



## SCANPOINT GEOMATICS LIMITED

Our Company was originally incorporated as ‘Scanpoint Graphics Limited’ at Ahmedabad as a public limited company under the Companies Act, 1956 and was granted the certificate of incorporation on February 7, 1992. Thereafter, our Company was granted the certificate of commencement of business dated March 6, 1992. Subsequently, pursuant to a special resolution of the shareholders dated September 10, 2007, the name of our Company was changed to ‘Scanpoint Geomatics Limited’ vide fresh certificate of incorporation consequent upon change of name dated April 22, 2008 issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli. For details of change in the name and address of Registered Office of our Company, please see the chapter titled “General Information” beginning on page 34.

**Registered Office:** 9, Mahakant Complex, Opposite V. S. Hospital, Ashram Road, Ahmedabad – 380 006, Gujarat, India

**Telephone:** +91-79-26575365/ 26575371 **Email:** [info@sgligis.com](mailto:info@sgligis.com)

**Corporate Office:** 12, Abhishree Corporate Park, ISKCON- Ambli Road, Ahmedabad – 380 058, Gujarat, India;

**Telephone:** +91-2717-297096 / 297098;

**Contact Person:** Ms. Shaili S. Mehta, Company Secretary and Compliance Officer; **Email:** [cs@sgligis.com](mailto:cs@sgligis.com); **Website:** [www.sgligis.com](http://www.sgligis.com)

**Corporate Identity Number:** L22219GJ1992PLC017073

PROMOTER OF OUR COMPANY: MR. RAMESHCHANDRA K. SOJITRA			
<b>FOR PRIVATE CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF SCANPOINT GEOMATICS LIMITED (THE “COMPANY” OR THE “ISSUER”) ONLY</b>			
<p>ISSUE OF UP TO 1,99,67,482 PARTLY PAID-UP EQUITY SHARES WITH A FACE VALUE OF ₹2 EACH (“RIGHTS EQUITY SHARES”) FOR CASH AT A PRICE OF ₹12.50 EACH INCLUDING A SHARE PREMIUM OF ₹10.50 PER RIGHTS EQUITY SHARE (“ISSUE PRICE”) AGGREGATING TO AN AMOUNT UP TO ₹2,495.94 LAKHS* ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 40 (FORTY) RIGHTS EQUITY SHARES FOR EVERY 99 (NINETY NINE) FULLY PAID UP EQUITY SHARES HELD BY THE EXISTING EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS ON TUESDAY, AUGUST 17, 2021 (THE “ISSUE”). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS 6.25 TIMES THE FACE VALUE OF THE EQUITY SHARES. FOR FURTHER DETAILS, PLEASE SEE THE CHAPTER TITLED “TERMS OF THE ISSUE” BEGINNING ON PAGE 137.</p> <p><i>*Assuming full subscription and receipt of all Call Money with respect to Rights Equity Shares.</i></p>			
PAYMENT SCHEDULE			
Amount payable per Rights Equity Share*	Face Value (₹)	Premium (₹)	Total (₹)
On Application	1.00	5.25	6.25
On First and Final Call <sup>#</sup>	1.00	5.25	6.25
<b>Total</b>	<b>2.00</b>	<b>10.50</b>	<b>12.50</b>
<p><i>*For details on the payment schedule, please see the chapter titled “Terms of the Issue” beginning on page 137.</i></p> <p><i><sup>#</sup>To be paid at such time as may be determined by the Board at its sole discretion.</i></p>			
WILFUL DEFAULTER			
<b>NEITHER OUR COMPANY NOR OUR PROMOTER OR ANY OF OUR DIRECTORS IS CATEGORISED AS A WILFUL DEFAULTER</b>			
GENERAL RISKS			
<p>Investments in equity and equity related securities involve a degree of risk and Investors should not invest any funds in this Issue unless they can afford to take the risk with such investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, Investors shall rely on their own examination of our Company and the Issue including the risks involved. The securities being offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”) nor does SEBI guarantee the accuracy or adequacy of this Letter of Offer. <b>Specific attention of the Investors is invited to the section titled “Risk Factors” beginning on page 17.</b></p>			
COMPANY’S ABSOLUTE RESPONSIBILITY			
<p>Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Letter of Offer contains all information with regards to the Company and the Issue, which is material in the context of this Issue, and that the information contained in this Letter of Offer 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 Letter of Offer as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.</p>			
LISTING			
<p>The existing Equity Shares of our Company are listed on BSE Limited (“BSE”/“Stock Exchange”). Our Company has received an “in-principle” approval from BSE for listing of the Equity Shares to be allotted in this Issue pursuant to letter dated March 18, 2021. Our Company will also make an application to the Stock Exchange to obtain the trading approval for the Rights Entitlements as required under the SEBI circular bearing reference number - SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. BSE shall be the Designated Stock Exchange for the purpose of this Issue.</p>			
LEAD MANAGER TO THE ISSUE		REGISTRAR TO THE ISSUE	
<b>VIVRO</b>		<b>LINKIntime</b>	
<p><b>Vivro Financial Services Private Limited</b> Vivro House, 11, Shashi Colony, Opposite Suvidha Shopping Center, Paldi, Ahmedabad – 380 007, Gujarat, India. <b>Telephone:</b> +91-79-4040 4242; <b>Email:</b> <a href="mailto:scanpoint@vivro.net">scanpoint@vivro.net</a> <b>Website:</b> <a href="http://www.vivro.net">www.vivro.net</a> <b>Investor Grievance Email:</b> <a href="mailto:investors@vivro.net">investors@vivro.net</a> <b>Contact Person:</b> Mr. Bhargav Parekh / Mr. Jigar Chandarana <b>SEBI Registration Number:</b> INM000010122 <b>CIN:</b> U67120GJ1996PTC029182</p>		<p><b>Link Intime India Private Limited</b> C-101, 1<sup>st</sup> Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra, India. <b>Telephone:</b> + 91-22-4918 6200; <b>Email:</b> <a href="mailto:scanpoint.rights2021@linkintime.co.in">scanpoint.rights2021@linkintime.co.in</a> <b>Website:</b> <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> <b>Investor Grievance Email:</b> <a href="mailto:scanpoint.rights2021@linkintime.co.in">scanpoint.rights2021@linkintime.co.in</a> <b>Contact Person:</b> Mr. Sumeet Deshpande <b>SEBI Registration Number:</b> INR000004058 <b>CIN:</b> U67190MH1999PTC118368</p>	
ISSUE PROGRAMME			
ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSES ON <sup>#</sup>	
MONDAY, AUGUST 30, 2021	TUESDAY, SEPTEMBER 07, 2021	MONDAY, SEPTEMBER 13, 2021	

*\*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.*

*<sup>#</sup>Our Board or a duly authorised committee thereof will have the right to extend the Issue Period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

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## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

*In this Letter of Offer, unless the context otherwise requires, the terms defined and abbreviations expanded below shall have the same meaning as stated in this chapter. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments, modifications or re-enactment notified thereto.*

*The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI ICDR Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in the chapter titled “Statement of Special Tax Benefits” and “Financial Information” on pages 48 and 63, respectively, shall have the meaning given to such terms in such chapters.*

#### General Terms

Terms	Description
“Scanpoint Geomatics Limited” or “the Company” or “our Company” or “the Issuer”	Scanpoint Geomatics Limited, a public limited company incorporated under the provisions of the Companies Act, 1956 and having its Registered Office at 9, Mahakant Complex, Opposite V. S. Hospital, Ashram Road, Ahmedabad - 380006, Gujarat, India.
“We” or “Us” or “Our”	Unless the context otherwise indicates or implies or unless otherwise specified, our Company together with our Subsidiary.

#### Issue Related Terms

Term	Description
Abridged Letter of Offer or ALOF	The Abridged letter of offer to be sent to the Eligible Equity Shareholders as on the Record Date with respect to the Issue in accordance with the SEBI ICDR Regulations and the Companies Act.
Additional Rights Equity Shares / Additional Equity Shares	The Rights Equity Shares applied or allotted under this Issue in addition to the Rights Entitlement.
Allotment / Allot / Allotted /Allotment of Rights Equity Shares	The allotment of Rights Equity Shares pursuant to the Issue.
Allotment Advice	The note or advice or intimation of Allotment sent to the Investors, who have been or are to be allotted the Rights Equity Shares after the basis of allotment has been approved by the BSE.
Allotment Date	The date on which Allotment is made.
Allottee(s)	Persons to whom Rights Equity Shares of our Company are Allotted pursuant to this Issue.
Application	Application made through (i) submission of the Application Form or plain paper Application to the Designated Branch of the SCSBs or online/electronic application through the website of the SCSBs (if made available by such SCSBs) under the ASBA process, or (ii) filling the online Application Form available on R-WAP, to subscribe to the Rights Equity Shares at the Issue Price.
Application Form / CAF / Common Application Form	Form (including online application form available for submission of application at R-WAP facility or through the website of the SCSBs (if made available by such SCSBs) under the ASBA process) used by an Investor to make an Application for Allotment of Rights Equity Shares in the Issue.
Applicant(s) / Investor(s)	Eligible Equity Shareholder(s) and/or Renouncee(s) who make an application for the Rights Equity Shares pursuant to the Issue in terms of the Letter of Offer, including an ASBA Applicant.
Application Money	Aggregate amount payable at the time of Application, i.e., ₹6.25 per Rights Equity Share, in respect of the Rights Equity Shares applied for in the Issue.
Application Supported by Blocked Amount / ASBA	The application (whether physical or electronic) used by an ASBA Investor to make an application authorizing the SCSB to block the Application Money

<b>Term</b>	<b>Description</b>
	in an ASBA account maintained with SCSB.
ASBA Account	An account maintained with an SCSB and specified in the Application Form or plain paper application, as the case may be by the Applicant for blocking the amount mentioned in the Application Form or in the plain paper application.
ASBA Applicants / ASBA Investors	Applicants / Investors who make Application in this Issue using the ASBA Process
Banker to our Company	Axis Bank Limited
Bankers to the Issue / Escrow Collection Bank	Axis Bank Limited
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful Applicants in consultation with the Designated Stock Exchange under this Issue, as described in “ <i>Terms of the Issue</i> ” on page 137.
Call	The notice issued by our Company to the holders of the Rights Equity Shares as on the Call Record Date for making a payment of the Call Money.
Call Money	The balance amount payable by the holders of the Rights Equity Shares pursuant to the Payment Schedule, being ₹6.25 per Rights Equity Share after payment of the Application Money.
Call Record Date	A record date fixed by our Company for the purpose of determining the names of the holders of Rights Equity Shares for the purpose of issuing of the Call.
Controlling Branches / Controlling Branches of the SCSBs	Such branches of the SCSBs which coordinate with the Lead Manager, the Registrar to the Issue and the Stock Exchange, a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> and/or such other website(s) as may be prescribed by the SEBI from time to time.
Designated Branches	Such branches of the SCSBs which shall collect the Application Forms or the plain paper Application, as the case may be, used by ASBA Investors and a list of which is available at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> and/or such other website(s) as may be prescribed by the SEBI from time to time.
Designated Stock Exchange	BSE Limited
Depository	A depository registered with SEBI under the SEBI (Depository and Participant) Regulations, 2018, as amended from time to time, read with the Depositories Act, 1996.
Draft Letter of Offer / DLOF	The draft letter of offer dated December 14, 2020.
Equity Shareholder(s) / Shareholder(s)	The holders of Equity Shares of our Company.
Eligible Equity Shareholders / Eligible Shareholders/	Holders of Equity Shares of our Company as on the Record Date, i.e. Tuesday, August 17, 2021.
Entitlement Letter/ Rights Entitlement Letter	A letter to be dispatched by the Registrar to all Existing Equity Shareholders as on the Record Date which will contain details of their Rights Entitlements based on their shareholdings as on the Record Date.
General Corporate Purposes	General corporate purposes shall have the meaning as determined in Regulation 2(1)(r) of the SEBI ICDR Regulations.
Issue / the Issue / this Issue / Rights Issue	Issue of up to 1,99,67,482 partly paid-up Equity Shares with a face value of ₹2 each (“ <b>Rights Equity Shares</b> ”) for cash at a price of ₹12.50 each (including a share premium of ₹10.50 per Rights Equity Share) aggregating up to ₹2,495.94 Lakhs* on a rights basis to Eligible Equity Shareholders in the ratio of 40 (Forty) Rights Equity Shares for every 99 (Ninety Nine) fully paid-up Equity Shares held by Eligible Equity Shareholder on the Record Date i.e. Tuesday, August 17, 2021. <i>*Assuming full subscription and receipt of all Call Money with respect to Rights Equity Shares</i>
Issue Agreement	Issue agreement dated November 10, 2020 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to this Issue.

