to this provision shall, if permitted by applicable Law, constitute presence in person at such meeting and shall, if permitted by applicable Law, also be counted for the purpose of constituting valid quorum.
- 182.5. Subject to applicable Law, no resolution shall be deemed to have been duly passed by the Board by circulation or written consent, unless the resolution has been circulated in draft, together with the information and documents required to make a fully-informed good faith decision with respect to such resolution, if any, to all the directors on the Board, at their usual address registered with the Company (whether in India or abroad) and delivery by post, email, courier or through such other means as may be permissible under applicable Law.
- 182.6. A meeting of the Shareholders shall be convened by serving at least 21 (twenty one) days' prior written notice, to all the Shareholders, with such notice being accompanied by an agenda setting out in reasonable detail the items of business proposed to be transacted thereat together with the necessary background and other information and / or supporting documents (including the text of the proposed resolutions) pertaining thereto, and an explanatory statement containing all relevant information relating to the agenda for the meeting of the Shareholders, provided that a meeting of the Shareholders may be convened by a shorter notice subject to applicable Law.

- 182.7. The quorum for a meeting of the Shareholders shall be the presence of such number of Shareholders as are required under applicable Law, provided that a representative of each of the Investors, the Second Promoter and the SGS Shareholders shall be present throughout the meeting in order to constitute quorum, unless otherwise agreed in writing in advance by the Investors, the Second Promoter or the SGS Shareholders, as the case may be. If such quorum is not present, then the meeting shall be adjourned by 7 (seven) Business Days, to be held at the same place and time as the original meeting and at that adjourned meeting, the quorum requirement will remain the same. If the quorum is not present even in the first adjourned meeting, then the meeting shall be adjourned by 7 (seven) Business Days and at such second adjourned meeting, the Shareholders present shall form quorum. It is clarified that no other matters, other than as set out in the agenda for the original meeting, shall be discussed at the adjourned meeting. It is further clarified that no matter in relation to the items specified in Article 183 and **Schedule 1** (*Investor Reserved Matters*) and Article 185 and **Schedule 2** (*SGS Reserved Matters*) shall be included in the agenda, without the Investors' Consent and the SGS Shareholders' Consent, respectively.
- 182.8. At a duly convened meeting of the Shareholders, the Shareholders shall vote on all matters that are taken up in accordance with this Article 182 on an As Converted Basis.
- 182.9. The Investors and the SGS Shareholders have the right to waive their presence for the quorum requirement, subject to the provisions of applicable Law.
- 182.10. The voting at a meeting of the Shareholders shall be by way of poll and not by a show of hands

### **183. INVESTOR RESERVED MATTERS**

- 183.1. Subject to Article 190 (*Fall Away*), no action or decision (including any steps being commenced or taken for such action or decision) relating to any of the Investor Reserved Matters in **Schedule 1** (*Investor Reserved Matters*) with respect to the Company, shall be taken or given effect to or acted upon (whether by the Board, any director, any committee of the Board, the senior management or the Shareholders or any of the employees, officers or managers of the Company), unless the Investors' Consent is first obtained by the Company.
- 183.2. In the event that an action in relation to any Investor Reserved Matter is approved other than in accordance with the provisions of this Article 183, such action shall be deemed to be void.
- 183.3. The Parties shall, upon the terms of this Article 183 being complied with in relation to the Investor Reserved Matters, obtain all necessary Board and Shareholder approvals and initiating such other actions, as may be required under applicable Law, to give effect to the Investor Reserved Matters.
- 183.4. The principles set out in this Article 183 are fundamental to the governance of the Company and each Party shall not commit any act or omission that would violate or prejudice the spirit and intent of this Article 183. If any other provision of these Articles conflicts with the provisions of this Article 183, the provisions of this Article shall prevail and be given effect.

### **184. EXERCISE OF RIGHTS BY PARTIES**

- 184.1. Without prejudice to the other provisions of these Amended Articles, the Parties shall exercise all powers and rights available to them (including their voting rights and their rights as and in respect of directors and Shareholders) to give full effect to the provisions of these Amended Articles and so as to procure and ensure that the provisions of these Amended Articles and each agreement ancillary to the Shareholders' Agreement, are complied with in all respects by the Parties and their Affiliates, as may be required.

### **185. SGS RESERVED MATTERS**

- 185.1. Subject to Article 190 (*Fall Away*), no action or decision (including any steps being commenced or taken for such action or decision) relating to any of the SGS Reserved Matters in **Schedule 2** (*SGS Reserved Matters*) with respect to the Company, shall be taken or given effect to or acted upon (whether by the Board, any director, any committee, the senior management or the

Shareholders or any of the employees, officers or managers of the Company), unless the SGS Shareholders' Consent is first obtained by the Company.

- 185.2. In the event that an action in relation to any SGS Reserved Matter is approved other than in accordance with the provisions of this Article 185, such action shall be deemed to be void.
- 185.3. The Parties agree to, upon the terms of this Article 185 being complied with in relation to the SGS Reserved Matters, obtain all necessary Board and Shareholder approvals and initiating such other actions, as may be required under applicable Law, to give effect to the SGS Reserved Matters.
- 185.4. The Parties agree that the principles set out in this Article 185 are fundamental to the governance of the Company and each Party undertakes not to commit any act or omission that would violate or prejudice the spirit and intent of this Article 185. If any other provision of the Shareholders' Agreement conflicts with the provisions of this Article 185, the provisions of this Article 185 shall prevail and be given effect.

#### **186. INTEGRATION AND OPERATIONAL MATTERS COMMITTEE**

- 186.1. Pursuant to the Closing and with effect from the Closing Date, to enable the smooth and uninterrupted transition, integration and continuation of the business of the Company and to provide overall support and guidance to the management of the Company, the Parties hereby agree and undertake that the SGS Shareholders shall work together with the Syrma Promoters and the management of the Company on each of the operational matters, set out in **Schedule 5** (*Operational Matters*), until such time the SGS Shareholders hold executive positions in the Company and thereafter, at their sole discretion.
- 186.2. For this purpose, the Parties agree that an Integration and Operational Matters Committee (the **Operational Committee**) will be constituted, which shall at all times consist of (a) 2 (two) representatives of the Syrma Promoters (the **Promoter Committee Members**) and 1 (one) such representative shall always be the First Promoter, provided that the First Promoter is not incapable of performing his duties as a Promoter Committee Member, due to (i) applicable Law; (ii) any incapacity; (iii) illness; or (iv) any other personal exigency; and (b) 2 (two) representatives of the SGS Shareholders (the **SGS Committee Members**). The Operational Committee shall be a committee of the SGS Shareholders and the Syrma Promoters, as Shareholders, and it shall not be a committee / sub-committee of the Board.

The Promoter Committee Members and the SGS Committee Members shall hereinafter be referred to collectively as the **Operational Committee Members** and individually as the **Operational Committee Member**.

#### **Role of the Operational Committee**

- 186.3. The Operational Committee shall, in good faith and in the best interests of the Company (a) review, consider, deliberate and analyze the Operational Matters; (b) take decisions regarding the implementation of the Operational Matters, as it deems fit; and (c) provide recommendations on such Operational Matters to the Board, for its consideration and approval.

#### **Meetings of the Operational Committee**

- 186.4. The meetings of the Operational Committee shall be held at such regular intervals as may be mutually decided by the Operational Committee Members. The quorum for a meeting of the Operational Committee shall require the presence of at least 1 (one) Promoter Committee Member and 1 (one) SGS Committee Member. The Operational Committee may invite executives and members of the management and operational teams of the Company, as it deems appropriate, to be present at its meetings. For the avoidance of doubt, it is expressly clarified that such executives and members of the management and operational teams of the Company, shall not have a right to vote at such meetings.
- 186.5. The meetings shall be held at the registered office of the Company or such other place as may be mutually agreed by the Operational Committee Members. The Operational Committee Members

shall be entitled to participate in such meetings by means of telephone conference, video conference or similar communications equipment by means of which all persons participating in the meetings can hear each other. The quorum as provided in Article 186.4 shall apply for all such meetings and shall be present throughout such meetings.

- 186.6. At least 7 (seven) Business Days' (or such shorter period as may be approved in writing by each of the Operational Committee Members) written notice shall be given to each Operational Committee Member for each meeting, setting out the agenda for the meeting in reasonable detail and attaching the relevant documents to be discussed at the meeting, together with all the relevant data and information relating to the Operational Matters to be discussed at the meeting. It is hereby expressly clarified that no items, save and except those specified in the agenda, shall be discussed at such meeting.
- 186.7. A meeting may also be requisitioned by an Operational Committee Member, in accordance with the notice and other requirements set out in this Article 186. Any Operational Committee Member who wishes to include any Operational Matter on the agenda for any meeting may do so by communicating (in writing) with the Operational Committee Members sufficiently in advance of the meeting (and at all times in accordance with the written notice requirements provided in Article 186.6 above), so as to ensure timely dissemination of information with respect to the items specified in the agenda, to all the Operational Committee Members.
- 186.8. In the event that no quorum (as required under Article 186.4 above) is present within half hour of the appointed time for any meeting of the Operational Committee, such meeting shall be adjourned by a period of 7 (seven) days, at the same time and venue, or if that day is not a Business Day, to the succeeding Business Day. Unless the quorum is present on the day to which such meeting is adjourned, the meeting shall be adjourned to such other day as may be agreed by the Operational Committee Members.
- 186.9. The minutes of each meeting of the Operational Committee shall be prepared and the draft minutes shall be shared with the Operational Committee Members within 15 (fifteen) days of the meeting. The Operational Committee Members shall provide comments (if any) on the minutes of the meeting promptly but no later than 7 (seven) days of receipt of the minutes. If no comments are provided by an Operational Committee Member within the aforementioned period of 7 (seven) days, the minutes shall be deemed to be accepted by the relevant Operational Committee Member. All comments made by any Operational Committee Member on the minutes of the meeting shall be recorded in the minutes to the satisfaction of the relevant Operational Committee Member making such comments. The minutes shall be signed and dated by all the Operational Committee Members and records of such signed minutes shall be kept by the Company. The Operational Committee Members shall be entitled, free of charge, to certified copies of the minutes or any resolution(s) passed at the Operational Committee meetings.

#### **Decision on Operational Matters**

- 186.10. The decision on any Operational Matter shall be taken with the mutual consensus of all the Operational Committee Members. The decision so taken by the Operational Committee shall then be presented and recommended to the Board for its consideration and approval subject however to the other provisions of these Amended Articles including Article 183 and **Schedule 1** (*Investor Reserved Matters*) and Article 185 and **Schedule 2** (*SGS Reserved Matters*). For the avoidance of doubt, it is hereby clarified that a decision which has been once approved by the Operational Committee Members, the Promoter Committee Members and the SGS Committee Members shall not have the right to re-visit their decisions at the meetings of the Board or the Shareholders.
- 186.11. The Parties hereby acknowledge and agree that no matter other than the Operational Matters shall be taken up or discussed at any meeting of the Operational Committee.
- 186.12. Any matter presented or recommended to the Board by the Operational Committee shall be decided by the Board in the manner as provided in Article 182 (*Board and Shareholders' Meeting*). For the avoidance of doubt, it is hereby clarified that any Operational Matter approved by the Operational Committee shall only be binding on the Company once it has been approved by the Board or the Shareholders, as the case may be, in accordance with these Amended Articles.

It is further clarified that nothing in this Article 186, shall affect or dilute other rights of the Syrma Promoters and / or the SGS Shareholders under these Amended Articles including the SGS Shareholders' rights relating to Article 185 (*SGS Reserved Matters*).

## **187.PRE-EMPTIVE RIGHTS**

- 187.1. If the Company proposes to seek further investment by issuing additional convertible Securities or Equity Shares (***Further Issue Securities***), or if the Syrma Promoters propose to invest in Further Issue Securities of the Company, after the Closing Date except for any issuance pursuant to the Company's employee stock option plan / ESIP 1, in accordance with these Amended Articles and the Shareholders' Agreement (each such issue being a ***Further Issue***), the Investors and the SGS Shareholders (the ***Eligible Shareholders***) shall, subject to applicable Law, have a pre-emptive right to subscribe to such Further Issue, for up to the Relevant Proportion of their respective shareholding in the Company. Further, notwithstanding the Relevant Proportion, the Eligible Shareholders shall also be entitled to subscribe for any number of Securities of such Further Issue, which remains unsubscribed by the Syrma Promoters, other Eligible Shareholders and / or a third party. Such subscriptions shall be on the same terms and conditions as the Further Issue. The Eligible Shareholders may, at their option, agree to subscribe to such Securities entirely or in part, either by themselves and / or through any of their Affiliates, or waive the exercise of their pre-emption right in respect of such Further Issue.
- 187.2. If the Company proposes a Further Issue, it shall provide a written notice to the Eligible Shareholders setting out the terms of the Further Issue including the issue price per Further Issue Security (the ***Pre-Emption Notice***). Upon receipt of the Pre-Emption Notice, the Eligible Shareholders shall be entitled to subscribe to such number of Securities calculated in accordance with Article 187.1 and in accordance with the Pre-Emption Notice. The pre-emptive rights of the Eligible Shareholders shall be exercisable within 60 (sixty) Business Days of the receipt of the Pre-Emption Notice or such other period as may be mutually agreed between Syrma Promoters and the Eligible Shareholders in writing (the ***Pre-Emption Offer Period***). If the Eligible Shareholders agree to subscribe to some but not all of the number of Securities offered in the Pre-Emption Notice, the Company shall offer such remaining Securities on the same terms to the other Eligible Shareholders immediately following the completion of the Pre-Emption Offer Period, and such offer shall remain open to such other Eligible Shareholders for a further period of 30 (thirty) days from the date of completion of the Pre-Emption Offer Period (the ***Extended Pre-Emption Offer Period***). If the Eligible Shareholders agree to subscribe to all or some of the Further Issue Securities that they are entitled to under Article 187.1, then the Eligible Shareholders shall deliver a written notice to the Company (the ***Pre-Emption Acceptance Notice***) within the Pre-Emption Offer Period, setting out the number of Further Issue Securities that they wish to subscribe to.
- 187.3. The Company shall (and the Shareholders shall procure that the Company shall) issue and allot the Further Issue Securities to the Eligible Shareholders within 15 (fifteen) days from the date of the Pre-Emption Acceptance Notice, or such extended period as may be agreed, in writing, by the Eligible Shareholders and the Syrma Promoters.
- 187.4. Subject to Articles 183 (*Investor Reserved Matters*), 185 (*SGS Reserved Matters*) and Articles 189 (*Protective Rights*), the Company shall be entitled to allot Securities to a third party, pursuant to Article 187.2, which allotment shall be completed within 30 (thirty) days of (a) the receipt of a communication in writing from the Eligible Shareholders of their decision not to exercise their pre-emptive rights under the Pre-Emption Offer Period or the Extended Pre-Emption Offer Period; or (b) the expiry of the Pre-Emption Offer Period or the Extended Pre-Emption Offer Period, whichever is earlier.
- 187.5. Upon expiry of the Pre-Emption Offer Period or the Extended Pre-Emption Offer Period referred to in Article 187.4 above, the Company shall not issue any Securities to such third party, without again complying with the requirements of this Article 187.

## **188.ANTI-DILUTION**

- 188.1. The Company shall not issue any Equity Shares or convertible Securities except for any issuance pursuant to the Company's employee stock option plan / ESIP 1, to any Person at a price which (including upon conversion) is lower than the highest effective price of the Investor Preference Shares held by the Investors, without the Investors' Consent. The Investors may waive their rights under this Article 188.1, in writing, such waiver being binding on the Parties.
- 188.2. Notwithstanding the above and subject to Article 189 (*Protective Rights*) and the exceptions set out in Article 188.1 above, in the event that, at any time, the Company issues any Equity Shares, or any rights, options, warrants, appreciation rights or instruments entitling the holder to receive any Equity Shares to be issued by the Company, or any options or rights to subscribe for, Securities, by their terms convertible into or exchangeable for Equity Shares (***Dilution Instruments***) at any time to any Person at a price which (including upon conversion) is lower than the highest effective price of the Investor Preference Shares held by the Investors, then the Investors' investment in the Company shall be deemed to be at such lower valuation and the Company, Syrma Promoters and the SGS Shareholders shall do all acts necessary to ensure that the Investors' shareholding in the Company is adjusted accordingly in the manner and to the fullest extent permitted under applicable Law.
- 188.3. Such adjustment may, at the option of the Investors, be by way of issuance of Dilution Instruments to the Investors at the lowest price permissible under applicable Law, such that the average price paid by the Investors reduces to the price paid by such Person.
- 188.4. In the event that the rights provided in Articles 188.1 –188.3 are not permissible or enforceable under applicable Law due to the restrictions provided in applicable pricing guidelines, the Parties shall use their best efforts to mutually agree on a satisfactory alternate mechanism as permissible under applicable Law to ensure that the Investors have been placed in a position as similar as possible had these rights been enforceable under applicable Law.
- 188.5. Unless otherwise agreed by the Investors in writing pursuant to Article 183, the Company shall ensure that the aggregate percentage of Investor Preference Shares in the Company, on a Fully Diluted Basis, shall not reduce, upon any action of stock split, stock dividend and corporate re-organization.
- 188.6. Unless otherwise agreed by the SGS Shareholders in writing pursuant to Article 185, the Company shall ensure that the aggregate percentage of Securities held by the Shareholders including the SGS Shareholders in the Company, on a Fully Diluted Basis, shall not reduce, upon any action of stock split, stock dividend and corporate re-organization.

## **189.PROTECTIVE RIGHTS**

- 189.1. The Investors and the SGS Shareholders shall be entitled to renounce any of the Securities offered to them under Article 187, in favour of one or more of their Affiliates (subject to such Affiliate(s) executing a Deed of Adherence), without the prior written consent of the other Parties but with prior written intimation to the Company.
- 189.2. Notwithstanding anything contained elsewhere in these Amended Articles, no Person shall be granted rights which, in the opinion of the Investor Fund and the SGS Shareholders, are more favourable than the rights accorded to the Investor Fund and the SGS Shareholders under these Amended Articles, nor shall such Person be granted rights which would (a) affect the ability of the Investors and the SGS Shareholders to exercise any of their rights under any of the Transaction Documents; or (b) affect the ability of the Company, the Syrma Promoters, the Investors and the SGS Shareholders to perform their obligations under any of the Transaction Documents.
- 189.3. The Company shall ensure that to the extent permissible under applicable Law, the Investors and the SGS Shareholders (except for JSG) shall not be considered or classified to be a 'promoter' of the Company under applicable Laws for any reason whatsoever and that the Securities held by the Investors and the SGS Shareholders are not subject to any restriction on Transfer or otherwise (including that of lock-in or other restrictions) which are applicable to promoters under any

applicable Law, including regulations by Securities and Exchange Board of India from time to time.

- 189.4. Notwithstanding anything contained herein to the contrary, all the rights of the Investors and the SGS Shareholders under these Amended Articles shall extend to the Subsidiaries of the Company to the extent applicable. For the avoidance of doubt, it is hereby clarified that the SGS Shareholders and the Investors shall have rights pursuant to this Article 189 with respect to all Subsidiaries existing as on the Closing Date and / or created after the Closing Date.
- 189.5. The Parties agree that wherever covenants, undertakings, obligations, liabilities and / or duties of the Primary Promoters are referred to under these Amended Articles, no such covenants, undertakings, obligations, liabilities and / or duties shall be imposed or created on (a) the Third Promoter or her Relatives, family members, the descendants or legal heirs; and (b) the Relatives, family members, descendants or legal heirs of the First Promoter, in each case whether by operation of law or otherwise.
- 189.6. The Parties agree that wherever covenants, undertakings, obligations, liabilities and / or duties of the SGS Shareholders are referred to under these Amended Articles, no such covenants, undertakings, obligations, liabilities and / or duties shall be imposed or created on the Relatives, family members, the descendants or legal heirs of the SGS Shareholders, in each case, whether by operation of law or otherwise.
- 189.7. The Company shall implement an Employee Stock Incentive Plan 1 (“**ESIP 1**”). The Board has accorded anin principle approval to implement the ESIP 1 to reward loyalty and past performance of the employees of the Company (for the purposes of clarity, it shall not include any employees of SGS Teknics). The ESIP 1 shall be prepared in compliance with the applicable provisions of the Companies Act. The Company intends to create a share pool for the ESIP 1 to the extent of 2.5% (two point five percent.) of equity share capital of the Company as if it had been issued on the date of execution of the Shareholders’ Agreement (equity capital before the date of Closing) up to 18,282 (eighteen thousand two hundred and eighty two) Equity Shares. Such Equity Shares may be subject to a lock-in period, if any, as prescribed under the ESIP by the Board. The stock option under the ESIP 1 shall be issued at the discretion of the First Promoter to the employees of the Company who satisfy the eligibility criteria determined by the Board. If the ESIP 1 comprises a fresh issuance of Equity Shares and if the Investor Shares consist of Investor Preference Shares, the Conversion Ratio (as defined in the SAG Subscription Agreement)shall be adjusted appropriately for the Investor Preference Shares so as to convert into, subject to applicable Law, such number of Equity Shares as would entitle the Investors to the same percentage of share capital of the Company, calculated on a Fully Diluted Basis on the Closing Date (as defined in the SAG Subscription Agreement)as if the issuance pursuant to the ESIP had occurred, and the entire share pool referred above had been created prior to the Closing Date(as defined in the SAG Subscription Agreement); for the avoidance of doubt and by way of an illustration, assuming there is no share split or similar corporate reorganization prior to conversion in the manner set out under **Schedule 4** (*Terms of the Investor Preference Shares*), upon the issuance of all of the Equity Shares pursuant to and comprising the ESIP the Conversion Ratio for the Investor Preference Shares i.e., each CCPS converting into Equity Shares on a 1:1 (one:one) basis shall be appropriately adjusted with not more than 2,669 (two thousand six hundred and sixty nine) additional Equity Shares to be issued upon the conversion of all of the Investor Preference Shares.
- 189.8. The Company and the Syrma Promoters intend to remove and withdraw the personal guarantees and corporate guarantees (together, the **Guarantees**) given by the Syrma Promoters, their Affiliates and other Persons for any lending obtained by the Company. Such withdrawal/removal of the Guarantees, shall not require the Company or the Syrma Promoters to obtain any consents from the other Shareholders or their nominee directors for negotiations, finalising any arrangements or executing any agreements with the lenders. The other Shareholders and their nominee directors will support the Company and the Syrma Promoters in this regard, and, if required under applicable Law, vote in a manner to ensure that the Guarantees are removed / withdrawn in the manner contemplated herein, provided that, in the event of such removal or

withdrawal, if the Company is required to refinance or replace any of its existing lending facilities, such new facilities shall be in the best interest of the Company and the Business.

## **190.FALL AWAY**

190.1. In the event the aggregate shareholding of the Investors and their Affiliates falls below 5% (five per cent) of the share capital of the Company, calculated on a Fully Diluted Basis (other than as given to term loan and working capital lenders of the Company with respect to Indebtedness of the Company), directly as a result of Transfers of Securities held by the Investors and their Affiliates, the following rights of the Investors under these Amended Articles, shall automatically terminate:

- 190.1.1. Right to appoint an Investor Director and an Investor Observer, pursuant to Articles 181.1 and 181.11, respectively;
- 190.1.2. Rights in relation to Investor Reserved Matters, pursuant to Article 183 and **Schedule 1** (*Investor Reserved Matter*);
- 190.1.3. Right to have access to information of the Company, pursuant to the Shareholders' Agreement;
- 190.1.4. Inspection and visitation rights in respect of the Company, pursuant to the Shareholders' Agreement;
- 190.1.5. Investors' right of restrictions on the Transfer of Securities held by the Syrma Promoters and the SGS Shareholders pursuant to Articles without prejudice to the Investors' rights under Article 191.36-191.45 (*Investors' Tag Along Rights*), but subject to Article 191.10;
- 190.1.6. Right to require the Company and the Primary Promoters to provide an exit to the Investors, in accordance with Article 194.194; and
- 190.1.7. Investors' right of restrictions on the non-compete and non-solicit obligations of the Syrma Promoters and the SGS Shareholders, as per the Shareholders' Agreement.
- 190.1.8. Right to require the SGS Shareholders to Transfer Additional Sale Securities pursuant to the Shareholders' Agreement.

190.2. In the event aggregate shareholding of the SGS Shareholders and their Affiliates falls below 7.5% (seven point five per cent) of the share capital of the Company calculated on a Fully Diluted Basis (other than as given to term loan and working capital lenders of the Company with respect to Indebtedness of the Company), directly as a result Transfers of Securities held by the SGS Shareholders and their Affiliates, the following rights of the SGS Shareholders under these Amended Articles, shall automatically terminate:

- 190.2.1. Right to appoint an SGS Director and an SGS Observer, pursuant to Article 181.3 and 181.11, respectively;
- 190.2.2. Rights in relation to SGS Reserved Matters, pursuant to Article 185 and **Schedule 2** (*SGS Reserved Matters*);
- 190.2.3. Right to have access to information of the Company, pursuant to the provisions of the Shareholders' Agreement;
- 190.2.4. Inspection and visitation rights in respect of the Company, pursuant to the provisions of the Shareholders' Agreement;
- 190.2.5. Rights in relation to the Operational Matters, pursuant to Article 186 and Schedule 5 (*Operational Matters*);



- 190.2.6. SGS Shareholders' right of restrictions on the Transfer of Securities held by the Syrma Promoters pursuant to Article 191.1 and Article 191.2, without prejudice to the SGS Shareholders' rights under the relevant provisions of the Shareholders' Agreement; and
- 190.2.7. Right to require the Company and the Primary Promoters to provide an exit to the SGS Shareholders, pursuant to Article 194.
- 190.3. For the avoidance of doubt, the Parties hereby agree and undertake that if the aggregate shareholding of (a) the Investors and their Affiliates falls below 5% (five per cent.) of the share capital of the Company, calculated on a Fully Diluted Basis (other than as given to term loan and working capital lenders of the Company with respect to Indebtedness of the Company); and (b) the SGS Shareholders and their Affiliates falls below 7.5% (seven point five per cent.), calculated on a Fully Diluted Basis, (other than as given to term loan and working capital lenders of the Company with respect to Indebtedness of the Company), directly as a result of a fresh issuance of Securities (whether by way of preferential allotment or rights issue by the Company or otherwise), the rights of the Investors and the SGS Shareholders mentioned above in Article 190.1 shall not be affected by such dilution in the aggregate shareholding of the Investors and their Affiliates and the SGS Shareholders and their Affiliates.

## 191. TRANSFER OF SECURITIES

### Transfers of Securities by the Syrma Promoters

- 191.1. The following Transfers of Securities (*Permitted Promoter Transfers*) may be undertaken by the Syrma Promoters, without the Investors' Consent and the SGS Shareholders' Consent:

- (i) any *inter-se* Transfers amongst the Syrma Promoters or to their respective Affiliates or Relatives for the purposes of estate planning, upon 30 (thirty) days' prior written notice to the Investors and the SGS Shareholders provided that the Control, at all times, remains with the Syrma Promoters, and in the event such Transfers are made to a trust, the beneficiaries of such trust shall be the Syrma Promoters or their respective Affiliates or Relatives, subject to the execution of a Deed of Adherence by the transferee in accordance with Article 191.48, in each such case; or
- (ii) subject to Article 189 (*Fall Away*) any Transfer by the Syrma Promoters (in single or multiple tranches) up to 4% (four per cent.) of their aggregate shareholding on a Fully Diluted Basis (other than as given to term loan and working capital lenders of the Company with respect to Indebtedness of the Company) as on the date of execution of the Shareholders' Agreement to any Person, provided that the Investors and the SGS Shareholders are provided with a right of first refusal in relation to such Transfer in the manner set out in Article 0.

For the avoidance of doubt, it is hereby clarified that the Permitted Promoter Transfers shall not absolve the Syrma Promoters of any of their duties, obligations and responsibilities (to the extent applicable) under these Amended Articles or the Transaction Documents, and they shall continue to be bound by their obligations under these Amended Articles and the Transaction Documents in accordance with the terms hereof and thereof. It is further clarified that the third party transferees pursuant to the Permitted Promoter Transfers under Article 191.1 (ii) above shall not have any obligations of the Syrma Promoters hereunder and shall not enter into a Deed of Adherence except that such third party transferees will be obliged to participate in the sale of their Securities along with the Transfer of Securities held by the Syrma Promoters pursuant to Article 194 (*Exit Rights*), and such other terms as may be agreed between the Syrma Promoters and such third party transferees.

- 191.2. Subject to Article 190 (*Fall Away*), no Transfer of the Securities held by the Promoters, other than the Permitted Promoter Transfers in the manner set out above in Article, shall take place without both the Investors' Consent as well as the SGS Shareholders' Consent.

#### **Transfers of Securities by the SGS Shareholders**

- 191.3. The following Transfers of Securities (***Permitted SGS Transfers***) may be undertaken by the SGS Shareholders, without the Investors' Consent and the consent of the Syrma Promoters:

191.3.1. any *inter-se* Transfers amongst the SGS Shareholders or to their respective Affiliates or Relatives for the purposes of estate planning, upon 30 (thirty) days' prior written notice to the Investors and the Syrma Promoters provided that in the event such Transfers are made to a trust, the beneficiaries of such trust shall be the SGS Shareholders or their respective Affiliates or Relatives, subject to the execution of a Deed of Adherence by the transferee in accordance with Article 107.48, in each such case; or

191.3.2. subject to Article 190.1 and 190.3 (*Fall Away*), any Transfer by the SGS Shareholders (in single or multiple tranches) up to 4% (four per cent.) of their aggregate shareholding on a Fully Diluted Basis as on the Closing Date to any Person (other than a Competitor) provided that the Investors and the Syrma Promoters are provided with a right of first refusal in relation to such Transfer in the manner set out in Articles 191.12 – 191.17

For the avoidance of doubt, it is hereby clarified that the Permitted SGS Transfers shall not absolve the SGS Shareholders of any of their duties, obligations and responsibilities (to the extent applicable) under these Amended Article or the Transaction Documents, and they shall continue to be bound by their obligations under these Amended Articles and the Transaction Documents in accordance with the terms hereof and thereof. It is further clarified that the third party transferees pursuant to the Permitted SGS Transfers under Article 191.3.2 above shall not have any obligations of the SGS Shareholders hereunder, whether or not at the SGS Shareholders' discretion a Deed of Adherence is entered into, except that such third party transferees shall be obliged to participate in the sale of their Securities along with the Transfer of Securities by the SGS Shareholders in a Strategic Sale or Trade Sale, pursuant to Article 194 (*Exit Rights*), and such other terms as may be agreed between the SGS Shareholders and such third party transferees. Such third party transferee shall be subject to the same rights and restrictions as applicable to the SGS Shareholders with respect to Transfer of Securities to any Competitor.