<b>Term</b>	<b>Description</b>
Issue Closing Date	Monday, September 13, 2021
Issue Opening Date	Monday, August 30, 2021
Issue Period	The period between the Issue Opening Date and the Issue Closing Date, inclusive of both days, during which Applicants can submit their Applications, in accordance with the SEBI ICDR Regulations.
Issue Price	₹12.50 per Rights Equity Share On Application, Investors will have to pay ₹6.25 per Rights Equity Share which constitutes 50.00% of the Issue Price and the balance ₹6.25 per Rights Equity Share which constitutes 50.00% of the Issue Price, will have to be paid on the First and Final Call, as determined by our Board at its sole discretion.
Issue Proceeds	The gross proceeds raised through the Issue.
Issue Size	The amount aggregating up to ₹2,495.94 Lakhs*. <i>*Assuming full subscription and receipt of all Call Money with respect to Rights Equity Shares</i>
Lead Manager	Vivro Financial Services Private Limited
Letter of Offer / LOF	The final letter of offer issued by our Company in connection with the Issue.
Listing Agreement	Uniform listing agreement entered into between our Company and the Stock Exchange.
Net Proceeds	The Issue Proceeds less the Issue related expenses. For further details, please see to the chapter titled “ <i>Objects of the Issue</i> ” beginning on page 41.
Net Worth	Net worth as defined under Section 2(57) of the Companies Act.
Offer Documents	The Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer including any notices, corrigenda thereto.
On Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by trading them over the secondary market platform of the Stock Exchange through a registered stock broker in accordance with the SEBI Rights Issue Circular, circulars issued by the Stock Exchange from time to time and other applicable laws.
Off Market Renunciation	The renouncement of Rights Entitlements undertaken by the Investor by transferring them through off market transfer through a depository participant in accordance with the SEBI Rights Issue Circular, circulars issued by the Depositories from time to time and other applicable laws.
Payment Schedule	Payment schedule under which 50.00% of the Issue Price is payable on Application, i.e., ₹6.25 per Rights Equity Share, and the balance unpaid capital constituting 50.00% of the Issue Price i.e., ₹6.25 will have to be paid on the First and Final Call, as determined by our Board at its sole discretion.
Record Date	A record date fixed by our Company for the purposes of determining the names of the Equity Shareholders who are eligible for the issue of Rights Equity Shares i.e. Tuesday, August 17, 2021.
Refund Bank	Axis Bank Limited
Registrar to the Issue / Registrar and Transfer Agent / RTA	Link Intime India Private Limited
Registrar Agreement	Agreement dated November 11, 2020 entered into between our Company and the Registrar in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue, including in relation to R-WAP facility.
Renouncee(s)	Person(s), not being the original recipient, who has / have acquired Rights Entitlements from the Eligible Equity Shareholders, in accordance with SEBI ICDR Regulation read with SEBI Rights Issue Circulars.
Renunciation Period	The period during which the Investors can renounce or transfer their Rights Entitlements which shall commence from the Issue Opening Date. Such period shall close on Tuesday, September 07, 2021 in case of On Market Renunciation. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.
Rights Entitlements / REs	The number of Rights Equity Shares that an Eligible Equity Shareholder is

Term	Description
	entitled to in proportion to his / her shareholding in our Company as on the Record Date, being 40 (Forty) Rights Equity Shares for every 99 (Ninety Nine) fully paid-up Equity Shares held by the Eligible Equity Shareholder on the Record Date.  <i>Pursuant to the provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circular, the Rights Entitlements shall be credited in dematerialized form in respective demat accounts of the Eligible Equity Shareholders before the Issue Opening Date.</i>
Rights Equity Shares / Rights Shares	Equity Shares offered and to be issued and Allotted pursuant to the Issue on partly paid up basis.
R-WAP	Registrar's web based application platform accessible at <a href="http://www.linkintime.co.in">www.linkintime.co.in</a> instituted as an optional mechanism in accordance with SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021 and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021 for accessing/submitting online Application Form by resident Investors.
Self-Certified Bank / SCSBs	Syndicate The banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended, and offer the facility of ASBA, including blocking of bank account and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> and/or such other links as may be prescribed by SEBI from time to time.
Stock Exchange	BSE, where the Equity Shares of our Company are presently listed.
Transfer Date	The date on which Application Money held in the escrow account and the Application Money blocked in the ASBA Account will be transferred to the Allotment Account in respect of successful Applications, upon finalization of the Basis of Allotment, in consultation with the Designated Stock Exchange
Wilful Defaulter	Wilful Defaulter as defined under Regulation 2(1)(III) of the SEBI ICDR Regulations.
Working Days	Working Days as defined under Regulation 2(1)(mmm) of the SEBI ICDR Regulations. For this purpose, the city shall mean Mumbai.

### Company Related Terms

Terms	Description
Articles of Association	The Articles of Association of our Company as amended from time to time.
Audited Financial Statements/ Consolidated Financial Statements	The audited consolidated financial statements of our Company as at and for the year ended March 31, 2021 which comprises of the consolidated balance sheet as at March 31, 2021, the consolidated statement of profit and loss, including other comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.
Auditors / Statutory Auditors	The Statutory Auditors of our Company being M/s. Jayamal Thakore & Co., Chartered Accountant
Board / Board of Directors / our Board	The Board of Directors of our Company or a duly constituted committee thereof, as the context may refer to.
Corporate Office	Corporate office of our Company situated at 12, Abhishree Corporate Park, ISKCON- Ambli Road, Ahmedabad- 380058, Gujarat, India.
Director(s)	Any or all the director(s) of our Board, as may be appointed from time to time.
Equity Shares / Shares	Equity Shares of face value of ₹2 each of our Company.

<b>Terms</b>	<b>Description</b>
GIS	A geographic information system is a computer system for capturing, storing, checking, and displaying data related to positions on Earth's surface. GIS can show many different kinds of data on one map. This enables people to more easily see, analyze, and understand patterns and relationships.
Key Managerial Personnel / KMP	Mr. Rameshchandra K. Sojitra, Managing Director, Mr. Chirag J. Soni, Whole Time Director, Mr. Kantilal V. Ladani, Chief Financial Officer and Ms. Shaili S. Mehta, Company Secretary and Compliance Officer, collectively referred as Key Managerial Personnel of the Company.
Memorandum of Association	The Memorandum of Association of our Company, as amended from time to time.
Promoter	Mr. Rameshchandra K. Sojitra
Promoter Group	Persons and entities forming part of the promoter group of our Company as determined in terms of Regulation 2(1)(pp) of the SEBI ICDR Regulations and as disclosed by our Company in the filings made with the Stock Exchange under the SEBI Listing Regulations.
Registered Office	Registered office of our Company situated at 9, Mahakant Complex, Opposite V. S. Hospital, Ashram Road, Ahmedabad – 380006, Gujarat, India.
Registrar of Companies / ROC	Registrar of Companies, Gujarat, located at ROC Bhavan, Opposite Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380013.
Subsidiary / Subsidiary Company / our Subsidiary	Jyacad Solutions Private Limited, a private limited company incorporated under the Companies Act, 2013 having its registered office located at A-502, Pushpavan Apartment, Nr. IOC Petrol Pump, Bodakdev Road, Ahmedabad – 380054, Gujarat, India.

#### **Business and Industry related Terms / Abbreviations**

<b>Term</b>	<b>Description</b>
CAD	Computer aided design/drafting
GeM	Government e-Marketplace
GIS	Geographical Information System
GPR	Ground Penetration Radar
GPS	Global Positioning System
IGiS	Integrated GIS and Image Processing Software
IP	Image Processing
LBS	Location Based Services
MDMS	Metadata Management System
OGC	Open Geospatial Consortium
PG	Photogrammetry
R&D	Research & Development
SDI	Spatial Data Infrastructure
SDK	Software Development Kit
SDR	Spatial Data Repository

#### **Conventional Terms and Abbreviations**

<b>Term</b>	<b>Description</b>
“₹” / “Rs.” / “Rupees” / “INR”	Indian Rupees
A/c	Account
AGM	Annual General Meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the SEBI AIF Regulations
AY	Assessment Year
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CARO	Companies (Auditor's Report) Order, 2016
CCIT	Chief Commissioner of Income Tax
CDSL	Central Depository Services (India) Limited



<b>Term</b>	<b>Description</b>
Central Government	The Central Government of India
CFO	Chief Financial Officer
CIN	Corporate Identity Number
CIT	Commissioner of Income Tax
Companies Act	Companies Act, 2013, as amended from time to time
Companies Act, 1956	Erstwhile Companies Act, 1956 and the rules made thereunder
Companies Act, 2013	Companies Act, 2013 and the rules made thereunder
COVID-19	The coronavirus disease 2019
CTS	Cheque Truncation System
Depositories Act	The Depositories Act, 1996 as amended from time to time
DIN	Director Identification Number
DP	Depository Participant as defined under the Depositories Act
DP ID	Depository Participant's Identity
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EPS	Earnings per Share
EGM	Extraordinary General Meeting
FCNR Account / FCNR	Foreign Currency Non Resident Account
FBIL	Financial Benchmarks India Private Limited
FDI	Foreign Direct Investment
FEMA Act / FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations promulgated there under and any amendments thereto.
FEMA Rules	Foreign Exchange Management (Non-Debt Instruments) Rules, 2019
Fiscal /Fiscal Year/ Financial Year/FY	12 month period commencing from April 1 and ending on March 31 of the immediately succeeding year.
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under section 12 of the Fugitive Economic Offenders Act, 2018
FPI	Foreign Portfolio Investor
FVCIs	Foreign venture capital investors as defined in and registered with SEBI under the SEBI FVCI Regulations
GCP	General Corporate Purpose
GIR	General Index Registrar
Government/GoI	Government of India
GST	Goods and Service Tax
HUF	Hindu Undivided Family
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	Institute of Chartered Accountants of India
IEPF	Investor Education and Protection Fund
IFRS	International Financing Reporting Standards
Ind AS	Indian Accounting Standards
Indian GAAP	Generally accepted accounting principles followed in India.
Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time
ISIN	International Securities Identification Number
ISRO	Indian Space Research Organisation
I.T. Act / IT Act	Income Tax Act, 1961
I. T. Rules	Income Tax Rules, 1962, as amended from time to time.
KMP	Key Managerial Personnel
Lakh	One hundred thousand
LM	Lead Manager
LLP	Limited Liability Partnership
MAT	Minimum Alternate Tax
MCA	Ministry of Corporate Affairs, Government of India
MICR	Magnetic Ink Character Recognition
NACH	National Automated Clearing House which is a consolidated system of ECS.
NAV	Net Asset Value calculated as Net Worth divided by number of fully paid-up Equity Shares.
NCLT	National Company Law Tribunal

<b>Term</b>	<b>Description</b>
NCLAT	National Company Law Appellate Tribunal
NEFT	National Electronic Fund Transfer
N.A.	Not Applicable
NI Act	Negotiable Instruments Act, 1881
NR	Non Resident
NRE	Non Resident External Account
NRI	Non Resident Indian
NSDL	National Securities Depositories Limited
OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Deposit) Regulations, 2000 and which was in existence on the date of the commencement of Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's)) Regulations, 2003 and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the regulations.
p.a.	Per Annum
PAN	Permanent Account Number
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RTGS	Real Time Gross Settlement
SCORES	SEBI Complaints Redress System
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEBI	Securities and Exchange Board of India, constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended from time to time
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended from time to time
SEBI ICDR Regulations / ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Listing Regulations/ Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time
SEBI Rights Issue Circulars	SEBI Rights Issue Circulars shall collectively mean, SEBI circulars, bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, read with the SEBI circular , bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021 and bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021
SEBI SBEB Regulations	Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time
SEBI Takeover Regulations/ SAST Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended from time to time
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended from time to time
TDS	Tax Deducted at Source
U.S/United States	The United States of America
UPI	Unified Payments Interface
USD / US\$	United States Dollars
US Securities Act	The United States Securities Act of 1933, as amended from time to time
VCFs	Venture capital funds as defined in and registered with the SEBI under the SEBI VCF Regulations or the SEBI AIF Regulations, as the case may be

## NOTICE TO OVERSEAS SHAREHOLDERS

The distribution of this Letter of Offer, Abridged Letter of Offer, Entitlement Letter, Application Form and the issue of Rights Equity Shares, to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, Abridged Letter of Offer, Entitlement Letter or Application Form may come are required to inform themselves about and observe such restrictions.