- 191.4. Subject to Articles 190.1 and 190.3 (*Fall Away*) and Article 194 (*Exit Rights*), the SGS Shareholders shall not be entitled to Transfer any or all of their Securities, other than (a) the Permitted SGS Transfers in the manner set out above in Article 191.3; and / or (b) pursuant to an IPO and Strategic Sale in accordance with Article 194 (*Exit Rights*), prior to the expiry of 90 (ninety) months from the Closing Date (the aforesaid period is referred to as ***SGS Lock-in Period***), without the Investors' Consent. If during the SGS Lock-in Period, the SGS Shareholders have obtained the Investors' Consent for Transfer of Securities, then the SGS Shareholders shall be free to Transfer any or all of their Securities subject to the Syrma Promoters being provided with (a) a right of first offer in relation to a Transfer made to any Person (other than a Competitor) in the manner set out in Articles 191.23 – 191.26; or (b) a right of first refusal in relation to a Transfer made to a Competitor in the manner set out in Articles 191.31 – 191.35.

- 191.5. Notwithstanding anything provided in these Amended Articles to the contrary but subject to Articles 191.6 – 191.10, upon the earlier of (a) the expiry of the SGS Lock-in Period; and (b) the Investors ceasing to be Shareholders of the Company anytime between 78 (seventy eight) months from the Closing Date and the SGS Lock-in Period, the SGS Shareholders shall be entitled to freely Transfer any or all of the Securities (either in single or multiple tranches) held by the SGS Shareholders without any restrictions whatsoever (including without obtaining the Investors' Consent, consent of the Syrma Promoters and the consent of the Company), to any Person (including, without limitation, whether or not an Affiliate of the SGS Shareholders or any third party, whether or not at the SGS Shareholders' discretion a Deed of Adherence is entered into with such Person), except in case where the Transfer is to a Person who is a Competitor, in which case, the Syrma Promoters shall be given the right of first offer in the manner set out in Articles

191.6 – 191.9 below, and such Competitor shall not be entitled to any exit rights under Article 194 (*Exit Rights*).

#### **Syrma Promoters' Right of First Offer on the Expiry of the SGS Lock-in Period**

- 191.6. In the event that any of the SGS Shareholders (and their respective Affiliate(s)) propose to Transfer (whether directly or indirectly) any or all of the Securities held by the relevant SGS Shareholders (whether in single or multiple tranches) pursuant to Article 191.5 (*Post Lock-in ROFO Shares*), the SGS Shareholders shall promptly notify such proposed Transfer of the Post Lock-in ROFO Shares to the Syrma Promoters by sending a written notice (the *Post Lock-in ROFO Notice*) indicating the total number of the Post Lock-in ROFO Shares that are proposed to be Transferred.
- 191.7. On receipt of the Post Lock-in ROFO Notice by the Syrma Promoters as set out in Article 191.10 above, the Syrma Promoters, their Affiliates and / or their nominees shall be entitled to offer to purchase all (and not less than all) of the Post Lock-in ROFO Shares by a notice in writing (the *Post Lock-in ROFO Response Notice*) to be issued within 30 (thirty) days from the date of receipt of the Post Lock-in ROFO Notice by the Syrma Promoters (the *Post Lock-in ROFO Period*), such Post Lock-in ROFO Response Notice shall indicate the offer price per Post Lock-in ROFO Shares (*Post Lock-in ROFO Shares Price*) at which the Syrma Promoters propose to purchase them.
- 191.8. In the event that the Syrma Promoters deliver a Post Lock-in ROFO Response Notice, within 15 (fifteen) days of receipt of the Post Lock-in ROFO Response Notice, the SGS Shareholders may either accept or reject the Post Lock-in ROFO Shares Price by delivering a notice in writing to the Syrma Promoters (the *Post Lock-in ROFO Acceptance Notice*). Where the SGS Shareholders deliver the Post Lock-in ROFO Acceptance Notice, the Syrma Promoters shall complete the Transfer of the Post Lock-in ROFO Shares within a period of 30 (thirty) days from the date of such Post Lock-in ROFO Acceptance Notice or such extended period as may be mutually agreed between the SGS Shareholders and the Syrma Promoters. In case the SGS Shareholders do not deliver the Post Lock-in ROFO Acceptance Notice or communicate their rejection of the Post Lock-in ROFO Price, within the aforementioned period of 15 (fifteen) days, or the Syrma Promoters do not respond with the Post Lock-in ROFO Response Notice, the SGS Shareholders shall be entitled to Transfer the Post Lock-in ROFO Shares pursuant to Article 191.5 to a Person at a price which is not less than the Post Lock-in ROFO Price. The Company and the Syrma Promoters shall co-operate in good faith to obtain all consents and approvals that may be required for acquisition of the Post Lock-in ROFO Shares. The Company and the Syrma Promoters shall render all reasonable assistance necessary, including providing access to legal and financial due diligence of the Company, to expeditiously complete the acquisition of the Post Lock-in ROFO Shares in accordance with Articles 191.6 – 191.10.
- 191.9. Where the Syrma Promoters require any prior governmental, regulatory or shareholder consent under applicable Law for acquiring the Post Lock-in ROFO Shares pursuant to these Amended Articles, then, notwithstanding any other provision of these Amended Articles, the Syrma Promoters shall be obliged to acquire the Post Lock-in ROFO Shares when such consent or approval is obtained, and the Parties shall use their reasonable endeavours to obtain any such required approvals.
- 191.10. Upon expiry of the SGS Lock-in Period, the Parties agree and undertake that the Investors shall have the right but not an obligation to Transfer such number of Securities of the Company held by the Investors specified by the SGS Shareholders, in the Relevant Proportion of Securities Transferred by the SGS Shareholders on identical terms as the SGS Shareholders in accordance with Articles 191.36 – 191.45 (the Investors shall be referred to as *Tag Transferee* and the SGS Shareholders shall be referred to as *Tag Transferor*, for the purposes of this Article), provided the Investors' rights under Articles 191.36 – 191.45 (*Investors' Tag Along Rights*) against the SGS Shareholders shall automatically terminate, if as on the expiry of the SGS Lock-in Period, the aggregate shareholding of the Investors and their Affiliates is below 5% (five per cent.) of the share capital of the Company, calculated on a Fully Diluted Basis (other than as given to term loan and working capital lenders of the Company with respect to Indebtedness of the Company) or at any time after the SGS Lock-in Period, falls below 5% (five per cent.) of the share capital of

the Company, calculated on a Fully Diluted Basis (other than as given to term loan and working capital lenders of the Company with respect to Indebtedness of the Company), directly as a result of Transfers of Securities held by the Investors and their Affiliates and not on account of any fresh issuance of Securities (whether by way of preferential allotment or rights issue by the Company) which results in dilution in the aggregate shareholding of the Investors in the Company. For the avoidance of doubt, it is hereby clarified that the Investors shall not have (a) the rights under Articles 191.36 – 191.45 (*Investors' Tag Along Rights*), against the Person who acquires the Securities from the SGS Shareholders pursuant to Article 191.5; and (b) a right under Article 1.1(c).

- 191.11. The Parties agree that the Transfer restrictions on the Syrma Promoters in these Amended Articles, the Transaction Documents and / or in the Constitutional Documents of the Company, shall not be capable of being avoided by the holding of Securities indirectly through a company or other entity (or one or more companies or entities, either alone or together, in any combination) that can itself (or the shares in it) be sold in order to Transfer an interest in the Securities, free of the restrictions imposed under these Amended Articles, the Transaction Documents and / or the Constitutional Documents of the Company. For the aforementioned purpose, any Transfer, issuance or other disposal of any Securities (or other interest) resulting in any change in the Control, directly or indirectly, of the Syrma Promoters, or of any Affiliate of the Syrma Promoters, which holds, directly or indirectly, any Securities, shall be treated as being a Transfer of the Securities held by the Syrma Promoters, and the provisions of these Amended Articles, the Transaction Documents and / or the Constitutional Documents of the Company that apply in respect of the restriction on Transfer of Securities of the Company shall become applicable to such change in Control in respect of the Securities so held.

**Investors', Syrma Promoters' and SGS Shareholders' Right of First Refusal on Permitted Promoter Transfers and Permitted SGS Transfers**

- 191.12. In the event that any of the Syrma Promoters or any of the SGS Shareholders (and their respective Affiliate(s)) proposes to Transfer any Securities held by the relevant Syrma Promoter or the SGS Shareholder (or their respective Affiliate, as the case may be) pursuant to Article 191.1 (ii) and Article 191.3 (ii) above (as applicable) (the ***Transferring Shareholder***), the Transferring Shareholder, upon receiving a proposal from any Person, shall promptly but in any case no later than 30 (thirty) days prior to the date of closing of any Transfer, deliver a written notice (the ***Permitted Transfer ROFR Notice***) to the Investors and the Syrma Promoters or the SGS Shareholders (as the case may be) (the ***Transferee Shareholders***). The Permitted Transfer ROFR Notice shall specify:

- (i) the identity of the proposed transferee;
- (ii) the number of Securities proposed to be Transferred (by the Transferring Shareholder (the ***Permitted Transfer ROFR Shares***) and an equal number of such Permitted Transfer ROFR Shares shall be offered by the Transferring Shareholder to the Investors collectively and collectively to the Syrma Promoters or the SGS Shareholders, as applicable;
- (iii) the number and class of Equity Shares the Transferring Shareholder owns in the Company at that time on a Fully Diluted Basis;
- (iv) the amount and form of the proposed consideration for the Transfer, including the proposed price per Security for the ROFR Shares (***Permitted Transfer ROFR Price***);
- (v) any other material terms and conditions of the proposed Transfer, accompanied by documents evidencing key commercial terms as agreed between the Transferring Shareholder and the proposed transferee, and
- (vi) the proposed date of consummation of the proposed Transfer.

- 191.13. The Transferee Shareholders shall be entitled to exercise their right to purchase all (and not less than all) of the Permitted Transfer ROFR Shares offered to them in the Permitted Transfer ROFR

Notice. The Transferee Shareholders shall be entitled to notify the Transferring Share holder of their intention to acquire such number of Permitted Transfer ROFR Shares on the terms set out in the Permitted Transfer ROFR Notice by way of a written response to the Transferring Shareholder (the ***Permitted Transfer ROFR Acceptance Notice***), within 30 (thirty) days of receipt of the Permitted Transfer ROFR Notice (the ***Permitted Transfer ROFR Acceptance Period***). If the Transferee Shareholders deliver the Permitted Transfer ROFR Acceptance Notice within the Permitted Transfer ROFR Acceptance Period, the Transferring Shareholder shall be bound to Transfer the Permitted Transfer ROFR Shares to the Transferee Shareholders, on the same terms as specified in the Permitted Transfer ROFR Acceptance Notice, within 45 (forty five) days of the expiry of the Permitted Transfer ROFR Acceptance Period. The Transferring Shareholder shall provide to the Transferee Shareholders, appropriate representations, warranties and indemnities regarding the clear and marketable title to the Permitted Transfer ROFR Shares, and that the same are free from any Encumbrances or any claim or demand of any description whatsoever.

- 191.14. In the event any Transferee Shareholder does not deliver a Permitted Transfer ROFR Acceptance Notice within the Permitted Transfer ROFR Acceptance Period or communicates its rejection of the Permitted Transfer ROFR Notice, the Transferee Shareholder who delivers the Permitted Transfer ROFR Acceptance Notice shall be required to purchase all (and not less than all) of the Permitted Transfer ROFR Shares (either directly or through an Affiliate) within 45 (forty five) days of the expiry of the Permitted Transfer ROFR Acceptance Period or such other period as may be mutually agreed between the Transferee Shareholder and, the Transferring Shareholder (the ***Second Permitted Transfer ROFR Acceptance Period***).
- 191.15. If the Transferee Shareholders(a) do not deliver an Permitted Transfer ROFR Acceptance Notice; or (b) fail to acquire the Permitted Transfer ROFR Shares, within the Permitted Transfer ROFR Acceptance Period or the Second Permitted Transfer ROFR Acceptance Period (as the case may be), the Transferring Shareholder shall, upon the expiry of the Permitted Transfer ROFR Acceptance Period be free to Transfer the Permitted Transfer ROFR Shares to the Proposed Transferee provided such Transfer shall not be made unless the Transfer is on the same terms and conditions as specified in the Permitted Transfer ROFR Notice.
- 191.16. If completion of the Transfer to such proposed transferee does not take place within the period of 180 (one hundred and eighty) days following the expiry of the Permitted Transfer ROFR Acceptance Period, the Transferring Shareholder's right to Transfer the Permitted Transfer ROFR Shares shall lapse and the Transferring Shareholder shall not Transfer the Permitted Transfer ROFR Shares without again complying with the provisions of Article 107.12- 107.14.
- 191.17. Where the Investors require any prior, governmental, regulatory or shareholder consent under applicable Law for acquiring the Permitted Transfer ROFR Shares pursuant to these Amended Articles, then, notwithstanding any other provision of these Amended Articles, the Investors shall be obliged to acquire the Permitted Transfer ROFR Shares when such consent or approval is obtained, and the Parties shall use their reasonable endeavours to obtain any such required approvals.

#### **Investors' Transfers**

- 191.18. Except as set forth in Articles 191.19–191.27 below, at any time, the Investors may Transfer, without any restrictions whatsoever, to any Person (including, without limitation, any Affiliate of the Investors), any or all of their Securities in the Company, together with any or all of their contractual rights under these Amended Articles, if deemed necessary by the Investors, subject to the execution by such Person, of a Deed of Adherence.
- 191.19. The Investors and/or their Affiliates shall not be entitled to Transfer any or all of their Securities prior to the expiry of 72 (seventy two) months from the Closing Date (the aforesaid period is referred to as ***Investors Lock-in Period***) to a Competitor;
- 191.20. Subject to the provisions of Article 191.21, upon the expiry of the Investors' Lock-in Period, the Investors shall be entitled to Transfer the Securities held by them to a Competitor, subject to the execution of a Deed of Adherence by the Competitor prior to the completion of the Transfer,

provided that a right of first refusal is granted in favour of the Syrma Promoters in the manner set out in Article 191.31- 191.35 and no rights as available to the Investors under these Articles shall be transferred in the event such Competitor is not approved by the Syrma Promoters in writing.

- 191.21. Notwithstanding anything contained herein to the contrary, in case of an Event of Default which remains unremedied after the expiry of the Cure Period in accordance with Article 193.3 and the Company and / or the Primary Promoters and / or the SGS Shareholders fail to comply with their obligations under Article 193.4 within 6 (six) months for any reason whatsoever, the Investors shall be entitled to Transfer any Securities held by the Investors to any Person (including a Competitor) with all rights as available to the Investors under these Amended Articles provided that a right of first refusal shall be granted in favour of the Syrma Promoters in the manner set out in Article 191.31-191.35 if the Transfer of Securities held by the Investors to a Competitor is proposed to be made at a price equal to or less than 50% (fifty per cent.) of FMV.
- 191.22. Any Transfer of Securities held by the Investors should not result in any duplication of rights as between the relevant Investor and the transferee, and all of such rights shall be exercised between the Investors and such transferee, as a single bloc.

**Syrma Promoters' Right of First Offer on Investor's Transfers and SGS Shareholders' Transfers during the SGS Lock-in Period**

- 191.23. In the event that the Investors and / or the SGS Shareholders desire to sell any of the Securities held by (the Investors and / or the SGS Shareholders, as the case may be, pursuant to Article 107.4 above in respect of the SGS Shareholders and Article 191.18 above in respect of the Investors (the **Promoter ROFO Shares**) to a Person (other than a Competitor), then the Investors and / or the SGS Shareholders (the **ROFO Transferor**) shall promptly notify such proposed Transfer of the Promoter ROFO Shares to the Syrma Promoters by sending a written notice (the **Promoter ROFO Notice**) indicating the total number of the Promoter ROFO Shares that are proposed to be Transferred. For the avoidance of doubt, any Transfer to a Competitor shall be governed by Articles 191.4, 191.5, 191.30 and 191.20.
- 191.24. On receipt of the Promoter ROFO Notice by the Syrma Promoters as set out in Article 191.23 above, the Syrma Promoters and / or their Affiliates shall be entitled to offer to purchase all (and not less than all) of the Promoter ROFO Shares by a notice in writing (the **Promoter ROFO Response Notice**) to be issued within 30 (thirty) days from the date of receipt of the Promoter ROFO Notice by the Syrma Promoters (the **Promoter ROFO Period**), such Promoter ROFO Response Notice shall indicate the offer price per Promoter ROFO Share (**Promoter ROFO Price**) at which the Syrma Promoters propose to purchase them.
- 191.25. In the event that the Syrma Promoters deliver a Promoter ROFO Response Notice, within 15 (fifteen) days of receipt of the Promoter ROFO Response Notice, the ROFO Transferor may either accept or reject the Promoter ROFO Price, by delivering a notice in writing to the Syrma Promoters (the **Promoter ROFO Acceptance Notice**). Where the ROFO Transferor delivers the Promoter ROFO Acceptance Notice, the Syrma Promoters shall complete the Transfer of the Promoter ROFO Shares within a period of 180 (one hundred and eighty) days from the date of such Promoter ROFO Acceptance Notice or such extended period as may be mutually agreed between the ROFO Transferor and the Syrma Promoters. In case the ROFO Transferor does not deliver the Promoter ROFO Acceptance Notice or communicates its rejection of the Promoter ROFO Price in writing within the aforementioned period of 15 (fifteen) days the ROFO Transferor shall be entitled to Transfer the Promoter ROFO Shares to a Person (other than a Competitor) at a price which is more than 110% (one hundred and ten per cent.) of the Promoter ROFO Price and such Transfer shall be completed within 180 (one hundred and eighty) days from the date of the Promoter ROFO Response Notice. The Company, the Syrma Promoters, the SGS Shareholders and the Investors shall co-operate in good faith to obtain all consents and approvals that may be required for acquisition of the Promoter ROFO Shares. The Company and the Syrma Promoters shall render all reasonable assistance necessary, including providing access to legal and financial due diligence of the Company, to expeditiously complete the acquisition of the Promoter ROFO Shares in accordance with Article 191.23-191.26.

- 191.26. In the event that the Syrma Promoters do not respond with the Promoter ROFO Response Notice within the Promoter ROFO Period, the ROFO Transferor shall be entitled to Transfer the Promoter ROFO Shares without being subject to the provisions of Article 191.25 above at any time within a period of 180 (one hundred and eighty) days from the expiry of the Promoter ROFO Period. If completion of the Transfer to such proposed transferee does not take place within the period of 180 (one hundred and eighty) days from the date of the Promoter ROFO Response Notice or from the expiry of the Promoter ROFO Period, as the case may be, the ROFO Transferor's right to Transfer the Promoter ROFO Shares to such proposed transferee shall lapse and the provisions of the Article 191.23 –191.26 shall once again apply to the Transfer of the Promoter ROFO Shares.
- 191.27. The obligation of the Investors to offer the Promoter ROFO Shares to the Syrma Promoters in accordance with Articles 191.23 –191.25 shall not apply in case of an Event of Default by the Company and / or the Primary Promoters which is continuing and remains unremedied after the expiry of the Cure Period in accordance with Article 107.3.
- 191.28. The Securities allotted to the Investors and the SGS Shareholders shall be free from all Encumbrances and liens. The Investors and the SGS Shareholders shall not be required to Encumber their Securities in the Company, or provide any guarantee, recourse or any other support to any Person, including, to any banks or financing institutions providing credit facilities to the Company.
- 191.29. Where the Investors and the SGS Shareholders are issued, or are purchasing Securities pursuant to these Amended Articles, it may at their sole and absolute discretion, exercise such right through any Affiliate. The Securities to be Transferred pursuant to these Amended Articles shall, at the request of the Investors or the SGS Shareholders and subject to applicable Law, be transferred to any Affiliate, as may be nominated by the Investors or the SGS Shareholders, as the case may. Further, any payment to be made to the Investors and the SGS Shareholders pursuant to these Amended Articles shall, at the request of the Investors or the SGS Shareholders and subject to applicable Law, be paid to any Person nominated by the Investors and the SGS Shareholders to receive such payment, which shall be deemed to be full and final payment towards the Investors and the SGS Shareholders.
- 191.30. For the avoidance of doubt, all the rights of the Investors and the SGS Shareholders under these Amended Articles shall extend to their Affiliates, subject to such Affiliate holding any Securities of the Company, and having executed a Deed of Adherence, provided that such Transfer shall not result in any duplication of rights as between the relevant Investor the relevant SGS Shareholder and their respective transferee, and all of such rights shall be exercised between the Investors or the SGS Shareholders and their respective Affiliates, as a single bloc.

#### **Syrma Promoters' Right of First Refusal**

- 191.31. In the event that the SGS Shareholders and / or the Investors intend to Transfer their Securities held by the SGS Shareholders and / or the Investors, as the case may be, pursuant to Article 191.4, 191.20 above in respect of the SGS Shareholders and Article 191.20 above in respect of the Investors, to a Competitor (the **ROFR Transferor**), the ROFR Transferor, upon receiving a proposal from any Competitor, shall promptly but in any case no later than 30 (thirty) days prior to the date of confirming such proposal for the Transfer, deliver a written notice (the **Promoter ROFR Notice**) to the Syrma Promoters. The Promoter ROFR Notice shall specify:
- (i) the identity of the proposed transferee;
  - (ii) the number of Securities proposed to be Transferred (the **Promoter ROFR Shares**) and the number and class of Securities that the ROFR Transferor owns in the Company at that time, on a Fully Diluted Basis;
  - (iii) the amount and form of the proposed consideration for the Transfer, including the proposed price per Security for the Promoter ROFR Shares (**Promoter ROFR Price**);

- (iv) any other material terms and conditions of the proposed Transfer, accompanied by documents evidencing key commercial terms as agreed between the ROFR Transferor and the proposed transferee, and
  - (v) the proposed date of consummation of the proposed Transfer.
- 191.32. The Syrma Promoters and / or their Affiliates shall be entitled to exercise their right to purchase all (and not less than all) of the Promoter ROFR Shares. The Syrma Promoters shall be entitled to notify the ROFR Transferor of their intention to acquire the Promoter ROFR Shares on the terms set out in the Promoter ROFR Notice by way of a written response to the ROFR Transferor (the **Promoter ROFR Acceptance Notice**), within 30 (thirty) days of receipt of the Promoter ROFR Notice (the **Promoter ROFR Acceptance Period**). If the Syrma Promoters deliver the Promoter ROFR Acceptance Notice within the Promoter ROFR Acceptance Period, the Transferor shall Transfer the Promoter ROFR Shares to the Syrma Promoters, on the same terms as specified in the Promoter ROFR Acceptance Notice, within 45 (forty five) days of the expiry of the Promoter ROFR Acceptance Period. The Investors and SGS Shareholders shall not be required to make any representations or warranties or provide any indemnities to the proposed transferee or to the Syrma Promoters (as the case may be), other than the fundamental representations and warranties (clear and marketable title with no Encumbrances) in relation to the Promoter ROFR Shares.
- 191.33. If the Syrma Promoters do not deliver a Promoter ROFR Acceptance Notice within the Promoter ROFR Acceptance Period, the ROFR Transferor shall, upon the expiry of the Promoter ROFR Acceptance Period, be free to Transfer the Promoter ROFR Shares to such proposed transferee provided such Transfer shall not be made unless (a) the Transfer is on the same terms and conditions as specified in the Promoter ROFR Notice; and (b) such proposed transferee executes a Deed of Adherence, prior to such Transfer of the Promoter ROFR Shares.
- 191.34. If completion of the Transfer to such proposed transferee does not take place within the period of 180 (one hundred and eighty) days following the expiry of the Promoter ROFR Acceptance Period, the ROFR Transferor's right to Transfer the Promoter ROFR Shares shall lapse and the ROFR Transferor shall not Transfer the Promoter ROFR Shares without again complying with the provisions of Article 191.31-191.35
- 191.35. Where the Syrma Promoters require any prior governmental, regulatory or shareholder consent under applicable Law for acquiring the Promoter ROFR Shares pursuant to these Amended Articles, then, notwithstanding any other provision of these Amended Articles, the Syrma Promoters shall be obliged to acquire the Promoter ROFR Shares when such consent or approval is obtained, and the Parties shall use their reasonable endeavours to obtain any such required approvals.

#### **Investors' and SGS Shareholders' Tag Along Rights**

- 191.36. Except for the Permitted Promoter Transfers, the Permitted SGS Transfers and any Transfers pursuant to Article 191.5, where the Investors' Consent is not required, if prior Investors' Consent and SGS Shareholders' Consent is provided (where applicable) for a proposed Transfer of Securities in the Company by any of the Syrma Promoters and / or any of the SGS Shareholders, as the case may be, to a third party, such Transfer shall be subject to the provisions provided herein:
- (a) the Investors and the SGS Shareholders (referred to as **Tag Transferee** and the Syrma Promoters shall be referred to as **Tag Transferor**, for the purposes of this sub-article (a)) shall have the right but not obligation to sell some or all of their Securities in the Company to such third party in the event that the proposed Transfer by the Tag Transferor would result in the Syrma Promoters' aggregate shareholding on a Fully Diluted Basis becoming 25% (twenty five per cent.) or less (**Change of Tag Control**); or
  - (b) the Investors (referred to as a **Tag Transferee** and the Syrma Promoters and / or the SGS Shareholders, as the case may be, referred to as **Tag Transferor**, for the purposes



of the sub-articles (b) and (c)) shall have the right but not obligation to sell such number of Securities specified by the Tag Transferee up to the number of Securities held by the Tag Transferee (on a Fully Diluted Basis), multiplied by a fraction, the numerator of which is the number of Securities being sold by the Syrma Promoters and / or any of the SGS Shareholders, as the case may be (on a Fully Diluted Basis) and the denominator of which is the total number of Securities held by the Syrma Promoters and / or any of the SGS Shareholders, as the case may be (on a Fully Diluted Basis) in the Company if the proposed Transfer would not result in a Change of Tag Control of the Company; or

- (c) where the exercise by the Tag Transferee of their right to sell such number of proportionate Securities as determined in accordance with sub-articles (b) above would result in the Tag Transferee's holding less than 5% (five per cent.) of Equity Shares on a Fully Diluted Basis, the Tag Transferee shall have the right but not obligation to sell some or all of their Securities in the Company to such third party,

on identical terms as the Tag Transferor (hereinafter referred to as the **Tag Along Right** and the Securities that the Tag Transferee decides to Transfer pursuant to the Tag Along Right are hereinafter referred to as the **Tag Along Shares**).

191.37. In the event that the Tag Transferor (as referred to in sub-article (a), (b) or (c) above, as the case may be) proposes to Transfer any of the Securities held by it pursuant to this Article, the Tag Transferor shall deliver a written notice (**Tag Offer Notice**) to each of the Tag Transferee (as referred to in sub-articles (a), (b) or (c) above, as the case may be). The Tag Offer Notice shall state:

- (a) the number of Securities of the Company proposed to be Transferred (**Tag Offer Shares**);
- (b) the name and address of the proposed transferee (**Tag Purchaser**);
- (c) the proposed sale price (payable in immediately available funds), including the proposed amount and form of consideration and terms and conditions offered by such Tag Purchaser (**Tag Offer Price**). For the avoidance of doubt, the Tag Offer Price shall include all components of the consideration, direct or indirect, tangible or intangible, that is being paid for, in respect of, or in connection with the sale of the Tag Offer Shares;
- (d) the date of the proposed sale; and
- (e) a confirmation that the Tag Purchaser has been informed of the "Tag Along Right" provided for in these Amended Articles and has agreed to purchase all the Securities required to be purchased in accordance with the terms of Article 191.37, and a confirmation that no consideration, tangible or intangible, is being provided, directly or indirectly, to the Tag Transferor, or their Affiliates, that shall not be reflected in the Tag Offer Price for the Tag Along Shares. In the event that the proposed consideration for the Transfer includes any consideration other than cash, the Tag Offer Notice shall include a calculation of the fair market value of such consideration (in the manner as agreed between the Parties) and an explanation (in reasonable detail) of the basis for such calculation.

191.38. The Tag Offer Notice shall be accompanied by a certified true and complete copy of all documents constituting and relating to the agreement between the Tag Transferor and the Tag Purchaser, regarding the proposed Transfer.

191.39. Within 30 (thirty) days of the receipt of the Tag Offer Notice (**Tag Offer Period**), the Tag Along Right may be exercised by the Tag Transferee by delivery of a written notice to the Tag Transferor (**Tag Along Notice**) specifying the number of Tag Along Shares.