We are making this Issue of Equity Shares on a rights basis to the Eligible Equity Shareholders and will send/dispatch the Letter of Offer / Abridged Letter of Offer, Entitlement Letter, Application Form, and other applicable Issue material (collectively, the “**Issue Materials**”) only to such Eligible Equity Shareholders who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas shareholders who have not updated our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to e-mail the Letter of Offer / Abridged Letter of Offer, Entitlement Letter and Application Form, shall not be sent the Letter of Offer / Abridged Letter of Offer, Entitlement Letter and Application Form. Further, the Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company or the Lead Manager to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Lead Manager, and the Stock Exchange, and on R-WAP, subject to applicable law. Our Company shall also endeavor to dispatch physical copies of the Issue Materials to Eligible Equity Shareholders who have provided an Indian address to our Company. Accordingly, our Company, the Lead Manager and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form must be treated as sent for information only and should not be copied, redistributed or acted upon for subscription to Rights Equity Shares or the purchase of Rights Entitlements. Accordingly, persons receiving a copy of this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form should not, in connection with the issue of the Rights Entitlements or Rights Equity Shares, distribute or send such document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations or would subject the Company, Lead Manager or their respective affiliates to any filing or registration requirement (other than in India). If this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and/or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlement or Rights Equity Shares referred to in this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form. Envelopes containing an Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares in this Issue must provide an Indian address.

Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction, without requirement for our Company, the Lead Manager or their respective affiliates to make any filing or registration (other than in India).

Neither the delivery of this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form nor any sale or offer hereunder, shall under any circumstances create any implication that there has been no change in our Company’s affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer or any other Issue Material or date of such information.

**The contents of this Letter of Offer and Abridged Letter of Offer should not be construed as business, legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal**

**consequences as a result of buying or selling of Rights Equity Shares or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of Rights Equity Shares or Rights Entitlements. In addition, neither our Company nor the Lead Manager nor any of their respective affiliates are making any representation to any offeree or purchaser of the Rights Equity Shares or the Rights Entitlements regarding the legality of an investment in the Rights Equity Shares or the Rights Entitlements by such offeree or purchaser under any applicable laws or regulations.**

#### **NO OFFER IN THE UNITED STATES**

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the United States Securities Act, 1933, as amended (“**Securities Act**”), or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof (“**United States**” or “**U.S.**”) or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the Securities Act (“**Regulation S**”), except in a transaction exempt from the registration requirements of the Securities Act. The Rights Entitlements and Rights Equity Shares referred to in this Letter of Offer are being offered in India and in jurisdictions where such offer and sale of the Rights Equity Shares and/ Or Rights Entitlements are permitted under laws of such jurisdictions, but not in the United States. The offering to which this Letter of Offer and Abridged Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights.

Accordingly, this Letter of Offer / Abridged Letter of Offer, Entitlement Letter and Application Form should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made. No payments for subscribing for the Rights Equity Shares shall be made from US bank accounts and all persons subscribing for the Rights Equity Shares and wishing to hold such Rights Equity Shares in registered form must provide an address for registration of the Rights Equity Shares in India.

**We, the Registrar, the Lead Manager or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which: (i) does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations; (ii) appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and we shall not be bound to allot or issue any Rights Equity Shares in respect of any such Application Form.**

Rights Entitlements may not be transferred or sold to any person in the United States.

**THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.**

## CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND CURRENCY OF PRESENTATION

### Certain Conventions

All references herein to ‘India’ are to the Republic of India and its territories and possessions and the ‘Government’ or ‘GoI’ or the ‘Central Government’ or the ‘State Government’ are to the Government of India, Central or State, as applicable. Unless otherwise specified or the context otherwise requires, all references in this Letter of Offer to the ‘US’ or ‘U.S.’ or the ‘United States’ are to the United States of America and its territories and possessions.

In this Letter of Offer, reference to the singular also refers to the plural and one gender also refers to any other gender, wherever applicable.

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

### Financial Data

Unless stated otherwise or unless the context otherwise require, the financial information and data in this Letter of Offer, with respect to our Company, is derived from our audited consolidated financial statements for the financial year ended on March 31, 2021 which have been prepared by our Company in accordance with Ind AS, Companies Act, and other applicable statutory and / or regulatory requirements (“**Financial Statements**”). We publish our financial statements in Indian Rupees. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Letter of Offer should accordingly be limited. For further details, please see the chapter titled “*Financial Statements*” beginning on page 63.

Our Company’s fiscal year commences on April 1 and ends on March 31 of the following calendar year. Accordingly, all references to a particular “Financial Year” or “Fiscal Year” or “Fiscal” are to the 12 (Twelve) months period ended March 31 of that year.

All numerical values as set out in this Letter of Offer, for the sake of consistency and convenience, have been rounded off to two decimal places. In this Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

### Currency of Presentation

- All references to ‘INR’, ‘₹’, ‘Indian Rupees’, ‘Rs.’ and ‘Rupees’ are to the legal currency of India.
- Any reference to ‘US\$’, ‘USD’, ‘\$’ and ‘U.S. dollars’ are to the legal currency of the United States of America.

Unless stated otherwise, throughout this Letter of Offer, all figures have been expressed in Rupees in Lakh.

### Exchange Rate

The following tables provide information with respect to the exchange rate for the Indian rupee per unit of a foreign currency. The exchange rates are based on the reference rates released by the Reserve Bank of India or Financial Benchmarks India Private Limited, as the case may be. No representation is made that any rupee amounts could have been, or could be, converted into such foreign currency at any particular rate, the rates stated below, or at all.

Sr. No.	Name of Currency	As on March 31, 2021 <sup>(1)</sup>	As on March 31, 2020 <sup>(1)</sup>
1	U.S. Dollar	73.50	75.39

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

<sup>(1)</sup> Represents the reference rate released by the RBI / FBIL on closing of the last Working Day of the period.

## FORWARD LOOKING STATEMENTS

Our Company has included statements in this Letter of Offer which contain words or phrases such as ‘anticipate’, ‘believe’, ‘continue’, ‘can’, ‘could’, ‘estimate’, ‘expect’, ‘expected to’, ‘future’, ‘intend’, ‘is likely’, ‘may’, ‘objective’, ‘plan’, ‘potential’, ‘project’, ‘pursue’, ‘shall’, ‘should’, ‘will’, ‘will continue’, ‘would’, or other words or phrases of similar import. Similarly, statements that describe our objectives, strategies, plans or goals are also forward looking statements. However, these are not the exclusive means of identifying forward looking statements. Forward-looking statements are not guarantees of performance and are based on certain assumptions, future expectations, describe plans and strategies, contain projections of results of operations or of financial condition or state other forward-looking information. All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements.

Forward-looking statements contained in this Letter of Offer (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of our Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our Company’s expectations include, among others:

- A prolonged slowdown in economic growth in India or financial instability in other countries, particularly in light of the COVID-19 pandemic, could cause our business to suffer.
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various business plans;
- The performance of the GIS market in India and globally;
- Any failure or disruption of our information technology system;
- Any adverse outcome in the legal proceedings in which the Company is involved;
- Increasing competition in or other factors affecting the industry segments in which our Company operates;
- Changes in laws and regulations relating to the industries in which we operate;
- Fluctuations in operating costs and impact on the financial results;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India or in other countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices; and
- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in the section titled “*Risk Factors*” beginning on page 17. By their very nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact or net interest income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections.

Whilst we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, Investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Letter of Offer or the respective dates indicated in this Letter of Offer, and our Company and the Lead Manager undertakes no obligation to update or revise any of them, whether as a result of new information, future events or otherwise. If any of these risks and uncertainties materialise, or if any of our Company’s underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

In accordance with SEBI / Stock Exchange requirements, our Company and Lead Manager will ensure that Investors are informed of material developments until the time of the grant of listing and trading permission for the Rights Equity Shares by the Stock Exchange.

## SECTION II – SUMMARY OF LETTER OF OFFER

The following is a general summary of certain disclosures included in this Letter of Offer and is not exhaustive, nor does it purport to contain a summary of all the disclosures in this Letter of Offer 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 Letter of Offer, including the chapters, “Objects of the Issue”, “Outstanding Litigation and Other Defaults” and “Risk Factors” on pages 41, 126 and 17 respectively.

### 1. Primary Business of our Company

Our Company is engaged in the business of Computer programming, Geographic Information System (GIS) based software development & sales and is a GIS based service provider. IGiS is an indigenous technology which brings GIS, Image Processing, Photogrammetry and CAD together on a single platform.

### 2. Object of the Issue

The Net Proceeds are proposed to be utilized as follows:

(₹ in Lakhs)		
Sr. No.	Particulars	Estimated amount to be utilized <sup>#</sup>
1	To repay / prepay, in full or in part, identified unsecured loans availed by our Company	625.00
2	To meet long term working capital requirement	1,250.00
3	General corporate purposes	584.88
<b>Total</b>		<b>2,459.88</b>

<sup>#</sup> Assuming full subscription and Allotment and receipt of all Call Money with respect to Rights Equity Shares.

For further details, please see the chapter titled “Objects of the Issue” on page 41.

### 3. Intention and extent of participation by the Promoter and Promoter Group

The Promoter and members of the Promoter Group of our Company have, *vide* letter dated December 3, 2020 read with addendum letter dated March 16, 2021 (“**Subscription Letter**”) indicated that they, jointly and / or severally, intend to participate in the Issue by subscribing to a part of their Rights Entitlements only.

For further details, please see the chapter titled “Capital Structure” beginning on page 38.

### 4. Summary of outstanding litigations

The following table sets forth the summary of outstanding litigations by and against our Company and Subsidiary as on the date of this Letter of Offer:

Nature of Cases/Claim	Number of cases outstanding	Amounts involved* (₹in Lakhs)
<i>Litigation filed against us</i>		
i. Tax matters	2 <sup>^</sup>	104.87
ii. Other matters	2	<i>Not Quantifiable</i>
<b>Sub-Total (A)</b>	<b>4</b>	<b>104.87</b>
<i>Litigation filed by us</i>		
i. Tax matters	-	-
ii. Other matters	1	8.26
<b>Sub-Total (B)</b>	<b>1</b>	<b>8.26</b>
<b>Total (A+B)</b>	<b>5</b>	<b>113.13</b>

\* to the extent quantifiable

<sup>^</sup>Our Company had delayed in depositing the deducted TDS amount for the A.Y. 2017-18, for which criminal prosecution was initiated against our Company. During the pendency of the case, a compounding order was passed by the CCIT (TDS) and our Company paid the compounding fee. Though the criminal case is still pending as on the date of this Letter of Offer, the CCIT (TDS) has given instructions to the Assessing Officer in the said compounding order to take necessary steps in relation to the said issue.

For further details, please see the chapter titled “*Outstanding Litigations and Other Defaults*” beginning on page 126.

**5. Risk Factors**

For details of the risks associated with our Company, please see the section titled “*Risk Factors*” beginning on page 17.

**6. Contingent liabilities**

For details of contingent liabilities for the FY 2020-21, please see the section titled “*Financial Information*” beginning on page 63.

**7. Related party transactions**

For details of related party transactions for the FY 2020-21, please see the section titled “*Financial Information*” beginning on page 63.

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

Our Company has not issued any Equity Shares for consideration other than cash during the last one year immediately preceding the date of this Letter of Offer.



### SECTION III - RISK FACTORS

An investment in the equity shares involves a high degree of risk. You should carefully consider all information in this Letter of Offer, including the risks and uncertainties described below, before making an investment in the Equity Shares. Additionally, the risks set out in this section may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. If any or a combination of the following risks or other risks that are not currently known or are now deemed immaterial actually occurs, our business, prospects, results of operations and financial condition could suffer, the trading price of the Equity Shares could decline and you may lose all or part of your investment. Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below. In making an investment decision, prospective investors must rely on their own examinations and the terms of the Issue, including the merits and the risks involved. Prospective investors should consult their tax, financial and legal advisors about the particular consequences of investing in the Issue.