- 191.40. If any of the Tag Transferee issues the Tag Along Notice in accordance with Article 191.39 above, the Tag Transferor shall arrange for the Tag Purchaser to purchase the Tag Along Shares directly from such Tag Transferee, simultaneously with the purchase of any Tag Offer Shares from the Tag Transferor, for the same consideration and upon the same terms and conditions as applicable to the Tag Offer Shares, provided that the Tag Transferee (a) may choose to receive the cash equivalent of any such consideration which is in a form other than cash (as notified, agreed or determined above, for inclusion in the Tag Offer Price) which shall be determined by an independent valuer appointed mutually by the Tag Transferor and the Tag Transferee, at the cost of the Tag Transferor; and (b) shall not be required to provide any representations or warranties to the Tag Purchaser, except relating to the title to the Tag Along Shares. Such sale shall be completed within 45 (forty five) Business Days from the expiry of the Tag Offer Period.
- 191.41. In the event that the Tag Transferee communicates the refusal to exercise the Tag Along Right or fail to issue a Tag Along Notice to the Tag Transferor within 30 (thirty) days of receiving the Tag Offer Notice, the Tag Transferor shall be entitled to sell the Tag Offer Shares on the same terms as stipulated in the Tag Offer Notice, within a period of 45 (forty five) Business Days following the expiry of the Tag Offer Period (**Tag Sale Period**). Any such Tag Purchaser purchasing the Tag Offer Shares shall deliver to the Tag Transferor on the date of consummation of the proposed Transfer specified in the Tag Offer Notice, payment in full, of the Tag Offer Price, in accordance with the terms set forth in the Tag Offer Notice. Further, such Tag Purchaser shall, prior to the completion of the Transfer of the Tag Offer Shares, execute a Deed of Adherence.
- 191.42. The Tag Transferor shall not Transfer any Tag Offer Shares (a) on terms other than as stipulated in the Tag Offer Notice; or (b) after the expiry of the Tag Sale Period, without again giving notice to the Tag Transferee of the proposed Transfer and complying with the requirements of Articles 191.36-191.44.
- 191.43. The Company, the Syrma Promoters and the SGS Shareholders (unless any of the SGS Shareholders is / are Tag Transferee) shall take all actions to enable the Investors and SGS Shareholders (in case where any of the SGS Shareholders is a Tag Transferee) to participate in any such sale pursuant to Articles 191.36 - 191.44, including providing the Investors and the SGS Shareholders with reasonable assistance to obtain all Governmental Approvals or to agree upon such other terms of such sale as will enable the Parties to give effect to the commercial intent of Articles 191.36 - 191.44.
- 191.44. Where the Investors and the SGS Shareholders require any Governmental Approvals for the disposal of the Tag Along Shares under Articles 191.36 - 191.44, until such Approvals are obtained, no Tag Transferor shall be allowed to sell the Tag Offer Shares pursuant to Articles 191.36 - 191.44, and the timelines mentioned under Articles 191.36 - 191.44 shall be extended for the time taken to obtain such Approvals by the Investors and the SGS Shareholders.
- 191.45. For the avoidance of any doubt, it is hereby clarified that in the event the Tag Transferor is any of the Syrma Promoters, then along with the Investors, even the SGS Shareholders shall be considered to be a Tag Transferee and the provisions of Articles 191.36 - 191.44 shall *mutatis mutandis* apply to the Tag Along Right of the SGS Shareholders.

## **General**

- 191.46. Any Transfer or attempted Transfer of any Securities by the Parties, in violation of these Amended Articles, shall be void. No such Transfer shall be recorded in the Company's registers and the purported transferee of any such Transfer shall not be treated as a Shareholder of the Company.
- 191.47. Subject to any applicable Law, the Company shall not register a Transfer of any Securities that is not in compliance with this Article 191. The Company shall not register any Transfer of Securities in violation of the provisions of these Amended Articles and shall not recognize as a Shareholder or owner of securities, nor accord any rights (whether relating to payment of dividend or voting) to the purported transferee of any Securities in violation of the provisions of these Amended Articles.

- 191.48. Any Person to whom Securities are issued / Transferred pursuant to this Article 191 (or otherwise in accordance with these Amended Articles, except otherwise provided for in these Amended Articles including in the case of Articles 191.1 (ii) and 191.3.2, and the Constitutional Documents of the Company) shall agree in writing to be bound by the terms and conditions of these Amended Articles and all agreements and letters ancillary thereto, as the case may be, by executing a Deed of Adherence.
- 191.49. Notwithstanding anything provided in these Amended Articles but subject to Article 191.5, upon the earlier of (a) the expiry of the SGS Lock-in Period; and (b) the Investors ceasing to be Shareholders in the Company anytime between 78 (seventy eight) months from the Closing Date and the SGS Lock-in Period, the SGS Shareholders shall be free to Transfer their Securities, without any restrictions whatsoever, to any Person.

## **192. LIQUIDATION AND LIQUIDITY EVENT PREFERENCE**

- 192.1. Upon the occurrence of the following liquidity events: (a) merger, amalgamation or corporate restructuring of the Company provided such merger, amalgamation or corporate restructuring results in assets or amounts available for distribution to the Shareholders; or (b) sale of substantially whole of the Business of the Company as a going concern; or (c) the sale of substantial assets of the Company (each such event, being referred to as a **Liquidity Event**), the Investors shall, to the extent permitted under applicable Law (following the satisfaction of lender dues and other statutory payments), be given priority in first recovering an amount that is equal to the higher (**Liquidity Preference Amount**) of (i) a pro rata share of the total consideration received by the Company based on the Investors' shareholding in the Company, on a Fully Diluted Basis, on the date of such Liquidity Event; and (ii) the Investor Subscription Amount less any sale proceeds received by the Investors pursuant to Transfer of Securities, less all and any cash / accrual payments or interest or coupon or dividend already paid on an INR basis, as per applicable Law plus any declared and unpaid dividends payable in respect of Investor Preference Shares. For this purpose, "substantial assets" shall mean assets exceeding more than 50% (fifty per cent.) of the book value of the total assets of the Company as per the audited balance sheet of the Company for the Financial Year ended most recently at the relevant time. Following the receipt of the Liquidity Preference Amount by the Investors, the remaining amount available for distribution pursuant to the Liquidity Event shall be distributed to the holders of Equity Shares (other than the Investors) on a Fully Diluted Basis in proportion to their respective shareholding.
- 192.2. Upon the occurrence of a Liquidation Event of the Company, the Investors shall have the first right in preference, in accordance with applicable Law, to any other Shareholders (including the SGS Shareholders) to receive the total amount paid by the Investors towards subscription of Investor Preference Shares less any sale proceeds received by the Investors pursuant to Transfer of Securities, less all and any cash / accrual payments or interest or coupon or dividend already paid on an INR basis, as per applicable Law plus any declared and unpaid dividends payable in respect of Investor Preference Shares (**Liquidation Preference Amount**) and before any distribution is made in respect of any Securities or otherwise to any other Shareholder of the Company (including the SGS Shareholders)..
- 192.3. Following the receipt of the Liquidation Preference Amount by the Investors under Article 192.2, the remaining proceeds shall first be applied towards paying an amount which is equal to the subscription amount of INR 49,999,230 (Rupees forty nine million, nine hundred and ninety nine thousand and two hundred and thirty) paid by the Syrma Promoters and their nominees (the **Syrma Promoter Nominees**) who have subscribed for Equity Shares or convertible Securities on or around the same time as the Closing Date under the Subscription Agreement, less any sale proceeds received by the Syrma Promoter Nominees pursuant to Transfer of Securities, less all and any cash / accrual payments or interest or coupon or dividend already paid on an INR basis, as per applicable Law plus any declared and unpaid dividends payable in respect of such shares (the **Promoter Nominee Liquidation Preference Amount**).
- 192.4. Following the receipt of the Liquidation Preference Amount by the Investors under Article 192.2 and the Promoter Nominee Liquidation Preference Amount under Article 108.3, the holders of Equity Shares, on a Fully Diluted Basis (including the Investors), shall, subject to the provisions of this Article 192.4, be entitled to receive any surplus assets of the Company in the Relevant

Proportion determined on a Fully Diluted Basis provided that the amount to be distributed to the Investors shall be reduced by the Liquidation Preference Amount and (b) the amount to be distributed to the Syrma Promoter Nominees shall be reduced by the Promoter Nominee Liquidation Preference Amount. For the purposes of this Article 192.4, as between the SGS Shareholders and the Syrma Promoters, the Relevant Proportion shall be a ratio of 50:50 (fifty:fifty).

- 192.5. In the event the Company has insufficient assets to permit payment of the Liquidity Preference Amount and / or the Liquidation Preference Amount, as applicable, in full to the Investors, then all available funds of the Company shall be distributed to the Investors.
- 192.6. Upon the occurrence of any Liquidation Event and / or the Liquidity Event, as applicable, in the event that the rights of the Investors and the SGS Shareholders provided in Articles 192.1 and 192.2 have not been given effect to by the Company or are not permissible to be given effect to or enforced, the Investors and the SGS Shareholders shall have the right to require the Promoters to deposit all amounts received by them pursuant to the Liquidation Event and / or the Liquidity Event, as applicable, with the authorized Representatives of the Investors and the SGS Shareholders, the details of whom shall be finalized prior to the appointment of such authorized Representatives. The authorized Representatives shall settle all amounts due and payable to the Investors and the SGS Shareholders (pursuant to the Liquidation Event and / or the Liquidity Event, as applicable) and shall thereupon release any moneys payable to the Promoters only after all amounts receivable by the Investors and the SGS Shareholders under this Article 192 are paid to them in their entirety.
- 192.7. Without prejudice to the rights of the Investors set out in this Article 192.7 and elsewhere in these Amended Articles, it is hereby clarified that the Investor Preference Shares that are held by the Investors shall, in all other respects, at least rank *pari passu* with the remaining preference shares, if any, including with respect to entitlement to dividends and, subject to the provisions of this Article 192, other distributions.

### 193.EVENTS OF DEFAULT

- 193.1. An event of default (***Event of Default***) in relation to the Company and, the Primary Promoters and the SGS Shareholders hereto (***Defaulting Party***) shall occur in any of the following cases:
  - (a) any material breach or material default of clause 6 (Environmental and Social Action Plan) of the Shareholders' Agreement, ESA Laws or the ESA Plan which results in a Material Adverse Effect;
  - (b) any material breach or material default of any of the provisions contained in Articles 181.1 (Investor Directors), 183 (Investor Reserved Matters), 191.1 – 191.17 (Transfer of Securities by the Syrma Promoters and Transfer of Securities by the SGS Shareholders) of the Amended Articles and clauses 18.10-18.12 (Anti-Corruption Laws) of the Shareholders' Agreement; or
  - (c) upon a conviction by a court of competent jurisdiction which has (i) not been stayed by the applicable High Court or the Supreme Court of India; or (ii) been upheld by the applicable High Court of competent jurisdiction for any act of fraud, gross negligence or any other serious criminal offence of moral turpitude, against the Primary Promoters which results in a Material Adverse Effect.; or
  - (d) upon a conviction by a court of competent jurisdiction which has (i) not been stayed by the applicable High Court or the Supreme Court of India; or (ii) been upheld by the applicable High Court of competent jurisdiction for any act of fraud, gross negligence or any other serious criminal offence of moral turpitude, against the SGS Shareholders to the extent such acts were committed them whilst they were acting in an executive capacity in the Company which results in a Material Adverse Effect.
- 193.2. In the event the Investor Director is convicted by a court of competent jurisdiction which has (a) not been stayed by the applicable High Court or the Supreme Court of India; or (b) been upheld

by the applicable High Court of competent jurisdiction for any act of fraud, gross negligence or any other serious criminal offence of moral turpitude, the Investor Fund shall immediately procure the resignation of such Investor Director and his or her replacement with an individual who is eligible to be appointed as a director on the Board under applicable Law.

- 193.3. Upon the occurrence of an Event of Default, the Investors may immediately, by a written notice (the **Default Notice**), require the Company and, the Primary Promoters and the SGS Shareholders to remedy the Events of Default to the satisfaction of the Investors within 6 (six) months from the date of the Default Notice (each such period, the **Cure Period**).
- 193.4. If an Event of Default is continuing and remains unremedied after the expiry of the Cure Period in accordance with Article 193.3 above, the Investors may, in their sole discretion and option, exercise the following remedies:
- (a) cause the Company to undertake a buyback of all of the Securities held by the Investors at a price equal to the FMV. Such buyback shall be completed within 3 (three) months from the date of exercise of rights by the Investors under this Article 193.4; and
  - (b) if the Company does not undertake a buyback for any reason whatsoever in accordance with the provisions of Article 193.4(a) above and within the timelines mentioned above, the Investors may require the Primary Promoters and the SGS Shareholders, in their respective Relevant Proportion, to purchase all of the Securities held by them in the Company at a price equal to the FMV. The Primary Promoters and the SGS Shareholders may acquire such Securities either by themselves or through their nominees. Such purchase shall be completed within 3 (three) months from the date on which the Investors exercise their right to require the Primary Promoters and the SGS Shareholders to purchase all of their Securities in accordance with this Article 193.4(b).

#### **194.EXIT RIGHTS**

Subject to Article 190 (*Fall Away*), the exit rights related provisions will be as per Clause 17 of the Shareholders' Agreement.

#### **195.INFORMATION AND INSPECTION RIGHTS**

Subject to Article 190 (*Fall Away*), the Investors shall have the information and inspection rights as set out in Clause 7 of the Shareholders' Agreement.

#### **SCHEDULE 1: INVESTOR RESERVED MATTERS**

1. Increase or decrease or other alteration or modification in the authorized, issued and / or paid up share capital of the Company, and / or any reduction of capital and / or any changes to the capital structure of the Company, including the issuance, redemption or buy-back of any Securities or other convertible instruments, share-splits, issuance of bonus shares, grant of options over its securities, restructuring of share capital, any reclassification or creation of new class or series, raising capital by issuing equity / equity-linked securities, convertible debentures or other convertible instruments, in each case other than pursuant to a transaction contemplated under the Shareholders' Agreement, issuance pursuant to the ESIP 1 under Article 189.7 and exit provisions set out under Article 194;
2. Any initial public offering, other than the Qualified IPO (as defined in the Shareholders' Agreement).
3. Any amendment, modification or restatement of the Constitutional Documents of the Company (except in accordance with Article 194);
4. Any acquisition or sale of any assets of the Company in any financial year in excess of 10% (ten per cent.) of the annual budget or the Business Plan (including any line item thereunder);

5. Approval and adoption of the annual budget and the Business Plan, amendment or modification of the annual budget or Business Plan, or taking any action that is inconsistent with the annual budget or Business Plan then in existence (including a prepayment of any term loan debt in excess of 20% (twenty per cent.) of the outstanding term loans at the beginning of the Financial Year); provided such amendment, modification or such inconsistent action has a cumulative value in excess of 10% (ten per cent.) of the annual budget or the Business Plan (including any line item thereunder);
6. Declaration or payment of dividend or other distributions on the Company's Securities;
7. Entering into transactions, arrangements or agreements with the Syrma Promoters or the SGS Shareholders or Connected Persons / Concerns other than pursuant to existing transactions with such parties, details of which have been provided by the Company to the Investors on the Closing Date in writing;
8. Any borrowing, or a series of related borrowings, by the Company in any Financial Year, or the creation of any Encumbrance in connection with any such borrowing provided such borrowings (and the consequent encumbrances in connection with such borrowings) are in excess of 10% (ten per cent.) of the line items set out in the annual budget;
9. Issuance of guarantee(s) otherwise than in Ordinary Course of Business or as contemplated in the annual budget which are in excess of 10% (ten per cent.) of the borrowings (connected with such guarantees) set out in the annual budget;
10. Creation or disposal of any legal entity, partnership, Subsidiary of the Company, merging or demerging with or into any corporation, spin-off, consolidation, business reorganization, division of business or entering into any joint venture or similar arrangement by the Company, acquisition of other businesses or making any investments (other than short term investments in bank deposits / mutual funds to park short term surplus funds), in each case where the proceeds involved is in excess of USD 500,000 (United States Dollar five hundred thousand) or change of Control other than the exit events contemplated under Article 194, bankruptcy, insolvency, liquidation, winding up, dissolution, compromise with creditors, restructuring, whether of assets, debt, shares or otherwise, other similar or related actions, either by or of the Company;
11. Sale of whole or substantially all of the business or assets of the Company;
12. Entering into any material Contract, or a series of material agreements or arrangements unless provided for in the annual budget and in excess of 10% (ten per cent.) of the line item provided in the annual budget;
13. Any (a) capital expenditures; or (b) acquisitions / disposal of capital assets, including but not limited to constructions and leases, unless provided for in the annual budget and which are in excess of 10% (ten per cent.) of the line item provided in the annual budget;
14. Change in the composition of the Board;
15. Appointment / removal of the statutory or internal auditors of the Company, only in the event where such auditors are not members of the Big Four Accounting Firms;
16. Issuance, formulation, creation or adoption of stock option plans, stock appreciation rights plans and / or other management or employee stock incentive plans, or any changes, modifications or amendments thereto, including the creation, formation, termination, etc., of any trusts therefor other than pursuant to the ESIP under Article 189.7;
17. Any variation of the rights attached to the Investor Preference Shares and / or the SGS Shareholders' Equity Shares;
18. Commence or settle any Litigation, arbitration or other proceedings with the Syrma Promoters the SGS Shareholders and / or Connected Persons / Concerns;

19. Assignment, mortgage, pledge, hypothecation, grant of security interest in, subject to any lien, of any assets or securities of the Company otherwise than as contemplated by the annual budget which amount to exceeding 10% (ten per cent.) of the borrowings (connected with such encumbrances) in the annual budget, in any Financial Year;
20. Any agreement or arrangement to give effect to any of the matters contained herein in this Schedule 1 requires the affirmative consent of the Investors; and
21. Any amendments to the Transaction Documents involving the Company, to which the Investors are not a party.

## **SCHEDULE 2: SGS Reserved MATTERS**

1. Increase or decrease or other alteration or modification in the authorized, issued and / or paid up share capital of the Company, and / or any reduction of capital and / or any changes to the capital structure of the Company, including the issuance, redemption or buy-back of any Securities (except pursuant to the Investors' rights under clauses 17.10 to 17.11 of the Shareholders' Agreement) or other convertible instruments, share-splits, issuance of bonus shares, grant of options over its securities, restructuring of share capital, any reclassification or creation of new class or series, raising capital by issuing equity / equity-linked securities, convertible debentures or other convertible instruments, in each case other than pursuant to a transaction contemplated under these Amended Articles, Shareholders' Agreement, issuance pursuant to the ESIP-1 under clause 189.7 of the Shareholders' Agreement and the exit provisions set out under Article 194;
2. Any initial public offering, other than the Qualified IPO;
3. Any amendment, modification or restatement of the Constitutional Documents of the Company (except in accordance with clause 194 of the Shareholders' Agreement);
4. Any acquisition or sale of any assets of the Company in any financial year in excess of 10% (ten per cent.) of the annual budget or the Business Plan (including any line item thereunder);
5. Declaration or payment of dividend or other distributions on the Company's Securities;
6. Entering into transactions, arrangements or agreements with the Syrma Promoters, or Connected Persons / Concerns other than pursuant to existing transactions with such parties, details of which have been provided by the Company to the SGS Shareholders on the Closing Date in writing;
7. Creation or disposal of any legal entity, partnership, Subsidiary of the Company, merging or demerging with or into any corporation, spin-off, consolidation, business reorganization, division of business or entering into any joint venture or similar arrangement by the Company, acquisition of other businesses or making any investments (other than short term investments in bank deposits / mutual funds to park short term surplus funds), in each case where the proceeds involved is in excess of USD 500,000 (United States Dollar five hundred thousand), or change of Control other than the exit events contemplated under clause 194 of the Shareholders' Agreement, bankruptcy, insolvency, liquidation, winding up, dissolution, compromise with creditors, restructuring, whether of assets, debt, shares or otherwise, other similar or related actions, either by or of the Company;
8. Sale of whole or substantially all of the business or assets of the Company;
9. Entering into any material Contract, or a series of material agreements or arrangements unless provided for in the annual budget and in excess of 10% (ten per cent.) of the line item provided in the annual budget;
10. Any (a) capital expenditures; or (b) acquisitions / disposal of capital assets, including but not limited to constructions and leases, unless provided for in the annual budget and which are in excess of 10% (ten per cent.) of the line item provided in the annual budget;

11. Change in the composition of the Board;
12. Appointment / removal of the statutory or internal auditors of the Company, only in the event where such auditors are not members of the Big Four Accounting Firms;
13. Issuance, formulation, creation or adoption of stock option plans, stock appreciation rights plans and / or other management or employee stock incentive plans, or any changes, modifications or amendments thereto, including the creation, formation, termination, etc., of any trusts therefor other than pursuant to the ESIP-1 under clause 189.7 of the Shareholders' Agreement;
14. Any variation of the rights attached to the Investor Preference Shares and / or the SGS Shareholders' Equity Shares;
15. Any agreement or arrangement to give effect to any of the matters contained in this **Schedule 2** which requires the affirmative consent of the SGS Shareholders; and
16. Any amendments to the Transaction Documents involving the Company, to which the SGS Shareholders are not a party.

### **SCHEDULE 3: DEFINITIONS AND INTERPRETATION**

#### **1. Definitions**

In these Amended Articles (for the avoidance of doubt, the provisions of Part B), the following words and expressions shall have the following meanings:

- i. ***Affiliate*** means, in relation to any Person (a ***relevant person***):
  - i. any person directly or indirectly Controlled by the relevant person;
  - ii. any person directly or indirectly Controlling the relevant person;
  - iii. any person directly or indirectly Controlled by any person Controlling the relevant person;
  - iv. in case the relevant person is a natural Person, also any Relative of such relevant person and / or who qualifies as a Related Party of such natural Person; and
- ii. ***Anti-Corruption Laws*** means all laws, rules, regulations, policies and procedures concerning or relating to bribery, corruption or money laundering, including without limitation the Prevention of Corruption Act, 1988, the US Foreign Corrupt Practices Act 1977, the UK Bribery Act 2010 and other similar legislations in any applicable jurisdiction;
- iii. ***Approval*** means any Governmental Approvals and any approvals or consents required from the board of directors or Shareholders of a corporate entity or from any third party;
- iv. ***Article*** shall mean these articles of association of the Company;
- v. ***Amended Articles*** means Articles 180 to 193 of these articles of association;
- vi. ***As Converted Basis*** means the equity shareholding ownership in the Company at the relevant point in time as calculated after taking into account all the issued and outstanding Equity Shares, convertible preference shares, and all outstanding convertible options, warrants, convertible debentures, employee stock options, if any, from time to time and all other convertible Securities of the Company (other than commitments as given to the lenders of the Company with respect to Indebtedness) as if



all such preference shares, options, warrants, convertible debentures and all other outstanding Securities were converted to Equity Shares at that point in time (in accordance with the terms thereof) and such calculation shall take into consideration all share splits, bonus issuances, etc. if any;

- vii. **Big Four Accounting Firm** means one of Deloitte Touche Tohmatsu, PricewaterhouseCoopers, Ernst & Young and KPMG, or their respective Indian affiliates;
- viii. **Board** means the board of directors of the Company in office at the relevant time, appointed in accordance with the Shareholders' Agreement, the Constitutional Documents and the Companies Act;
- ix. **Business** means the business of contract manufacturing printed circuit boards, radio frequency identification tags, high performance magnets, transformers, DC motors, disk drives, fibre optic assemblies, memory modules, power supplies/ adapters and a wide range of specialized components except transistor, diodes, active and passive components, connectors and chip components;
- x. **Business Day** means a day (other than a Saturday or Sunday or public holiday in India or the United States of America) on which banks are open in the United States of America, New Delhi, Gurgaon, Mumbai and Chennai, India, for general commercial business;
- xi. **Business Plan** means the business plan for the Company, relating to the relevant Financial Year (in a format to be agreed upon, from time to time, between the Syrma Promoters, the SGS Shareholders and the Investors);
- xii. **Chairman** has the meaning given to it in Article 181.8;
- xiii. **Change of Tag Control** has the meaning given to it in Article 191.36;
- xiv. **Closing** has the meaning given to it in the SGS Subscription Agreement;
- xv. **Closing Date** has the meaning given to it in the SGS Subscription Agreement
- xvi. **Companies Act** means the Companies Act, 2013, and the Companies Act, 1956, to the extent that such enactments are in force, as amended from time to time, or any other future applicable Law superseding and / or amending the same;
- xvii. **Company** shall mean Syrma SGS Technology Private Limited;
- xviii. **Competitor** means any persons engaged in a business which is same or similar to the Business, and their respective Affiliates;
- xix. **Connected Person / Concern** has the meaning given to it in the SAG Subscription Agreement;
- xx. **Consent** means any consent, approval, authorization, waiver, permit, grant, franchise, license, certificate, exemption, permission, order, registration, declaration, filing, report or notice of, with, to, from or by any Person, including any third party consents, not limited to lender consents, in each case, evidenced in writing;
- xxi. **Constitutional Documents** means to the extent applicable, the certificate of incorporation, memorandum of association and articles of association, including any amendments thereto;
- xxii. **Contract** means any agreements, contracts, instruments, obligations, offers, legally binding commitments, arrangements and understandings, (whether written or oral)

including all loan agreements, indentures, letters of credit (including related letter of credit applications and reimbursement obligations), mortgages, security agreements, pledge agreements, deeds of trust, bonds, notes, guarantees, surety obligations, warranties, licenses, franchises, permits, powers of attorney, purchase orders, leases, including any amendment variation, termination or extension under or in respect of any of the foregoing;

- xxiii. **Control** (including with correlative meaning, the terms, **Controlling** and **Controlled by**), with respect to a Person, means the acquisition or control of more than 50% (fifty per cent.) of the voting rights or of the issued share capital of such Person or the right to appoint or remove all or the majority of the members of the board of directors or other governing body of such Person, the power to direct or cause the direction of the management, to manage and exercise significant influence on the management or policies of such Person, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, through Contract or otherwise;
- xxiv. **Conversion Date** has the meaning given to it in paragraph 5.1(i) of **Schedule 4**;
- xxv. **Conversion Notice** has the meaning given to it in paragraph 5.1(i) of **Schedule 4**;
- xxvi. **Conversion Price** has the meaning given to it in paragraph 6.1 of **Schedule 4**;
- xxvii. **Conversion Ratio** has the meaning given to it in paragraph 6.1 of **Schedule 4**;
- xxviii. **Cure Period** has the meaning given to it in Article 193.3;
- xxix. **Deed of Adherence** means the deed of adherence in the form set out in **Schedule 3** of the Shareholders' Agreement;
- xxx. **Default Notice** has the meaning given to it in Article 193.3;
- xxxi. **Defaulting Party** has the meaning given to it in Article 193.1;
- xxxii. **Dilution Instruments** has the meaning given to it in Article 188.2;
- xxxiii. **Encumbrance** (including with correlative meaning, the term, **Encumber**) means any encumbrance including, without limitation, any mortgage, pledge, charge (whether fixed or floating), hypothecation, lien, security interest or other encumbrances of any kind securing or conferring any priority of payment in respect of any obligation of any Person and includes without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security
- xxxiv. **Environmental Law** means any common or statutory law, regulation, directive or other law and all statutory codes of practice, statutory guidance and the like relating to the environment, pollution of the environment, health or safety or the welfare of any living organism which applies to the company concerned, its premises or its activities;
- xxxv. **Equity Shares** means equity shares of the Company having a face value of INR 10 (Rupees ten) each;
- xxxvi. **ESIP** has the meaning given to it in Article 189.7;
- xxxvii. **Event of Default** has the meaning given to it in Article 193.1;
- xxxviii. **Exchanges** means the main board of the National Stock Exchange of India Limited, the Bombay Stock Exchange Limited or any other national or international exchange that is approved in writing by the Investor Fund and the SGS Shareholders;

- xxxix. **Expenses** has the meaning given to it in Article 181.19;
- xl. **Fair Market Value** or **FMV** means the equity valuation of the Company as determined by a Big Four Accounting Firm, appointed by the Company and acceptable to the Investors, using an internationally accepted pricing valuation methodology mutually acceptable to the Parties, in compliance with applicable Law;
- xli. **Financial Year** means a continuous period of 12 (twelve) months commencing on 1 April of a calendar year and ending on 31 March in the immediately succeeding calendar year;
- xlii. **First Promoter** shall refer to Mr. Sandeep Tandon;
- xlili. **Fully Diluted Basis** means that the calculation of the equity share capital is to be made assuming that all outstanding securities convertible into Equity Shares (whether or not by their terms then currently convertible, exercisable or exchangeable), stock options, warrants, including but not limited to any outstanding commitments to issue Equity Shares at a future date whether or not due to the occurrence of an event or otherwise, have been so converted, exercised or exchanged (or issued, as the case may be);
- xliv. **Further Issue** has the meaning given to it in Article 187.1;
- xlv. **Further Issue Securities** has the meaning given to it in Article 187.1;
- xlvi. **GAAP** means generally accepted accounting principles in India, as applicable from time to time;
- xlvii. **Governmental Approval** means any permission, approval, Consent, license, permit, order, decree, authorization, registration, filing, notification, exemption or ruling to or from or with any Governmental Authority;
- xlviii. **Governmental Authority** means:
- a. the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, central bank, commission or other authority thereof, including any entity directly or indirectly owned (in whole or in part) or controlled thereby;
  - b. any public international organization or supranational body (including, without limitation, the European Union) and its institutions, departments, agencies and instrumentalities; or
  - c. any quasi-governmental entity, body or agency lawfully exercising, or lawfully entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing or other governmental or quasi-governmental authority;
- xlix. **Indebtedness** has the meaning given to it in the SAG Subscription Agreement;
- l. **Indemnifiable Amounts** has the meaning given to it in Article 181.19;
- li. **Indemnatee** has the meaning given to it in Article 181.19;
- lii. **Investment Amount** has the meaning given to it in paragraph 6.1 of **Schedule 4**;
- liii. **Investor Fund** shall refer to South Asia Growth Fund II Holdings LLC;

- liv. **Investor** shall refer to South Asia Growth Fund II Holdings LLC and South Asia EBT Trust, jointly as well as severally;
- lv. **Investors' Consent** means the prior written consent of the Investor Fund, in its absolute discretion and such consent, if provided, shall be binding on the Co-investor;
- lvi. **Investor Director** has the meaning given to it in Article 181.1;
- lvii. **Investor Preference Shares** has the meaning given to it in the Subscription Agreement;
- lviii. **Investor ROFR Acceptance Notice** has the meaning given to it in Article 191.13;
- lix. **Investor ROFR Acceptance Period** has the meaning given to it in Article 191.13;
- lx. **Investor ROFR Notice** has the meaning given to it in Article 191.12;
- lxi. **Investor ROFR Price** has the meaning given to it in Article 191.12(iv);
- lxii. **Investor ROFR Shares** has the meaning given to it in Article 191.12(ii);
- lxiii. **Investor Shares** has the meaning given to it in the Subscription Agreement;
- lxiv. **Investor Subscription Amount** has the meaning given to it in the Subscription Agreement;
- lxv. **Key Managerial Personnel** has the meaning ascribed to it as per section 2 (51) of Companies Act, 2013, and shall refer to such personnel as may be appointed by the Company, from time to time, to such positions, in each case, by whatever title or equivalent title so given from time to time;
- lxvi. **Law** includes all treaties, statutes, enactments, acts of legislature or parliament, laws (including rules of equity), codes, ordinances, rules, by-laws, regulations, notifications, guidelines, policies, directions, directives and orders, decisions, decrees, permits, licenses, consents, approvals or other authorizations of any Governmental Authority, statutory authority, tribunal, board, court or recognized stock exchange and Governmental Approvals, as amended, re-enacted or replaced from time to time;
- lxvii. **Liquidation Event** with respect to the Company means any of the following:
  - i. Compromise or arrangement with the creditors or debtors by the Company which results in the liquidation (voluntary or involuntary), dissolution or winding up of the Company;
  - ii. Appointment of a provisional or official liquidator by an appropriate court under any applicable Law; or
  - iii. Initiation of voluntary or involuntary liquidation, dissolution or winding up of the Company;
- lxviii. **Liquidation Preference Amount** has the meaning given to it Article 192.2;
- lxix. **Liquidity Event** has the meaning given to it in Article 192.1;
- lxx. **Liquidity Preference Amount** has the meaning given to it in Article 192.1;
- lxxi. **Litigation** includes any action, claim, demand, suit, proceeding, citation, summons, subpoena, inquiry or investigation of any nature, civil, criminal, regulatory or otherwise,

in law or in equity, pending by or before any court, tribunal, arbitrator or other Governmental Authority;