For further details, please see the section titled “Financial Information” beginning on page 63 as well as the other financial and statistical information contained in this Letter of Offer.

This Letter of Offer also contains forward-looking statements which 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 Letter of Offer. For further details, please see the chapter titled “Forward-Looking Statements” beginning on page 14.

Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Audited Financial Statements.

#### MATERIALITY

The Risk Factors contained herein have been determined on the basis of their materiality. The following factors have been considered for determining the materiality:

1. Some risks may not be material individually but may be found material collectively.
2. Some risks may have an impact which is qualitative though not quantitative.
3. Some risks may not be material at the time of making the disclosures in the Letter of Offer but may have a material impact in the future.

#### INTERNAL RISK FACTORS

1. ***Our Company is a party to certain litigations, the outcome of which, if determined against us, could adversely affect our financial conditions.***

Our Company is involved in certain litigations which are pending at different forums. The outstanding matters include tax proceedings and other material pending litigations involving our Company. The brief details of such outstanding litigations are as follow:

Nature of Cases/Claim	Number of cases outstanding	Amounts involved* (₹ in Lakhs)
<i>Litigation filed against us</i>		
i. Tax matters	2 <sup>^</sup>	104.87
ii. Other matters	2	<i>Not Quantifiable</i>
<b>Sub-Total (A)</b>	<b>4</b>	<b>104.87</b>
<i>Litigation filed by us</i>		
i. Tax matters	-	-
ii. Other matters	1	8.26
<b>Sub-Total (B)</b>	<b>1</b>	<b>8.26</b>
<b>Total (A+B)</b>	<b>5</b>	<b>113.13</b>

\* to the extent quantifiable

<sup>^</sup> Our Company had delayed in depositing the deducted TDS amount for the A.Y. 2017-18, for which criminal prosecution was initiated against our Company. During the pendency of the case, a compounding order was

*passed by the CCIT (TDS) and our Company paid the compounding fee. Though the criminal case is still pending as on the date of filing of this Letter of Offer, the CCIT (TDS) has given instructions to the Assessing Officer in the said compounding order to take necessary steps in relation to the said issue.*

There can be no assurance that these legal proceedings will be decided in our favour. Any adverse decision in these proceedings may have a significant effect on our financial condition and cash flows. In the event of any adverse outcome in a tax proceeding, we may be required to pay the disputed amounts along with applicable interest and penalty and may also incur additional tax incidence going forward.

For further details of these legal proceedings, please see the chapter titled “*Outstanding Litigations and Other Defaults*” beginning on page 126.

- 2. *We have entered into a contractual agreement with ISRO for technical know-how and our business, results of operations and financial condition may be adversely affected if we are unable to continue with our contractual agreement or if there are any material changes in the said agreement.***

We have entered into an agreement with ISRO, pursuant to which, ISRO has provided the domain expertise regarding the image processing and GIS functionality to our Company, the marketing rights of the IGiS software as well as the license to utilize the know-how for production, marketing and further maintenance of the IGiS software in India and abroad. This association was an outcome of a successful bidding and an award of a technical tender issued by ISRO, in furtherance of which the first agreement was executed on April 2, 2009, for a period of 3 (Three) years. This agreement was renewed on April 14, 2012, for a period of 5 years, which was valid till April 13, 2017. On June 7, 2017, the said agreement was subsequently renewed for a period of 10 (Ten) years and will remain valid till June 6, 2027 which would enable us to continue our affiliation with ISRO.

Though we share a good contractual and business relationship with ISRO, there can be no assurance that we will be able to retain this relationship in future. If our Company is unable to continue this relationship with ISRO in future, our Company would not be in a position to utilize this association with ISRO for domain expertise and for marketing strategy. Further, our Company would be required to retain in-house domain experts to fulfill the domain input requirements, which may have an adverse impact on our Company’s financial condition by way of higher costs of marketing or increased manpower costs.

- 3. *We operate from premises which are taken on leasehold and leave & license basis. Any termination or non-renewal of these lease and/or license could have an adverse effect on our cash flows and results of operation.***

We undertake business from our Corporate Office, which was taken on lease *vide* a lease deed dated March 8, 2015 for a lease period of 36 (thirty six) months commencing from January 15, 2015 up to January 14, 2018. The lease deed has not been renewed by the owner and our Company is under negotiation with the owners of the property. Further, there is a civil suit bearing case no. SPCS/137/2017 filed before the Hon’ble Court of Principal Senior Civil Judge, Ahmedabad (Rural), Mirzapur by the owners of the property against our Company for vacating the premises. For further details, please see the chapter titled “*Outstanding Litigations and Other Defaults*” beginning on page 126. Any adverse order against the Company may result into vacation of the place at any time without any notice and could force us to procure or shift to new premises, involving additional time and cost of relocation.

Further, we have taken additional premises on short term leave and license basis from a third party. While the said leave and license agreement provides for renewal with mutual consent, there can be no assurance that the same will be renewed upon expiry or on terms and conditions acceptable to us. Any failure to renew this agreement may force us to look out for alternative premises which may not be available or which may be available at more expensive prices. Any of the aforesaid may increase our operating cost and may have an adverse effect on our cash flows and results of operations.

Further, the aforesaid leave and license agreement has not been adequately stamped as per the provisions of the Gujarat Stamp Act, 1958 and therefore, the same may be impounded by the authorities and shall not be admissible as evidence in the court of law unless adequate stamp duty together with penalty thereon is duly paid.

4. ***We are yet to obtain the requisite license under the Gujarat Shops and Establishments Act for our Corporate Office and additional premises. Any failure to obtain and thereafter, to maintain or renew the same in a timely manner or at all, may attract penalty under the said Act.***

Our Company is yet to file an application to obtain registration under the Gujarat Shops and Establishments Act for our Corporate Office and additional premises situated at 7, Abhishree Corporate Park, Opposite Shell Petrol Pump, Ambli Road, Ahmedabad – 380058 taken by our Company on leave and license basis. The delay in filing the said application for our Corporate Office is due to pending updation of ownership records of the concerned premises. This delay in obtaining the registration under the Gujarat Shops and Establishments Act may result in penalties being imposed on our Company under the said Act.

5. ***Our Company may be affected by changes in technology that may relate to our business.***

Our Company operates in the software technology industry which is significantly governed and affected by developments, innovation, government policy and laws pertaining to information technology as well as intellectual property. These factors can affect the demand, pricing and value of our products and services which have already been developed and which are in the course of being developed. Currently, we are a single point business solution provider specializing in the areas of GIS, IGiS, IP, GPS, GPR, PG and LBS. Our continued growth will depend upon our ability to sustain cutting edge software solutions, adapt to the updated / superior / modified software which we may be required to use with time and to train our executives in order to utilize the technology and the talents of our human resource to their maximum potential. If we fail to adapt and match pace with the growth in technology and adoption of the same through sufficient training of our executives, the same may adversely affect our business, prospects, the results of operations and financial condition.

6. ***Our Company has witnessed negative cash flows from operating activities (after working capital adjustments) in the past. Sustained negative cash flows could impact our growth and business.***

Our Company has witnessed negative cash flows from operating activities, the details of which as per the audited consolidated financial statements are summarized below:

	<i>(₹ in Lakhs)</i>	
<b>Particulars</b>	<b>FY 2020-21</b>	<b>FY 2019-20</b>
Operating profit before working capital changes	509.30	489.06
Cash flow from operating activities (after working capital adjustments)	189.85	(345.09)

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

7. ***There has been an instance of delayed filing made by our Company under the SEBI Listing Regulations.***

Our Company has made all requisite filings as required under the SEBI Listing Regulations as applicable for the last one year immediately preceding the date of filing of the Draft Letter of Offer with BSE except for 1 (one) instance of delay of approximately 16 (Sixteen) minutes in submission of the outcome of the board meeting. Such delayed filing may render us liable for applicable fine and/or penalty.

8. ***Our Company is unable to trace certain secretarial records prior to 1994 including records pertaining to allotment of Equity Shares to our Equity Shareholders.***

Our Company is unable to trace certain secretarial records prior to 1994, specifically the list of allottees as is required to be attached with Form 2 for allotment of Equity Shares of our Company. While our Company has made all efforts to obtain the form filing records, including by way of a physical search at the office of the Registrar of Companies, we have been unable to obtain the record of the list of allottees that were attached with Form 2 for filings made in the years prior to 1994. While our Company believes that these secretarial forms were duly filed, there can be no assurance that these filings will be available in the future or that we will not be subject to any penalties imposed by the competent regulatory authority in connection with these filings.

**9. Our Company has in the past made delayed payment of its statutory and other dues and the same has been noted by our independent auditor in its report on our Company’s audited standalone financial statements for the FY 2020-21.**

Our Company has made delayed payment of its statutory dues and our independent auditor has, in its report on our Company’s audited standalone financial statements for the FY 2020-21, made following remark in relation to the same:

*“There were no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Goods and Service Tax, Customs Duty, cess and other material statutory dues in arrears except for TDS applicable under Income tax Act, 1961 as at March 31, 2021 for a period of more than six months from the date they became payable. Details of dues of TDS are as under:*

<i>Name of the Statute</i>	<i>Nature of Dues</i>	<i>Amounts unpaid as on March 31, 2021 (in ₹)</i>
<i>Income Tax Act</i>	<i>Tax Deducted at source on Rent</i>	<i>1,01,724</i>
<i>Income Tax Act</i>	<i>Tax Deducted at source on Professional Fees</i>	<i>2,20,723</i>
<i>Income Tax Act</i>	<i>Tax Deducted at source on Salary</i>	<i>7,12,152</i>

Although our Company endeavours to pay the statutory and other dues in timely manner, there can be no assurance that there will be no delays in paying our statutory and other dues in the future. In the event of there being an unjustifiable delay, there may be consequential action undertaken by the relevant statutory authority and the same may have an adverse impact on our financial condition.

**10. Our contingent liabilities could adversely affect our financials if they materialize.**

As at March 31, 2021, we had contingent liabilities amounting to ₹104.87 Lakhs. For more details, please see the section titled “*Financial Information*” beginning on page 63. If, for any reason, these contingent liabilities materialize, it would adversely affect our financial condition and results of operations.

**11. We are exposed to risks arising from exchange rate fluctuations which may have an adverse effect on the financial results of our Company.**

Our Company has receivables of USD 1,55,469 as on March 31, 2021, which are unhedged and consequently, we are exposed to exchange rate fluctuations risk. Uncertainties in the global financial markets may have an adverse impact on the exchange rate between INR and other currencies. The exchange rate between INR and other currencies is variable and may continue to remain volatile in the future depending upon the foreign exchange reserve position of India. Any appreciation of the INR against other currencies may lead to reduction in the realization of our revenues. Accordingly, volatility in the exchange rate may adversely affect the financial results of our Company.

**12. Our Company is subject to risks arising from interest rate fluctuations, which could adversely affect the financial results of our Company.**

As on June 30, 2021, our Company has outstanding borrowings (including outstanding interest) of ₹3,636.17 Lakhs from the banks, NBFCs and other parties. Any increase in the interest rates could significantly raise the costs of borrowing adversely affecting the financial results of our Company.

**13. Delays associated with the collection of receivables from our clients may adversely affect our business, prospects, results of operations and financial condition.**

There may be delays associated with the collection of receivables from our clients. As on March 31, 2021, ₹505.10 Lakhs or 31.24% of our total accounts receivable were outstanding for a period of more than 6 (Six) months. Our business requires a significant amount of working capital, which varies depending upon the payment by our clients who are mainly the Government agencies. Therefore, delayed collection of receivables could adversely affect our business, prospects, results of operations and financial condition.

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

Our Company has entered into various transactions with related parties, the brief details of outstanding balances of which are as follows:

	(₹ in Lakhs)	
Particulars	FY 2020-21	FY 2019-20
Outstanding balances at the end of FY	47.42	48.83

While we believe that all such transactions have been conducted on an arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, we may enter into related party transactions in the future and such related party transactions may give rise to conflicts of interest with respect to dealings between us and such related parties. For further details, please see the section titled "Financial Information" beginning on page 63.

**15. The shareholding of our Promoter and Promoter Group has seen a decline.**

The shareholding of our Promoter and Promoter Group as on March 31, 2019 was 29.02% which is reduced to 26.50% as on June 30, 2021. Any further dilution in the shareholding of the Promoter and Promoter Group may adversely affect our stock prices and market perception about our Company and our Promoter and Promoter Group.

**16. The shareholding of our Promoter and Promoter Group has been pledged as collateral security.**

As on date of this Letter of Offer, our Promoter and Promoter Group hold 1,30,98,638 Equity Shares constituting 26.50% total equity share capital of the Company, of which 61,00,053 Equity Shares constituting 12.34% of total equity share capital of the Company have been pledged by them as a collateral security for the financial facilities availed by our Company and third party. Any default under the terms and conditions of such transactions may result in the pledgee exercising the right to acquire, sell or otherwise dispose of these Equity Shares which shall further lead to a dilution of the holding of our Promoter and Promoter Group in our Company. Such dilution may adversely impact the trading price of the Equity Shares of our Company.

**17. Our Company and our Promoter and certain members of the Promoter Group have created a charge on their assets and/or have offered guarantees in relation to the debt facilities availed by our Company, to secure the interests of our lenders.**

Our Company has availed financial facilities from the Axis Bank Limited, the outstanding balance of which as on June 30, 2021 was ₹1,067.74 Lakhs and the same have been secured by way of creating a charge on certain assets of our Company and our Promoter and certain members of the Promoter Group. Further, the Axis Bank Limited had takeover then existing loans from Bank of India and we are yet to receive NOC from the Bank of India with respect to charge created in their favour on account of pendency of the original bank guarantees, for which counter bank guarantees have been issued by Axis Bank to them. In the event that we default in repayment of the financial facilities availed by us and any interest thereof, our lender(s) may enforce their rights over charged properties, which in turn could have significant adverse effect on our business operation and financial condition.

Further, our Promoter and certain members of the Promoter Group have offered guarantees in relation to the secured debt facilities availed by our Company. In the event our Promoter or members of the Promoter Group withdraw or terminate their guarantees, the lender(s) for such facilities may demand substitute guarantees or immediate repayment of amounts outstanding under such facilities, or terminate such facilities. In the event we are not successful in procuring guarantees to the satisfaction of the lender(s), we may need to repay the amounts outstanding under such loan facilities or seek alternate sources of funds, which could adversely affect our financial condition.

**18. Our Promoter and Promoter Group may not have the ability to control or influence the outcome of matters submitted to shareholders for approval.**

As on June 30, 2021, our Promoter and the Promoter Group collectively hold 26.50% of the total equity share capital of our Company. As long as our Promoter and the Promoter Group do not hold the majority stake in the Company, they may not have the ability to control or influence the outcome of matters submitted to

shareholders for approval, including (i) matters relating to sale of all or part of our business; (ii) mergers acquisitions or disposals of assets; (iii) the distribution of dividends; (iv) appointment or removal of our directors or officers; and (v) our capital structure or financing. This may materially and adversely affect our results of operations, financial condition, and cash flows.

***19. Our agreement with our lender for financial arrangement contains restrictive covenants for certain activities and if we are unable to get the approval of our lender, it might restrict our scope of activities and impede our growth plans.***

Our Company has entered into agreements with Axis Bank Limited for loan facilities, which are currently subsisting. We may incur additional indebtedness in the future and our ability to meet our debt service obligations and to repay our outstanding borrowings depends primarily on the revenue generated by our business. Any failure to make payments of interest and principal on our outstanding indebtedness within the stipulated time period may result in a fall in our creditworthiness. Additionally, during any period in which we are in default, we may be unable to raise, or face difficulties in raising further finance.

Further, our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions, which may adversely affect our business and financial condition. Covenants under our financing agreements include restrictions on/to:

- Enter into any scheme of merger, amalgamation or doing a buyback of our Equity Shares;
- Make any restricted payments other than permitted under the financing agreements;
- Declare or pay any dividend or authorize or make any distribution to our shareholders: (i) unless our Company has paid all the dues in respect of the facility up to the date on which the dividend is proposed to be declared or paid, or has made satisfactory provisions thereof, or (ii) if an event of default has occurred and is subsisting or would occur as a result of such declaration or payment of dividend or authorization or making of distribution;
- wind up, liquidate or dissolve affairs of our Company or take any steps for voluntary winding up or liquidation or dissolution of our Company;
- agree, authorize or otherwise consent to any proposed settlement, of any litigation, arbitration or other dispute which may have a material adverse effect;
- permit any change in the general nature of the business of our Company or undertake any expansion or invest in any other entity;
- effect any change in our accounting method or policies;
- pay any commission to our Promoters / Directors/ security providers;
- Dispose our assets other than permitted by lenders in writing;
- permit any change in the ownership/control/management of our Company (including by pledge of promoter/sponsor shareholding in our Company to any third party);
- make any amendments in the constitutional documents of our Company;
- avail any further loan or facility from any person and/or stand surety or guarantor for any third party liability or obligation, save as permitted under the financing documents;
- encumber or create any security interest over the assets of our Company, save as permitted under the financing documents;
- prepayment of any principal or interest on any loans availed by our Company from our Shareholders /Directors;
- change remuneration of our Directors in any manner other than as mandated by legal or regulatory provisions;
- enter into any contract or similar arrangement whereby our business or operations are managed or controlled directly or indirectly by any other person; and
- obtain any facilities from a related party unless our Company causes such related party to submit an undertaking to the lender confirming that the financial debt extended by the related party to our Company shall not be assigned or transferred to any person other than another related party or a bank or a financial institution.

Failure to meet the conditions listed above or obtain consents from the lender, as may be required, could have significant consequences for our business and financial condition. Any default(s) under our financing agreements that are not waived by our lender or are not otherwise cured by us, may lead to a termination of our credit facilities, acceleration of all amounts due under such facilities, and may materially and adversely affect our ability to conduct our business or implement our business plans.

- 20. Our Company has significant business through contracts entered into with entities or organizations owned by or set up by the government for a significant portion of our revenues which may expose us to risks, including additional regulatory scrutiny, delayed receipt of collectibles and pricing pressure.**

Our Company has been awarded various contracts by the organizations and entities set up or owned by government agencies, and the results of operations primarily depend on the same. These contracts with government agencies are subject to various uncertainties, restrictions, profit and cost controls. As a result, such government agencies may terminate our contracts on account of any potential non-performance of the contractual terms and such termination may result in forfeiture of the performance bank guarantee issued by our Company, in favour of such government agencies. Since these contracts with government agencies represent a significant majority of our revenues, the loss of such contracts could have a material adverse impact on our financial condition as well as the results of operations.

There may be delays associated with collection of receivables from government agencies, which could affect our liquidity and the results of operations. We may also have to abide by any further government regulations for these contracts with government agencies, which may impact the manner in which we transact business as well as may lead to additional costs impacting our results of operations.

Further, any change in the present government may lead to changes in the government policies which may significantly change the nature and terms of the contracts with government agencies or result in termination of the same, which shall, consequently, have an adverse effect on the revenue earned by our Company.

- 21. Our projects have a long gestation period and our accounting statements reflect the financial performance of the projects undertaken and / or completed in a particular period. A comparison of our financial performance over different periods may not reflect or accurately predict the future growth and performance of our Company.**

Our projects are spread over a long period of time and our accounting statements may continue to be subject to variations depending on the stage of the projects. This may cause us to record higher revenue in certain periods compared to others. In addition, if our rate of growth slows over time, variations in our accounting statements may become more pronounced, and the results of operations and financial condition may be adversely affected.

- 22. Our Company may not have sufficient insurance coverage to protect us against possible losses arising from loss of assets.**

Our operations and premises are subject to inherent risks, such as defects, fire, riots, strikes, explosions, and natural disasters. While our Company has procured insurance, the same may not be adequate in all instances and may not cover all causes of damage. Thus, in the event of any actual loss or damage, the insurance proceeds may not be adequate to fully cover the substantial liabilities, losses in revenue or increased expenses which our Company may incur on account of such damages. Our Company has taken a total insurance coverage of ₹130.00Lakhs and the percentage of coverage of insurance vis-à-vis the total carrying value of Property, Plant and Equipment of the Company as on March 31, 2021 is 74.26%. Any large un-insured loss suffered by our Company, may have an adverse impact on our business, the results of operations and financial condition.

- 23. Our R&D efforts may not succeed in enhancing the products and services offered by us resulting in significant revenue or any other financial benefits in the future.**

We have incurred substantial expenses for our R&D in the past which has been capitalized in accordance with our accounting policies. We expect to continue to dedicate a portion of our financial and other resources to our R&D efforts for new versions of the software developed by us and for enhancing current capabilities in order to maintain our competitive position. However, investing in R&D, developing new products and enhancing existing products is expensive and time consuming, and there is no assurance that such activities will result in significant new marketable products or enhancements to our products, design improvements, cost savings, revenues or other expected benefits. If we spend significant time and effort on R&D and are unable to generate an adequate return on our investment, our business and the results of operations may be adversely affected.

**24. *Though our Company has an operating history in providing GIS technology since nearly a decade, owing to the nature of the industry, we may still not have sufficient experience to address risks frequently encountered in this business.***

During FY 2007-08, our Company commenced the diversification of business activities into GIS and other information system activities and is currently one of the leading providers of GIS technology. In the GIS technology business, our competitors are large multi-national companies, who have been in this field since last four decades. Compared to us, our competitors have a higher level of penetration in the market. We may not have sufficient marketing reach as compared to our competitors to address any risks or issues arising with regard to the successful positioning of our products in the market.

As a result, we may be unable to generate timely revenues as estimated by us and our failure to successfully position our products in the market could materially and adversely affect our business, prospects, the results of operations and financial condition.

**25. *Our Company's business of providing GIS solutions and services is a highly competitive business with a number of large and medium players in the industry and hence may take time to adequately penetrate the market.***

In the GIS solutions and services sector, our Company competes with a number of large and medium sized service providers. Success in achieving business is often dependent on the bidding and tender terms which may require sacrifice of margins. Further, we may be exposed to risks associated with the abovementioned services provided by us, such as:

- hiring and retaining skilled personnel proficient in providing the services;
- ability to change and adapt to changing technology;
- competitive environment of the technology industry in India;
- shifting management bandwidth from product development to services.

We may also be required to incur additional expenditure to provide the relevant infrastructural facilities for provision of the services to our clients. In the event that we take time in penetrating the market, our business, operational efficiency, cash flows and financial position may be affected adversely.

**26. *We may, at any time in the future, make further issuances or sales of our Equity Shares, and this may significantly dilute your future shareholding and affect the trading price of our Equity Shares.***

Any future equity issuances by us, may lead to the dilution of investors' shareholdings in our Company. Any future equity issuances by us or sales of our Equity Shares by our Promoter or Promoter Group may adversely affect the trading price of our Equity Shares, which may lead to other adverse consequences for us including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception that such issuance or sales of Equity Shares may occur, may lead to dilution of shareholding, significantly affect the trading price of our Equity Shares and our ability to raise capital through an issue of our securities. There can be no assurance that such future issuance by us will be at a price equal to or more than the Issue Price. Further, there can be no assurance that we will not issue further shares or that the Promoter, Promoter Group and major shareholders will not dispose of, pledge or otherwise encumber their Equity Shares.

**27. *Our Company has obtained unsecured loans which may be recalled at any time.***

Our Company has, for business purposes, obtained unsecured loans from various parties, the outstanding balance of which as on June 30, 2021 is ₹2,277.96 Lakhs of which ₹2,193.12 Lakhs are repayable on demand. In case the lenders recall them any time, our Company may be required to repay the entirety of the unsecured loans together with accrued interest and other outstanding amounts payable in relation to the said facilities. Our Company may not be able to generate sufficient funds at short notice to be able to repay such loans and may resort to refinancing such loans at a higher rate of interest and on terms not favourable to it. Failure to repay unsecured loans in a timely manner may have a material adverse effect on our business, cash flows and financial condition.



- 28. *Our Promoter and certain of our Directors and KMPs have interests in our Company other than the reimbursement of expenses and normal remuneration or benefits. Any such interests may result in a conflict of interest, which may have an adverse effect on our business.***

Mr. Rameshchandra K. Sojitra, our Promoter and certain of our Directors and KMPs may be deemed to be interested in our Company, in addition to regular remuneration or benefits and reimbursements of expenses, to the extent of a) Equity Shares held by them, their relatives, their dividend or bonus entitlement, benefits arising from directorship in our Company, b) business and/or commercial transaction entered into or proposed to be entered into by our Company with any firm, LLP, company or body corporate with which they or any of them are associated as promoter, director, partner or member and c) salary and other compensations paid or payable to their relative(s) by our Company. For further details, please see the section titled “*Financial Information*” beginning on page 63. Some of the above interests may conflict with their duty as Promoter and / or Director or KMPs of our Company, which may have an adverse effect on our operations.