- lxxii. **Material Adverse Effect** means material adverse effect on the:
- (a) business, operations, property or financial condition of the Company, provided that the impact, if any, of Covid-19 shall not be taken into account for this purpose; or
  - (b) the ability of the Company to perform its material obligations under the Transaction Documents.
- lxxiii. **Observer** has the meaning given to it in Article 181.11;
- lxxiv. **Operational Committee** has the meaning given to it in Article 186.2;
- lxxv. **Operational Committee Member** has the meaning given to it in Article 186.2;
- lxxvi. **Operational Matters** means the matters specified in Schedule 5;
- lxxvii. **Ordinary Course of Business** means the usual and ordinary course of business consistent with past custom and practice, being in compliance with applicable Law in all material respects;
- lxxviii. **Parties** shall refer to the Company, the Investors, the Syrma Promoters, and the SGS Shareholders, jointly as well as severally;
- lxxix. **Period** has the meaning given to it in Article 182.3;
- lxxx. **Permitted Promoter Transfers** has the meaning given to it in Article 191.1;
- lxxxi. **Person** means any individual, sole proprietorship, unincorporated association, unincorporated organization, firm, body corporate, corporation, company, partnership, unlimited or limited liability company, joint venture, Governmental Authority, business trust or trust or any other entity or organization;
- lxxxii. **Preference Dividend** has the meaning given to it in paragraph 3.1 of **Schedule 4**;
- lxxxiii. **Preference Shares** means preference shares of the Company having a face value of INR 100 (Rupees one hundred) each;
- lxxxiv. **Pre-Emption Acceptance Notice** has the meaning given to it in Article 187.2;
- lxxxv. **Pre-Emption Notice** has the meaning given to it in Article 187.2;
- lxxxvi. **Pre-Emption Offer Period** has the meaning given to it in Article 187.2;
- lxxxvii. **Primary Promoters** shall refer to Mr. Sandeep Tandon and Tancom Electronics Private Limited;
- lxxxviii. **Promoters** shall refer to Mr. Sandeep Tandon, Tancom Electronics Private Limited, and Ms. Veena Kumari Tandon, jointly as well as severally;
- lxxxix. **Promoter Directors** has the meaning given to it in Article 181.3;
- xc. **Promoter ROFO Notice** has the meaning given to it in Article 191.23;
- xc. **Promoter ROFO Period** has the meaning given to it in Article 191.24;

- xcii. **Promoter ROFO Price** has the meaning given to it in Article 191.24;
- xciii. **Promoter ROFO Response Notice** has the meaning given to it in Article 191.24;
- xciv. **Promoter ROFO Shares** has the meaning given to it in Article 191.23;
- xcv. **Promoter ROFO Acceptance Notice** has the meaning given to it in Article 191.25;
- xcvi. **Promoter ROFR Acceptance Notice** has the meaning given to it in Article 191.32;
- xcvii. **Promoter ROFR Acceptance Period** has the meaning given to it in Article 191.32;
- xcviii. **Promoter ROFR Notice** has the meaning given to it in Article 191.31;
- xcix. **Promoter ROFR Price** has the meaning given to it in Article 191.31(iii);
  - c. **Promoter ROFR Shares** has the meaning given to it in Article 191.31(ii);
  - ci. **Relative** has the meaning ascribed to it under the Companies Act;
  - cii. **Relevant Proportion** unless otherwise defined in Article 192.4 means with respect to any Shareholder, the proportion that the number of Equity Shares and any Securities held by such Shareholder, bears to the aggregate number of Equity Shares and any Securities held by all Shareholders, in each case, on a Fully Diluted Basis;
  - ciii. **Relevant Rights** has the meaning given to it in paragraph 4.4 of **Schedule 4**;
  - civ. **Representative** means, in relation to a Party, its Affiliates and their directors, officers, managers, employees (including those on secondment);
  - cv. **Reserved Matters** means the matters specified in **Schedule 1** and **Schedule 2**;
  - cvi. **Restated Articles** means Articles 180 to 193 of these articles of association;
  - cvi. **SAG Subscription Agreement** means share subscription agreement dated 23 October 2020 entered between Company, the Investors and the Syrma Promoters
  - cviii. **Second Promoter** shall refer to Tancom Electronics Private Limited;
  - cix. **Securities** means all classes of shares / securities in the share capital of the Company, whether convertible or not, including, without limitation, the Equity Shares, and any options, warrants or other securities issued from time to time, together with all rights, differential rights, obligations, title, interest and claim in such shares (including debt instruments) which are convertible into or entitle the holder to acquire or receive any Equity Shares, or preference shares or any options to purchase rights or subscribe to securities which by their terms, are convertible into, or exchangeable for, Equity Shares or preference shares, and includes the impact of any anti-dilution rights granted to any Shareholder of the Company and shall be deemed to include all bonus shares issued in respect of such shares and shares issued pursuant to a stock split in respect of such shares and any rights, appreciation rights or instruments thereto;
  - cx. **SGS Investment Agreement** means the share sale and purchase and shareholders' agreement executed on the even date amongst the Company, the First Promoter, the Second Promoter, the Third Promoter, SGS Shareholders and SGS Teknics Manufacturing Private Limited;
  - cx. **SGS Reserved Matter** has the meaning given to it in Article 189.6;

- cxii. **SGS Shareholders** means the promoters of SGS Tekniks Manufacturing Private Limited who are defined as the ‘SGS Promoters’ under the SGS Investment Agreement;
- cxiii. **SGS Shareholders’ Consent** means the prior written unanimous consent of the SGS Shareholders, in their absolute discretion and such consent, if provided, shall be binding on the other SGS Shareholders;
- cxiv. **SGS Shareholders’ Equity Shares** means with respect to the SGS Shareholders, any Equity Shares or any Securities representing, or representing a right (upon conversion, exercise, exchange or otherwise) to receive, Equity Shares or any other shares in the capital of the Company;
- cxv. **Shareholder** means any Person who holds any Equity Shares, preference shares and convertible Securities of the Company;
- cxvi. **Shareholders’ Agreement** means the shareholders’ agreement dated 16 September 2021 between the Company, the Promoters, South Asia Growth Fund II Holdings LLC, South Asia EBT Trust and the SGS Shareholders;
- cxvii. **Social Laws** means any common or statutory law, regulation, directive or other law, binding statutory guidance and the like applicable in India, relating to labour management issues including occupational health and safety, child labour, minimum wage standards and / or other applicable statutory labour Laws in India;
- cxviii. **Subsidiaries** (including the term **Subsidiary**) shall have the meaning given to it in the SAG Subscription Agreement;
- cxix. **Tag Along Notice** has the meaning given to it in Article 191;
- cxx. **Tag Along Right** has the meaning given to it in Article 191;
- cxxi. **Tag Along Shares** has the meaning given to it in Article 191;
- cxxii. **Tag Offer Notice** has the meaning given to it in Article 191;
- cxxiii. **Tag Offer Period** has the meaning given to it in Article 191;
- cxxiv. **Tag Offer Price** has the meaning given to it in Article 191;
- cxxv. **Tag Offer Shares** has the meaning given to it in Article 191;
- cxxvi. **Tag Purchaser** has the meaning given to it in Article 191;
- cxxvii. **Tag Sale Period** has the meaning given to it in Article 191;
- cxxviii. **Tag Transferor** has the meaning given to it in Article 191;
- cxxix. **Third Promoter** shall refer to Ms Veena Kumari Tandon;
- xxxx. **Transaction** means the transaction contemplated by the Transaction Documents;
- xxxxi. **Transaction Documents** means the SAG Subscription Agreement, the SGS Investment Agreement, the Shareholders’ Agreement, the ESA Plan, the SGS Subscription Agreement, and any other agreement executed or to be executed in connection with the Shareholders’ Agreement and the transaction contemplated hereunder;

- cxxxii. **Transfer** (including with correlative meaning, the term, **Transferred**) includes any transfer, assignment, sale, disposal, lease, alienation, amalgamation, merger or Encumbrance, in each case, whether voluntary or involuntary;
- cxxxiii. **Transferring Investor** has the meaning given to it in Article 191.31; and
- cxxxiv. **Transferring Promoter** has the meaning given to it in Article 191.12;

## 2. Interpretation

In these Amended Articles (for the avoidance of doubt, the provisions of Part B), unless the context otherwise requires:

- (a) references to a **person** include any individual, firm, body corporate (wherever incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representative body (whether or not having separate legal personality);
- (b) headings do not affect the interpretation of these Amended Articles; the singular shall include the plural and vice versa; and references to one gender include all genders;
- (c) references to any English legal term or concept shall, in respect of any jurisdiction other than England, be construed as references to the term or concept which most nearly corresponds to it in that jurisdiction;
- (d) references to INR and USD are references to the lawful currency, from time to time, of the Republic of India and the United States of America, respectively;
- (e) references to any number of days shall be reckoned exclusively of the first and inclusively of the last day, unless the last day does not fall on a Business Day, in which case the last day shall be the next succeeding day that is a Business Day;
- (f) any phrase introduced by the terms ‘including’, ‘include’, ‘in particular’ or any similar expression, shall be construed as illustrative and shall not limit the sense of the words preceding those terms;
- (g) references to a clause, Schedule or exhibit shall refer to those of the Amended Articles, unless stated otherwise; all Schedules and exhibits to these Amended Articles shall be deemed to form part of these Amended Articles;
- (h) references to capitalised words and expressions used but not defined in these Amended Articles shall have the meaning ascribed to it under the other Transaction Documents, as the context may require;
- (i) no provisions of these Amended Articles shall be interpreted in favour of, or against, any Party by reason of the extent to which such Party or its counsel participated in the drafting hereof or by reason of the extent to which any such provision is inconsistent with any prior draft hereof; and
- (j) any reference to a document in **Agreed Form** is to a document in form and substance agreed among and initialled by the Company, the Syrma Promoters, the SGS Shareholders and the Investors (in each case with such amendments as may be agreed by or on their behalf).

## 3. Enactments

Except as otherwise expressly provided in these Amended Articles, or repugnant to the context hereof, any express reference to an enactment (which includes any legislation in any jurisdiction) includes references to (a) that enactment as amended, consolidated or re-enacted by or under any other enactment before or after the date of these Amended Articles; (b) any enactment which that enactment re-enacts (with or without modification); and (c) any subordinate legislation (including regulations) made (before or after the date of these Amended Articles) under that enactment, as amended, consolidated or re-enacted as described at (a) or (b) above.



4. Inconsistencies

Where there is any inconsistency between the definitions set out in this Schedule and the definitions set out in any clause or any other Schedule, then, for the purposes of construing such clause or Schedule, the definitions set out in such clause or Schedule shall prevail.

5. Schedules

The Schedules form part of these Articles.

**SCHEDULE 4 - TERMS OF THE INVESTOR PREFERENCE SHARES**

All capitalized terms used herein but not defined shall have the meaning given to them under the Share Subscription Agreement dated 23 October 2020 between the Investors, the Company and the Promoters.

1. **Face Value**

Each CCPS shall have a face value of INR 100 (Rupees one hundred).

2. **Term**

Unless converted earlier in accordance with the terms of this **Schedule 4**, the Shareholders' Agreement, the Amended Articles and applicable Law, the terms of the CCPS shall not extend beyond 19 (nineteen) years from the Closing Date (**Final Conversion Date**).

3. **Distributions**

3.1 The CCPS shall confer on the holders of CCPS the right to receive, in preference and priority to the holders of Equity Shares and on a *pari passu* basis with other holders of CCPS (if any), a cumulative preference dividend equal to 0.01% (zero point zero one per cent.) per Financial Year (**Preference Dividend**).

3.2 The Preference Dividend shall become due and payable to the holders of the CCPS from the date of the shareholders' meeting of the Company in which the Preference Dividend has been declared but in no event later than 30 (thirty) days from such declaration. No dividend or distribution may be paid to or set aside for holders of Equity Shares unless the Preference Dividend is paid to the holders of the CCPS.

3.3 Upon conversion of the CCPS, the holders of the CCPS shall be entitled to participate in the dividend on the Equity Shares, on a *pari passu* basis with the holders of all other Equity Shares.

4. **Voting**

4.1 From and after the Closing Date, the voting rights of every shareholder, including the holders of the CCPS, on every resolution placed before the Company shall, to the extent permissible under Law, be in proportion to the share held by such shareholder in the share capital of the Company on a Fully Diluted Basis. To the extent permissible by applicable Laws, the CCPS shall carry the same voting rights as are attached to the Equity Shares issued to the holders of the CCPS, upon the conversion of such CCPS.

4.2 From the date of conversion of the CCPS, the voting percentage of all the shareholders in the Company (on a Fully Diluted Basis, if applicable) shall be in proportion to their shareholding in the Company.

4.3 Each CCPS shall confer on the holder, to the extent permissible by applicable Laws, all the Relevant Rights, *pari passu* with the Relevant Rights conferred on the holder of an Equity Share (on a Fully Diluted Basis)

4.4 In this paragraph 4, **Relevant Rights** means the right to receive notice of, and to be present and to vote, either in person or by proxy, at any general meeting of the Company as set out for the Investors under the Shareholders' Agreement.