- 29. *Delays or defaults in payments from our clients could result into a constraint on our cash flows.***

The efficiency and growth of our business depends on timely payments received from our clients. In the event, our clients default or delay in making payments and clearing their dues, we may not have adequate resources to fund our business and implement our growth plans. This could have an adverse effect on the results of operations and our financial condition.

- 30. *Any defects in the products or deficiency / delay in the services offered by our Company could expose us to costs and liabilities arising from claims made by our clients and adversely affect our reputation, revenues, operations and profitability.***

Due to our operations in the service sector, we may receive complaints and / or claims from our clients with regard to our services. Such complaints and / or claims may be made against us on grounds of alleged deficiency / delay in services. Such complaints or claims may generate negative publicity concerning our service standards and product quality, reduce clients’ confidence and negatively impact our reputation.

As a result, our business, profitability and financial performance may be adversely affected and we may also have to incur additional costs to restore our image and reputation. In the event that complaints are received from our clients and they escalate into legal claims, our image and market reputation could be adversely affected.

Further, our Company is often required to customize products and services to meet the specific requirements of our clients. Due to the technical nature of our products and services, meeting the specifications of each client may be a time-consuming process requiring our Company to invest in not only research and development but also in the development of the skills of our human resource. Delay in delivering the product may result in our Company losing clients to our competitors and also facing the risk of our products and services becoming obsolete due to constant change in the technology being used in our business. This may have an adverse impact on the profitability and revenues of our Company.

- 31. *Our Company’s future success depends upon our ability to effectively implement our business and growth strategies, failing which, our growth and business may be adversely affected.***

Our Company’s success will depend substantially on our ability to effectively implement our business and growth strategies. Our Company may not be able to execute our strategies in a timely manner or within our budget estimates or be able to meet the expectations of our clients and other stakeholders. We believe that our Company’s business and growth strategies will place significant demands on our senior management and other resources and will require us to develop and improve operational, financial and other internal controls and capitalize existing and potential market opportunities. Any inability to manage our business and growth strategies may adversely affect our Company’s business, prospects, the results of operations and financial condition.

- 32. *Our success largely depends upon our KMPs and senior management. Any loss of our KMPs or senior managerial personnel could adversely affect the results of operations and our financial condition.***

Our experienced KMPs and senior management personnel have had significant contribution to our business, and our future success is dependent on their continued service, expert skills and knowledge. In the event of resignation or cessation of any individual from our KMPs or senior management playing an active role in our business and growth plans, we may find it difficult to find a substitute for the talent and skills lost by us. Opportunities for KMPs and senior management personnel in our industry are immense and it is possible that we may not be able to retain our existing KMPs and senior management personnel or may fail to attract / retain new employees at equivalent positions in the future which may adversely affect our business, the results of operations and financial condition.

- 33. *The present working and future success of our Company is correlated to high performing individuals and overall skill development of the employees.***

The present working and future success of our business significantly depends upon the quality of products and services provided by us. This quality is directly proportionate to the talent, knowledge and performance of the human resource hired, retained and utilized by us. From time to time, it may be difficult to attract and retain qualified individuals with requisite expertise required for our business demands, and we may not be able to satisfy the demand for our services because of our inability to successfully hire and retain qualified personnel. If we are unable to infuse new talent, retain talent or invest in skill development of our human resources, it could have a material adverse impact on our business, results of operations and our financial condition.

- 34. *Any future acquisitions, joint ventures, partnerships, strategic alliances, tie-ups or investments could fail to achieve expected synergies and may disrupt our business and harm the results of operations and our financial condition.***

Our success will depend, in part, on our ability to expand our business in response to changing technologies, customer demands and competitive pressures. We have, in the past, explored and continue to explore opportunities on our own, through collaborations, tie-ups, strategic alliances, partnerships or joint ventures across the country and regions of focus. In some circumstances, we may also decide to acquire, or invest in, complementary technologies instead of internal development. The risks we face in connection with acquisitions may include integration of product and service offerings, co-ordination of R&D and marketing functions and the diversion of management's time and focus from operating our business to addressing challenges pertaining to acquisition and integration.

Our failure to address these risks or other problems encountered in connection with our acquisitions and investments could result in our failure to realise the anticipated benefits of these acquisitions or investments, cause us to incur unanticipated liabilities, and harm our business generally.

- 35. *Our ability to pay dividend in the future will depend upon future earnings, financial conditions, cash flows, working capital and capital expenditure requirements.***

Our Company has not declared and paid dividend in the past. Our Company cannot give any assurance that dividend will be paid in future. The declaration and payment of any dividend in the future will be recommended by our Board of Directors, at their discretion, and will depend on a number of factors like our earnings, cash generated from operations, capital requirements and overall financial condition of our Company.

- 36. *Industry related information included in this Letter of Offer has been derived from reports titled "Geospatial Strategy for New India" for the year 2019 and "GeoBuiz – 2019 edition" (the "Geospatial Reports") prepared by Geospatial Media and Communication Private Limited and has not been independently verified by us.***

Industry related information included in this Letter of Offer has been derived from the Geospatial Reports prepared by Geospatial Media and Communication Private Limited and neither we nor any other person connected with the Issue has independently verified the information in the Geospatial Reports. Further, the Geospatial Reports were prepared on the basis of information as of specific dates which may no longer be current or reflect current trends. Opinions in the Geospatial Reports may be based on estimates, projections,

forecasts and assumptions that may prove to be incorrect. Further, 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 and accordingly, investment decisions should not be based on such information.

## **RISK RELATING TO THE ISSUE AND OBJECTS OF THE ISSUE**

### **1. *Failure by our Promoter or Promoter Group to fully subscribe their Rights Entitlements may result in dilution of their shareholding.***

The Promoter and members of the Promoter Group of our Company have, *vide* their letter dated December 3, 2020 read with addendum letter dated March 16, 2021 indicated that they, jointly and/or severally, intend to participate in the Issue by subscribing to a part of their Rights Entitlements only. In the event our Promoter or Promoter Group do not subscribe in the Issue to the full extent of their Rights Entitlements, the same may result in dilution of their shareholding in our Company and this may have an impact on the investor sentiments.

### **2. *Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of Investor's shareholding.***

The Rights Entitlements that are not exercised prior to the Issue Closing Date will expire and become null and void, and Eligible Equity Shareholders will not receive any consideration in relation to the same. The proportionate ownership and voting interest in our Company of Eligible Equity Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for the dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Rights Issue. Renounees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renounees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renounee will not be able to apply in this Rights Issue with respect to such Rights Entitlements.

### **3. *Non-receipt of complete Call Money may have an impact of a consequential shortfall in Net Proceeds.***

Our Company proposes to receive the Net Proceeds through Call and in accordance with the applicable laws, our Company shall make the Call as determined by the Board at its sole discretion. The Call shall be deemed to have been made at the time when the resolution authorizing such Call is passed at the meeting of our Board. The Call may be revoked or postponed at the discretion of our Board, from time to time. Pursuant to the provisions of the Articles of Association, the Investors would be given at least 14 (Fourteen) days' notice for the payment of the Call. The payment period for the Call Money shall be kept open for 15 (Fifteen) days from the date of making the Call or such extended period, as may be approved by our Board at its discretion. Our Company, at its sole discretion, may send reminders for the Call as it deems fit, and if it does not receive the Call Money as per the timelines stipulated, our Company would forfeit the Application Money. Non-receipt of complete Call Money and a consequential forfeiture of the Application Money may lead to a shortfall in the Net Proceeds, which may have to be met out of internal accruals or from other source(s) and it may have impact on borrowings, financial conditions and results of operations of the Company. For more details, please see the chapter titled "*Objects of the Issue*" on page 41.

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

Since the size of the Issue is less than ₹10,000 Lakhs, no monitoring agency is required to be appointed by our Company to oversee the deployment of funds raised through this Issue. The deployment of funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. The Board of Directors of our Company through Audit Committee will monitor the utilization of the Issue proceeds. Any inability on our part to effectively utilize the Net proceeds could adversely affect our financials.

5. ***Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised and may be subject to change based on various factors, some of which are beyond our control.***

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or other independent agency. Further, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors which are beyond our control. For further details, please see the chapter titled “*Objects of the Issue*” on page 41.

6. ***Investors shall not have the option to receive Rights Equity Shares in physical form and the Eligible Equity Shareholders holding Equity Shares in physical form will have no voting rights in respect of Rights Equity Shares Allotted to them until they provide details of their demat account and Rights Equity Shares are transferred to such demat account from the demat suspense account thereafter and such Shareholders may suffer loss in case of sale of their Rights Equity Shares by our Company at the prevailing market price.***

In accordance with the SEBI ICDR Regulations, the Rights Entitlements and Rights Equity Shares shall be issued and credited only in dematerialized form. Investors will not have the option of getting the allotment of Equity Shares in physical form. The Rights Equity Shares will be credited to a demat suspense account to be opened by our Company, in case of Allotment in respect of resident Eligible Equity Shareholders holding Equity Shares in physical form and who have not provided the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date. Such Eligible Equity Shareholders are required to send, among others, details of their demat accounts to our Company or the Registrar within 6 (six) months from the Allotment Date. Unless and until such Eligible Equity Shareholders provide details of their demat account and the Rights Equity Shares are transferred from demat suspense account to such demat accounts thereafter, they will have no voting rights in respect of Rights Equity Shares. For details, please see the chapter titled “*Terms of the Issue*” on page 137.

Further, Our Company (with the assistance of the Registrar) shall, after verification of the details of such demat account by the Registrar, transfer the Rights Equity Shares from the demat suspense account to the demat accounts of such Eligible Equity Shareholders. In case of non-receipt of such details of demat account, our Company shall conduct a sale of such Rights Equity Shares lying in the demat suspense account on the floor of the Stock Exchange at the prevailing market price and remit the proceeds of such sale (net of brokerage, applicable taxes and administrative and incidental charges) to the bank account mentioned by the resident Eligible Equity Shareholders in their respective Application Form and from which the payment for Application Money was made. Proceeds of such sale (net of brokerage, applicable taxes and administrative and incidental charges) may be higher or lower than the Issue Price paid by such Eligible Equity Shareholders. We cannot assure you that such proceeds by way of sale of such Rights Equity Shares will be higher than the Issue Price paid by you, and that you shall not suffer a loss in this regard. Further, in case, bank accounts of the aforesaid Eligible Equity Shareholders cannot be identified due to any reason or bounce back from such bank accounts, our Company may use payment mechanisms such as cheques, demand drafts etc. to remit the proceeds of sale of the Rights Equity Shares to such Eligible Equity Shareholders. If such bank account from which Application Money was received is closed or non-operational, the sale proceeds will be transferred to IEPF in accordance with practice on Equity Shares and as per applicable law

7. ***There is no guarantee that the Rights Equity Shares issued pursuant to this Rights Issue will be listed on the Stock Exchange in a timely manner.***

In accordance with applicable laws and regulations and the requirements of the Stock Exchange, in principle and final approvals for listing and trading of the Rights Equity Shares issued pursuant to this Issue will not be applied for or granted until after the Rights Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorising the issuance of Rights Equity Shares to be submitted. Accordingly, there could be a delay in listing the Rights Equity Shares on the Stock Exchange. If there is a delay in obtaining such approvals, we may not be able to credit the Rights Equity Shares allotted to the Investors to their depository participant accounts or assure ownership of such Rights Equity Shares by the Investors in any manner promptly after the Issue Closing Date. In any such event, the ownership of the Investors over Rights Equity Shares allotted to them and their ability to dispose of any such Equity Shares may be restricted. For further information on issue procedure, please see the chapter titled “*Terms of the Issue*” on page 137.