## 5. Conversion of the CCPS

### 5.1 Optional Conversion

- i. The holders of the CCPS shall have the right, at any time prior to the Final Conversion Date and from time to time after the Closing Date (the **Conversion Date**), to require the Company, by written notice (**Conversion Notice**), to convert all or a portion of the CCPS into Equity Shares, in accordance with the conversion mechanism provided in this paragraph 5.
- ii. The Conversion Notice shall be dated and shall set forth:
  - the number of CCPS in respect of which the holders of the CCPS is exercising its right to conversion in accordance with this paragraph 5; and
  - the number of Equity Shares that such CCPS shall convert into.
- iii. Within 10 (ten) days of the receipt of the Conversion Notice, each CCPS shall on such Conversion Date, be converted into Equity Shares in the manner specified in this **Schedule 4**, subject to stock splits, combinations, reclassification or reorganization of share capital and anti-dilution adjustments provided herein.
- iv. As soon as practicable after the Conversion Date and, in any event, not later than 5 (five) days after the Conversion Date, the Company shall:
  - (i) convene a meeting of the Board, in which meeting the Company shall approve the following:
    - a. increase the authorized share capital, if required, in order to accommodate the conversion of the CCPS into Equity Shares;
    - b. the conversion of the CCPS;
    - c. the cancellation of the share certificates representing such CCPS; and
    - d. the issuance and allotment of such number of Equity Shares that the CCPS convert into,in each case, as are mentioned in the Conversion Notice;
  - (ii) issue duly stamped and executed share certificates with respect to the Equity Shares issued on conversion of the CCPS to the Investors or provide appropriate instructions to their respective depository participants to give effect to the issue and allotment of the Equity Shares (as instructed by the respective holders) to the holders of the CCPS to evidence such holders of the CCPS as the owners of the Equity Shares issued upon conversion of such number of the CCPS as are mentioned in the Conversion Notice;
  - (iii) update its register of members (and issue a certified true copy of such register of members to the Investors), to reflect the holders of the CCPS as the owners of the Equity Shares issued pursuant to the conversion of such number of the CCPS as are mentioned in the Conversion Notice;

- (iv) issue certified true copies of resolutions passed by the Company to the Investors, along with all filings made to give effect to and validate the issue of the Equity Shares issued upon conversion of the CCPS; and
  - (v) file necessary returns of allotment with the Registrar of Companies in the relevant jurisdiction and other Governmental Authorities as required under applicable Law.
- v. No Fractional Shares
- No fractional Equity Shares shall be issued upon conversion of the CCPS. If the computation of the number of Equity Shares to be issued results in a fraction, then, subject to applicable Law:
- (i) If the fraction is up to 0.49, then the number of Equity Shares shall be rounded off to the lower whole number; and
  - (ii) If the fraction is 0.5 or more, then the number of Equity Shares shall be rounded off to the higher whole number.

## 5.2 Compulsory Conversion

Any CCPS that have not been converted into Equity Shares shall, compulsorily convert into Equity Shares upon the earlier of:

- a) filing of an offer document (or equivalent document, by whatever name called) with the competent authority or such later date as may be permitted under applicable Law at the relevant time, in connection an initial public offering of the Company (including in accordance with the provisions of Article 194 (*Exit Rights*));
- b) prior to an exit if required by the Investors pursuant to the Shareholders' Agreement; or
- c) the Final Conversion Date.

5.3 The Company shall pay the expenses arising on the issue of the Equity Shares pursuant to any conversion including any stamp duty payable, if applicable.

5.4 All Equity Shares that are issued as a result of the conversion of the CCPS shall (i) be validly issued and fully paid as per the provisions of applicable Laws; (ii) be issued free from all liens, charges and Encumbrances; (iii) in all respects, rank *pari passu* with the Equity Shares already issued as on the Conversion Date; and (iv) be freely transferable subject only to restrictions in the Shareholders' Agreement and these Articles.

5.5 The Company shall, increase the authorized but unissued share capital in the Company to be able to issue Equity Shares to the holders of the CCPS in accordance with this **Schedule 4**, assuming that the CCPS shall convert basis the Adjusted Conversion Ratio.

## 6. Conversion Mechanics

6.1 Subject to sub-paragraphs 6.2 and 6.3 below, each CCPS shall be converted into Equity Shares on a one is to one (i.e. 1:1) basis (**Conversion Ratio**). It is clarified that for the purposes of this sub-paragraph 6.1 the conversion price for conversion of each CCPS into Equity Shares shall be assumed to be INR 7,204.50 (Rupees seven thousand two hundred four and fifty paisa) per Equity Share (**Conversion Price**).

Number of Equity Shares receivable on conversion of the CCPS = Investment Amount / Conversion Price

Where:

**Investment Amount** = the aggregate investment of the holder in CCPS; and

**Conversion Price** = the price calculated in accordance with sub-paragraph 6.1 above.

- 6.2 The Conversion Ratio and the Conversion Price shall be proportionately and appropriately adjusted (as required) for any anti-dilution protection, and any issuance of Equity Shares pursuant to ESIP in accordance with the provisions of the Shareholders' Agreement (**Adjusted Conversion Ratio**).
- 6.3 If, whilst any CCPS remains capable of being converted into Equity Shares, the Company splits, sub-divides (stock split), issues bonus shares or consolidates (reverse stock split) the Equity Shares into a different number of securities of the same class, the Conversion Ratio or Adjusted Conversion Ratio, as applicable, shall be proportionately (a) decreased, such that CCPS convert into a proportionately greater number of Equity Shares in the case of a split or sub-division (stock split) or issuance of bonus shares; and (b) increased, such that CCPS convert into a proportionately lower number of Equity Shares in the case of a consolidation (reverse stock split).

## 7. **Liquidation Preference**

The CCPS shall have the preferential right to receive liquidation proceeds in accordance with the provisions of Article 192 (*Liquidity Preference and Liquidation Preference*).

## **SCHEDULE 5: OPERATIONAL MATTERS**

1. Approval and adoption of the annual budget and the Business Plan, amendment or modification of the annual budget or Business Plan, or taking any action that is inconsistent with the annual budget or Business Plan then in existence (including a prepayment of any term loan debt in excess of 20% (twenty per cent.) of the outstanding term loans at the beginning of the Financial Year) provided such amendment, modification or such inconsistent action has a cumulative value in excess of 10% (ten per cent.) of the annual budget or the Business Plan (including any line item thereunder);
2. Any borrowing, or a series of related borrowings, by the Company in any Financial Year, or the creation of any Encumbrance in connection with any such borrowing provided such borrowings (and the consequent encumbrances in connection with such borrowings) are in excess of 10% (ten per cent.) of the line items set out in the annual budget;
3. Issuance of guarantee(s) otherwise than in Ordinary Course of Business or as contemplated in the annual budget which are in excess of 10% (ten per cent.) of the borrowings (connected with such guarantees) set out in the annual budget;
4. Commence or settle any Litigation, arbitration or other proceedings with the Syrma Promoters, the SGS Shareholders and / or Connected Persons / Concerns; and
5. Assignment, mortgage, pledge, hypothecation, grant of security interest in, subject to any lien, of any assets or securities of the Company otherwise than as contemplated by the annual budget which amount to exceeding 10% (ten per cent.) of the borrowings (connected with such encumbrances) in the annual budget, in any Financial Year.

## **SECTION XI - OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The copies of the following documents and contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company), which are or may be deemed material will be attached to the copy of the Red Herring Prospectus and the Prospectus which will be filed with the RoC and will also be available on the website of the Company. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid / Offer Closing Date.

Any of the contracts or documents mentioned in this Draft Red Herring 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 of the provisions contained in the Companies Act and other applicable law.

#### **A. Material contracts for the Offer**

1. Offer Agreement dated December 13, 2021 entered into between our Company, the Selling Shareholder and the BRLMs.
2. Registrar Agreement dated December 7, 2021, entered into between our Company, the Selling Shareholder and the Registrar to the Offer.
3. Cash Escrow and Sponsor Bank Agreement dated [●] entered into between our Company, the Selling Shareholder, the Registrar to the Offer, Syndicate Members, the BRLMs and the Banker(s) to the Offer.
4. Share Escrow Agreement dated [●] entered into between the Selling Shareholder, our Company and the Share Escrow Agent.
5. Syndicate Agreement dated [●] entered into between our Company, the Selling Shareholder, the BRLMs and the Syndicate Members.
6. Underwriting Agreement dated [●] entered into between our Company, the Selling Shareholder, and the Underwriters.
7. Monitoring Agency Agreement dated [●] entered into between our Company and the Monitoring Agency.

#### **B. Material documents**

1. Certified copies of the Memorandum of Association and Articles of Association of our Company as amended from time to time.
2. Certificates of incorporation dated August 23, 2004 and September 14, 2021 respectively.
3. Fresh certificate of incorporation consequent upon conversion to public limited company dated October 20, 2021.
4. Resolution of the Board of Directors dated November 13, 2021 in relation to the Offer and other related matters.
5. Resolution of the Shareholders of our Company dated November 20, 2021 approving the Fresh Issue.
6. Resolution of the Board of Directors dated November 13, 2021 taking on record the approval for the Offer for Sale by the Selling Shareholder.
7. Resolution of the Board of Directors of our Company dated December 13, 2021 approving this Draft Red Herring Prospectus.

8. Consent letter dated November 13, 2021 from Veena Kumari Tandon as Selling Shareholder in relation to the Offer for Sale.
9. Consent dated December 13, 2021 from F&S to rely on and reproduce part or whole of the report, “*Assessment of Electronics Manufacturing Services (EMS) Industry in India*” and include their name in this Draft Red Herring Prospectus.
10. Industry report titled “*Assessment of Electronics Manufacturing Services (EMS) Industry in India*” dated December 13, 2021, prepared by F&S.
11. Consent from the Statutory Auditors namely, Deloitte Haskins & Sells LLP, to include their name as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as the Statutory Auditors and in respect of the: (i) examination report dated December 9, 2021 on our Restated Standalone Financial Information; (ii) examination report dated December 9, 2021 on our Restated Consolidated Financial Information, (iii) report dated December 9, 2021 on Proforma Condensed Combined Financial Information, and (iv) report dated December 12, 2021 on the ‘Statement of possible special tax benefits’ in this Draft Red Herring Prospectus.
12. Report issued by the Statutory Auditors dated December 12, 2021 on the statement of special tax benefits available to our Company.
13. Report issued by B S R & Co. LLP dated December 13, 2021 on the statement of special tax benefits available to SGS Teknics.
14. Report issued by the Sundararajan & Co dated December 13, 2021 on the statement of special tax benefits available to Perfect ID.
15. Copies of annual reports of our Company for the preceding three Fiscals.
16. Consent of the Directors, BRLMs, Syndicate Members, the legal counsel to the Company, the legal counsel to the Book Running Lead Managers, Registrar to the Offer, Banker(s) to the Offer, Bankers to our Company, Monitoring Agency, Company Secretary and Compliance Officer, Chief Financial Officer, and our customers, as referred to in their specific capacities.
17. Share sale and purchase and shareholders’ agreement dated October 23, 2020, entered into between SGS Teknics, Sanjiv Narayan, Jasbir Singh Gujral, Krishna Kumar Pant, Ranjeet Singh Lonial, Sandeep Tandon, Tandon Electronics Private Limited, Veena Kumari Tandon and our Company
18. Share sale and purchase and shareholders’ agreement dated September 16, 2021, entered into between SGS Teknics Manufacturing Private Limited, Sanjiv Narayan, Jasbir Singh Gujral, Krishna Kumar Pant, Ranjeet Singh Lonial and our Company
19. Scheme of amalgamation of Syrma Services and Solutions Private Limited and 3G Wireless Communications Private Limited with our Company
20. Letter of intent entered into with JT Holdings Private Limited (where our Promoter and Executive Chairman, Sandeep Tandon is a director) for the lease of property located at SEZ IT Park, JT Holdings Private Limited, Survey No. 1/1, Hardware Park, Raviryala Srinagar Village, KanchaImarath, Srisailam Highway, Maheswaram - Mandal, RangaReddy, Hyderabad - 500 005
21. Business transfer agreement dated December 4, 2014, entered into between our Company and Tovya Automation Private Limited
22. Investment agreement dated October 11, 2021, entered into between Perfect ID, Perfect ID USA Inc., Sakun Ahuja and our Company
23. Amended and restated shareholders’ agreement dated September 16, 2021, entered into between South Asia Growth Fund II Holdings LLC, South Asia EBT Trust, Sandeep Tandon, Tancom Electronics Private Limited, Veena Kumari Tandon, Sanjiv Narayan, Jasbir Singh Gujral, Krishna Kumar Pant, Ranjeet Singh Lonial and our Company

24. Amendment agreement dated November 25, 2021, entered into between South Asia Growth Fund II Holdings LLC, South Asia EBT Trust, Sandeep Tandon, Tancom Electronics Private Limited, Veena Kumari Tandon, Sanjiv Narayan, Jasbir Singh Gujral, Krishna Kumar Pant, Ranjeet Singh Lonial and our Company
25. Project report dated December 12, 2021 prepared by Rahul R Pujara & Associates in connection with the project proposed to be undertaken by our Company in Bawal and Manesar
26. Project report dated December 12, 2021 prepared by Rahul R Pujara & Associates in connection with the project proposed to be undertaken by our Company in Chennai
27. Project report dated December 12, 2021 prepared by Rahul R Pujara & Associates in connection with the project proposed to be undertaken by our Company in Hosur
28. Project report dated December 12, 2021 prepared by Rahul R Pujara & Associates in connection with the project proposed to be undertaken by our Company in Hyderabad
29. Tripartite agreement dated August 26, 2020, among our Company, NSDL and the Registrar to the Offer.
30. Tripartite agreement dated September 20, 2021, among our Company, CDSL and the Registrar to the Offer.
31. Due diligence certificate dated December 13, 2021 addressed to SEBI from the BRLMs.
32. In-principle listing approvals dated [●] and [●] issued by BSE and NSE, respectively.
33. SEBI observation letter dated [●].

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time, if so required in the interest of our Company, or if required by other parties, without notification to the shareholders, subject to compliance with the provisions contained in the Companies Act, 2013 and other relevant statutes.

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Sandeep Tandon**

*Executive Chairman*

**Place:** Mumbai

**Date:** December 13, 2021



## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Jasbir Singh Gujral**  
*Managing Director*

**Place:** Delhi

**Date:** December 13, 2021

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Jaideep Tandon**

*Non-Executive Director*

**Place:** California

**Date:** December 13, 2021

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Jayesh Doshi**

*Non-Executive Director*

**Place:** Delhi

**Date:** December 13, 2021

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Sridhar Narayan**

*Non-Executive Director*

**Place:** Mumbai

**Date:** December 13, 2021

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Kunal Shah**

*Independent Director*

**Place:** Mumbai

**Date:** December 13, 2021

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Anil Nair**

*Independent Director*

**Place:** Mumbai

**Date:** December 13, 2021

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Hetal Gandhi**

*Independent Director*

**Place:** Mumbai

**Date:** December 13, 2021

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Smita Jatia**

*Independent Director*

**Place:** Mumbai

**Date:** December 13, 2021



## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

### **SIGNED BY THE DIRECTOR OF OUR COMPANY**

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**Bharat Anand**

*Independent Director*

**Place:** Delhi

**Date:** December 13, 2021

## **DECLARATION**

I hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, guidelines and regulations issued by the Government of India and the guidelines or regulations issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957, the SEBI Act or the rules made or guidelines or regulations issued thereunder, as the case may be. I further certify that all statements made in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

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**Bijay Kumar Agrawal**

**Place:** Delhi

**Date:** December 13, 2021

## **DECLARATION**

I, hereby confirm and certify that all statements, disclosures and undertakings made or confirmed by me in this Draft Red Herring Prospectus in relation to myself, as the Selling Shareholder, and the Offered Shares are true and correct. I assume no responsibility, as the Selling Shareholder, for any other statements, including any of the statements made or confirmed by or relating to the Company or any other person(s) in this Draft Red Herring Prospectus.

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**Veena Kumari Tandon**

**Place:** Mumbai

**Date:** December 13, 2021