**8. *The R-WAP payment mechanism facility proposed to be used for this Issue may be exposed to risks, including risks associated with payment gateways.***

In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020, a separate web based application platform, i.e., the R-WAP facility (accessible at [www.linkintime.co.in](http://www.linkintime.co.in)), has been instituted for making an Application in this Issue by resident Investors. Further, R-WAP is only an additional option and not a replacement of the ASBA process. On R-WAP, the resident Investors can access and fill the Application Form in electronic mode and make online payment using the internet banking or UPI facility from their own bank account thereat. For details, please see the chapter titled “*Terms of the Issue*” on page 137. Such payment gateways and mechanisms are faced with risks such as:

- keeping information technology systems aligned and up to date with the rapidly evolving technology in the payment services industries;
- scaling up technology infrastructure to meet requirements of growing volumes;
- applying risk management policy effectively to such payment mechanisms;
- keeping users’ data safe and free from security breaches; and
- effectively managing payment solutions logistics and technology infrastructure.

Further, R-WAP is a new facility which has been instituted due to challenges arising out of COVID-19 pandemic. We cannot assure you that R-WAP facility will not suffer from any unanticipated system failure or breakdown or delay, including failure on part of the payment gateway, and therefore, your Application may not be completed or rejected. These risks are indicative and any failure to manage them effectively can impair the efficacy and functioning of the payment mechanism for this Issue. Since Application process through R-WAP is different from the ASBA process, there can be no assurance that investors will not find difficulties in accessing and using the R-WAP facility.

**9. *Investors may be subject to Indian taxes arising out of capital gains on the sale of the Rights Equity Shares and Rights Entitlements.***

Under current Indian tax laws and regulations, capital gains arising from the sale of shares in an Indian company are generally taxable in India. Previously, any gain realised on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 (Twelve) months was not subject to long-term capital gains tax in India if securities transaction tax (“STT”) was paid on the sale transaction. However, the Finance Act, 2018, now seeks to tax on such long-term capital gains exceeding ₹100,000 arising from sale of equity shares on or after April 1, 2018, while continuing to exempt the unrealised capital gains earned up to January 31, 2018 on such Rights Equity Shares. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Rights Equity Shares held for more than 12 (Twelve) months. STT will be levied on and collected by a domestic stock exchange on which our Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 (Twelve) months or less will be subject to short term capital gains tax in India.

Further, the Finance Act, 2019, which has been notified with effect from April 01, 2019, stipulates the sale, transfer and issue of securities through exchanges, depositories or otherwise to be charged with stamp duty. The Finance Act 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. These amendments have been notified on December 10, 2019 and have come into effect from July 01, 2020.

The Finance Act, 2020 has also provided a number of amendments to the direct and indirect tax regime, including, without limitation, a simplified alternate direct tax regime and that dividend distribution tax will not be payable in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and accordingly, such dividends would not be exempt in the hands of the shareholders, both resident as well as non-resident.

**10. *The Issue Price of our Rights Equity Shares may not be indicative of the market price of our Equity Shares after the Issue.***

The Issue Price of Rights Equity Share may not be indicative of the market price for our Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. There can be no assurance that the Investors will be able to sell their Equity Shares at or above the Issue Price. The factors that could affect our share price are:

- (a) quarterly variations in the rate of growth of our financial indicators such as earnings per share;
- (b) changes in revenue or earnings estimates or publication of research reports by analysts;
- (c) speculation in the press or investment community;
- (d) general market conditions; and,
- (e) domestic and international economic, legal and regulatory factors unrelated to our performance.

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. As a result, investors may experience a decrease in the value of the Equity Shares regardless of our operating performance or prospects.

## **EXTERNAL RISK FACTORS**

**1. *COVID - 19 pandemic has affected our business & operations to some extent. Further, the future impact due to its uncertainties on the business cannot be clearly stated or predicted.***

The COVID-19, commonly known as “novel coronavirus”, was declared by the World Health Organization as a “Public Health Emergency of International Concern” on January 22, 2020 and on March 11, 2020 it was declared a pandemic. In India, the Government of India initially announced a 21-day country-wide lockdown starting on March 25, 2020, which after being subject to successive extensions, was progressively relaxed, however given the resurgence of second wave of the COVID-19 various state governments in India have also taken different measures including state level lockdowns, night curfews, travel restriction, closure of non-essential business and other similar restrictions.

While our Company had to temporarily close our operations from March 23, 2020 in accordance with the directives issued by Government of India, we resumed partial operations in subsequent months. The Company has taken the initiative to carry out the work from home, however expansion of our business was put on hold. Further, due to the lockdown and other restrictions, there have been delays in execution of our ongoing projects and delays in collection of our receivables due to which our business is affected to some extent.

While lockdowns and restrictions are being progressively relaxed again after the second wave of COVID-19, the scope, duration, and frequency of such measures and the adverse effects of COVID-19 remain uncertain and could be severe and possibility of a third wave of COVID-19 leading to certain restrictions and lockdown cannot be completely ruled out. Although, except as mentioned above, the COVID-19 has not affected our business materially, there is uncertainty relating to the severity of the near and long term adverse impact of the COVID-19 pandemic on the global economy, global financial markets and the Indian economy, and we are unable to accurately predict the near-term or long-term impact of the COVID-19 pandemic on our business. 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 “*Risk Factors*” section.

**2. *Conditions in the Indian securities market may affect the price or liquidity of the Equity Shares.***

Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. These exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected.

**3. *Political instability or changes in the government or government policies could impact the liberalization of the Indian economy and adversely affect economic conditions in India generally.***

The performance and growth of our Company is dependent on the health of the Indian economy and more generally the global economy. The economy could be adversely affected by various factors such as political or regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. The rate of economic liberalization could change, and specific laws and policies affecting foreign investment, currency exchange rates and other matters affecting investment in India could change as well. As a result, our Company and the market price and liquidity of the Equity Shares may be affected by such economic and / or political changes. While the current government is expected to continue the liberalization of India's economic and financial sectors and deregulation policies, there can be no absolute assurance that such policies will be continued. A significant change in India's economic liberalization and deregulation policies could disrupt business and economic conditions in India generally and specifically have an adverse effect on the operations of our Company.

**4. *Regional hostilities, terrorist attacks, communal disturbances, civil unrest and other acts of violence or war involving India and other countries may result in a loss of investor confidence and adversely affect the financial markets and our business.***

Terrorist attacks, civil unrest and other acts of violence or war may negatively affect the Indian markets on which our Equity Shares will trade as well as the worldwide financial markets. The Asian region has from time to time experienced instances of civil unrest and hostilities among neighboring countries which may persist and occur in the future. Military activity or terrorist attacks in India may result in investor concern about stability in the region, which may adversely affect the price of our Equity Shares. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, could influence the Indian economy and could have an adverse effect on the market for securities of Indian companies, including our Equity Shares.

**5. *The occurrence of natural disasters may adversely affect our financial condition and the results of operations.***

The occurrence of natural disasters, including, but not limited to hurricanes, floods, earthquakes, tornadoes, fires and pandemic disease may adversely affect our financial condition or the results of operations. Further, health epidemic and pandemics like COVID-19 have also affected the Indian economy negatively. The potential impact of a natural disaster on the Indian economy and the results of operations as well as our financial position is speculative, and would depend on numerous factors. We cannot assure you that such events will not occur in the future or that our financial condition and the results of operations will not be adversely affected by the same.

**6. *General economic conditions in India and globally could adversely affect the results of operations.***

The results of operations and financial condition of our Company depend significantly on worldwide economic conditions and the health of the Indian economy. Various factors may lead to a slowdown in the Indian or world economy which in turn may adversely impact our Company's business, financial performance and operations. Our Company mainly derives revenue from operations in India and the performance and growth of our business is significantly dependent on the performance of the Indian economy. In the past, the Indian economy has been affected by global economic uncertainties, liquidity crisis, domestic policies, global political environment, volatility in interest rates, currency exchange rates, commodity and electricity prices, volatility in inflation rates and various other factors. Accordingly, high rates of inflation in India could increase our Company's employee costs and decrease our operating margins, which could have an adverse effect on the results of operations

Further the Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes on our business. Conditions outside India, such as a slowdown or recession in the economic growth of other major countries, especially the United States, also have an impact on the growth of the Indian economy. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating 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 Company's business. A slowdown in the Indian

economy could adversely affect the policy of the Government of India towards the industry in which our Company operates, which may in turn, adversely affect our financial performance and ability to implement our business strategy. 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 the market price of the Equity Shares.

***7. Any downgrading of India's debt rating by a domestic or international rating agency could negatively impact our business.***

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



## SECTION IV - INTRODUCTION

### SUMMARY OF THE ISSUE

The following is a summary of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in the chapter titled “Terms of the Issue” beginning on page 137.

#### Authority for the Issue

The Rights Equity Shares in the present Issue are being offered pursuant a resolution passed by our Board at its meeting held on August 25, 2020 in accordance with the provisions of the Companies Act.

#### Summary of the Issue

<b>Rights Equity Shares to be Issued</b>	Up to 1,99,67,482 (One Crore Ninety Nine Lakh Sixty Seven Thousand Four Hundred and Eighty Two) Rights Equity Shares
<b>Rights Entitlements*</b>	40 (Forty) Rights Equity Shares for every 99 (Ninety Nine) fully paid-up Equity Shares held on the Record Date
<b>Record Date</b>	Tuesday, August 17, 2021
<b>Face value per Equity Share</b>	₹2 each
<b>Issue Price per Rights Equity Share</b>	₹12.50 per Rights Equity Share (including a premium of ₹10.50 per Rights Equity Share)  On Application, Investors will have to pay ₹6.25 per Rights Equity Share, which constitutes 50.00% of the Issue Price and the balance ₹6.25 per Rights Equity Share which constitutes 50.00% of the Issue Price, will have to be paid on the First and Final Call, as determined by our Board at its sole discretion.
<b>Issue Size</b>	Up to ₹2,495.94 Lakhs <sup>#</sup>
<b>Equity Shares, subscribed, paid-up and outstanding prior to the Issue</b>	4,94,19,518 Equity Shares
<b>Equity Shares outstanding after the Issue (assuming full subscription for and Allotment of the Rights Entitlements)</b>	6,93,87,000 Equity Shares
<b>Script details</b>	ISIN: INE967B01028 BSE: 526544 ISIN of Rights Entitlements: INE967B20010 ISIN of Rights Equity Shares: IN9967B01018
<b>Terms of the Issue</b>	For more information, please see the chapter titled “Terms of the Issue” beginning on page 137.
<b>Use of Issue Proceeds</b>	For more information, please see the chapter titled “Objects of the Issue” beginning on page 41.

\*For Rights Equity Shares being offered under this Issue, if the shareholding of any Eligible Equity Shareholders is less than 99 (Ninety Nine) Equity Shares or is not in multiples of 99 (Ninety Nine), the fractional entitlement of such Eligible Equity Shareholders shall be ignored for computation of the Rights Entitlements. However, Eligible Equity Shareholders whose fractional entitlements are being ignored will be given preference in the Allotment of one additional Rights Equity Share each, if such Eligible Equity Shareholders have applied for Additional Rights Equity Shares over and above their Rights Entitlements subject to availability of the Rights Equity Shares in this Issue.

<sup>#</sup>Assuming full subscription and Allotment and receipt of all Call Money with respect to Rights Equity Shares.

#### Terms of Payment

Amount payable per Rights Equity Share*	Face Value (₹)	Premium (₹)	Total (₹)
On Application	1.00	5.25	6.25 <sup>(1)</sup>
On First and Final Call <sup>#</sup>	1.00	5.25	6.25 <sup>(2)</sup>
<b>Total</b>	<b>2.00</b>	<b>10.50</b>	<b>12.50</b>

\*For details on the Payment Schedule, please see the chapter titled “Terms of the Issue” beginning on page 137.

<sup>(1)</sup> Constitutes 50.00% of the Issue Price

<sup>(2)</sup> Constitutes 50.00% of the Issue Price

<sup>#</sup> To be paid at such time as may be determined by the Board at its sole discretion.

## GENERAL INFORMATION

Our Company was originally incorporated as ‘Scanpoint Graphics Limited’ as a public limited company under the Companies Act, 1956 and was granted the certificate of incorporation on February 7, 1992. Thereafter, our Company was granted the certificate of commencement of business dated March 6, 1992. Subsequently, pursuant to a special resolution of the shareholders dated September 10, 2007, the name of our Company was changed to ‘Scanpoint Geomatics Limited’ pursuant to which a fresh certificate of incorporation consequent upon change of name dated April 22, 2008 was issued by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli.

### Registered Office of our Company

#### Scanpoint Geomatics Limited

9, Mahakant Complex,  
Opposite V. S. Hospital,  
Ashram Road, Ahmedabad – 380 006,  
Gujarat, India,

**Telephone:** +91-79-26575365/71

**E-mail:** [info@sgligis.com](mailto:info@sgligis.com)

**Website:** [www.sgligis.com](http://www.sgligis.com)

**CIN:** L22219GJ1992PLC017073

**Registration Number:** 017073

### Change in Registered Office of our Company

Upon incorporation, the Registered Office of our Company was situated at 9, Mahakant Complex, Opposite V. S. Hospital, Ashram Road, Ahmedabad – 380 006, Gujarat, India. Thereafter, our Company has shifted the Registered Office, the details of which are set out below:

Date of Change of Registered Office	Old Address	New Address	Reason for Change
January 30, 1999	9, Mahakant Complex, Opposite V. S. Hospital, Ashram Road, Ahmedabad - 380006, Gujarat, India	“Scan House”, B/H Town Hall, Ellisbridge, Ashram Road, Ahmedabad - 380006, Gujarat, India,	Administrative Convenience
July 2, 2015	“Scan House”, B/H Town Hall, Ellisbridge, Ashram Road, Ahmedabad - 380006, Gujarat, India.	9, Mahakant Complex, Opposite V. S. Hospital, Ashram Road, Ahmedabad- 380006, Gujarat, India.	Administrative Convenience

### Corporate Office of our Company

#### Scanpoint Geomatics Limited

12, Abhishree Corporate Park,  
ISKCON- Ambli Road,  
Ahmedabad - 380058, Gujarat, India.

**Telephone:** +91-2717-297096/98

**E-mail:** [info@sgligis.com](mailto:info@sgligis.com)

**Website:** [www.sgligis.com](http://www.sgligis.com)

### Address of the ROC

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

#### Registrar of Companies, Ahmedabad

ROC Bhavan, Opp. Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad- 380013, Gujarat, India.

## **Company Secretary and Compliance Officer**

**Ms. Shaili S. Mehta**

**Scanpoint Geomatics Limited**

12, Abhishree Corporate Park,  
ISKCON- Ambli Road,  
Ahmedabad - 380058, Gujarat, India.

**Telephone:** +91-2717-297096/98

**E-mail:** [cs@sgligis.com](mailto:cs@sgligis.com)

**Website:** [www.sgligis.com](http://www.sgligis.com)

## **Lead Manager to the Issue**

**Vivro Financial Services Private Limited**

Vivro House, 11, Shashi Colony,  
Opposite Suvidha Shopping Center,  
Paldi, Ahmedabad – 380007,  
Gujarat, India.

**Telephone:** +91-79-40404242

**Email:** [scanpoint@vivro.net](mailto:scanpoint@vivro.net)

**Website:** [www.vivro.net](http://www.vivro.net)

**Investor Grievance Email:** [investors@vivro.net](mailto:investors@vivro.net)

**Contact Person:** Mr. Bhargav Parekh / Mr. Jigar Chandarana

**SEBI Registration Number:** INM000010122

**CIN:** U67120GJ1996PTC029182

## **Statement of responsibilities of the Lead Manager to the Issuer**

Vivro Financial Services Private Limited is the sole Lead Manager to the Issue and all the responsibilities pertaining to coordination and other activities, in relation to the Issue, shall be performed by them.

## **Registrar to the Issue**

**Link Intime India Private Limited**

C 101, 1<sup>st</sup> Floor, 247 Park,  
LBS Marg, Vikhroli (West),  
Mumbai - 400083,  
Maharashtra, India.

**Telephone:** + 91-22-4918 6200

**Email:** [scanpoint.rights2021@linkintime.co.in](mailto:scanpoint.rights2021@linkintime.co.in)

**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)

**Investor Grievance Email:** [scanpoint.rights2021@linkintime.co.in](mailto:scanpoint.rights2021@linkintime.co.in)

**Contact Person:** Mr. Sumeet Deshpande

**SEBI Registration Number:** INR000004058

**CIN:** U67190MH1999PTC118368

Investors are advised to contact the Company Secretary and Compliance Officer or Registrar to the Issue for any pre-Issue or post-Issue related problems. All grievances relating to the ASBA process or R-WAP process may be addressed to the Registrar to the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, e-mail id of the sole/ first holder, folio number or demat account number, serial number of the Application Form, number of Rights Equity Shares applied for, amount blocked (in case of ASBA process) or amount debited (in case of R-WAP process), ASBA Account number and the Designated Branch of the SCSBs where the Application Form, or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process), and copy of the e-acknowledgement (in case of R-WAP process). For details on the ASBA process and R-WAP process, please see the chapter titled “*Terms of the Issue*” on page 137.

## **Legal Advisor to the Issue**

### **Wadia Ghandy & Company (Ahmedabad)**

#### **Advocates & Solicitors**

1st Floor, Chandan House,  
Near Mayor's Bungalow,  
Law Garden, Ahmedabad – 380006, Gujarat, India.

**Telephone:** +91-79-26564700 / 26564800

**E-mail:** [info@wadiaghandy.com](mailto:info@wadiaghandy.com)

**Contact Person:** Ms. Karishma Baria

## **Statutory Auditors of our Company**

### **Jayamal Thakore & Co.**

27, Embassy Market, Nr. Income Tax Circle,  
B/h Sales India, Ashram Road,  
Ahmedabad – 380009, Gujarat, India.

**Telephone:** +91-79-26589713

**Email:** [jayamalthakore@gmail.com](mailto:jayamalthakore@gmail.com)

**Contact Person:** Mr. Anup Bhattacharjee

**Firm Registration Number:** 104098W

**Peer Review Certificate Number:** 010226

## **Bankers to our Company**

### **Axis Bank Limited**

2<sup>nd</sup> floor, 3<sup>rd</sup> Eye One Building,  
Opp. Honest Restaurant, C G Road, Ambawadi,  
Ahmedabad – 380 009, Gujarat, India

**Telephone:** +91-79-66147102

**Email:** [jitendra.popat@axisbank.com](mailto:jitendra.popat@axisbank.com)

**Website:** [www.axisbank.com](http://www.axisbank.com)

**Contact Person:** Mr. Jitendra Popat

## **Bankers to the Issue and Refund Bank**

### **Axis Bank Limited**

Ground Floor, Shop No. G 1 & 2,  
Swagat Plaza, I.T.P. No FP No 113/1  
Iskon Ambli Road, Ambli, Ahmedabad – 380058

**Tel:** 8758474645

**Email:** [iskonambliroadahmedabad.branchhead@axisbank.com](mailto:iskonambliroadahmedabad.branchhead@axisbank.com)

**Website:** [www.axisbank.com](http://www.axisbank.com)

**Contact Person:** Mr. Devang Tank

**SEBI Registration Number:** INBI00000017

## **Self-Certified Syndicate Banks**

The list of banks that have been notified by SEBI to act as SCSB for the ASBA process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> and as updated from time to time. Details relating to Designated Branches of SCSBs collecting the ASBA application forms are available at the above mentioned link.

## **Credit rating**

This being a Rights Issue of Equity Shares, no credit rating is required.

## **Debenture Trustee**

As the Issue is of Equity Shares, the appointment of a debenture trustee is not required.

## Monitoring Agency

Since the size of the Issue is less than ₹10,000 Lakhs, our Company is not required to appoint a monitoring agency in relation to this Issue.

## Appraising Agency

None of the purposes for which the Net Proceeds are proposed to be utilized have been appraised by any bank or financial institution.

## Underwriting

This Issue is not underwritten and our Company has not entered into any underwriting arrangement.

## Minimum Subscription

In accordance with Regulation 86 of the SEBI ICDR Regulations, if our Company does not receive the minimum subscription of 90% of the Issue Size, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date in accordance with SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021. If there is any delay in the refund of the subscription amount beyond such period as prescribed by applicable laws, our Company and Directors who are “officers in defaults” shall pay interest for the delayed period, at such rates as prescribed under the applicable laws.

## Filing

The copy of this Letter of Offer has been filed with BSE as per the provisions of SEBI ICDR Regulations.

Further, in accordance with the SEBI ICDR Regulations, the copy of this Letter of Offer has also been filed with the Corporation Finance Department of SEBI, located at SEBI Bhavan, Western Regional Office, Panchvati, 1<sup>st</sup> Lane, Gulbai Tekra Road, Ahmedabad – 380006, Gujarat, India and through the SEBI intermediary portal at <https://siportal.sebi.gov.in> in terms of the SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, for the purpose of their information and dissemination on its website.

## Issue Schedule

<b>Issue Opening Date</b>	Monday, August 30, 2021
<b>Last Date for On Market Renunciation of Rights Entitlements*</b>	Tuesday, September 07, 2021
<b>Issue Closing Date<sup>#</sup></b>	Monday, September 13, 2021
<b>Finalisation of Basis of Allotment (on or about)</b>	Monday, September 20, 2021
<b>Date of Allotment (on or about)</b>	Monday, September 20, 2021
<b>Date of credit (on or about)</b>	Tuesday, September 21, 2021
<b>Date of listing (on or about)</b>	Thursday, September 23, 2021

*\*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.*

*<sup>#</sup>Our Board or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.*

For further details, please see the chapter titled “Terms of the Issue” beginning on page 137.

## CAPITAL STRUCTURE

The share capital of our Company as on the date of this Letter of Offer is set forth below:

<i>(₹ in Lakhs, except the shares data)</i>		
Particulars	Aggregate value at face value	Aggregate value at Issue Price
<b>A. AUTHORIZED SHARE CAPITAL</b>		
7,50,00,000 Equity Shares of ₹2 each	1,500.00	-
<b>B. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE</b>		
4,94,19,518 Equity Shares of ₹2 each	988.39	-
<b>C. PRESENT ISSUE BEING OFFERED TO THE EXISTING EQUITY SHAREHOLDERS THROUGH THIS LETTER OF OFFER<sup>(1)</sup></b>		
1,99,67,482 Rights Equity Shares, each at premium of ₹ 10.50 per Rights Equity Share. i.e. at an Issue Price of ₹ 12.50 per Rights Equity Share <sup>(2)</sup>	399.35	2,495.94
<b>D. ISSUED SHARE CAPITAL AFTER THE ISSUE<sup>(3)</sup></b>		
6,93,87,000 Equity Shares of ₹2 each	1,387.74	-
<b>SUBSCRIBED AND PAID UP SHARE CAPITAL AFTER THE ISSUE<sup>(3)</sup></b>		
4,94,19,518 Equity Shares of ₹2 each fully paid up	988.39	-
1,99,67,482 Equity Shares of ₹2 each partly paid up	199.67	-
<b>E. SECURITIES PREMIUM ACCOUNT</b>		
Before the Issue	3,459.23	
After the Call is made with respect to the Issue <sup>(4)</sup>	5,555.82*	

<sup>(1)</sup> The Issue has been authorised by a resolution of our Board passed at its meeting held on August 25, 2020, pursuant to Section 62 of the Companies Act, 2013 and other applicable provisions.

<sup>(2)</sup> On Application, Investor will pay ₹ 6.25 per Rights Equity Share and the balance ₹ 6.25 per Rights Equity Shares will have to be paid, on the First and Final Call, as determined by the Board at its sole discretion.

<sup>(3)</sup> Assuming full subscription for and allotment of the Rights Entitlements.

<sup>(4)</sup> Assuming full payment of the Call by holders of the Rights Equity Shares. Please note that the Payment Schedule and the Call Record Date will be as determined by our Board at its sole discretion.

\*Subject to finalization of basis of allotment, Allotment and deduction of issue expenses.

### Notes to the Capital Structure:

- Our Company does not have any employee stock option scheme or employee stock purchase scheme.
- Except as disclosed below, our Company does not have any outstanding warrants, options, convertible loans, debentures or any other securities convertible at a later date into Equity Shares, as on the date of this Letter of Offer, which would entitle the holders to acquire further Equity Shares:

Pursuant to a loan agreement dated October 8, 2020 read with the supplemental loan agreement dated January 01, 2021 executed between our Company and Nihan Trading Private Limited (“NTPL”), the unsecured loan extended by it from time to time, to our Company, is adjustable against monies payable by it, for the issue and allotment of Equity Shares by our Company to it. In terms of the said loan agreements and board resolution dated December 14, 2020, the unsecured loan amounting in aggregate to ₹625.00 Lakhs, extended by NTPL from time to time to our Company, is proposed to be adjusted against monies payable by it, for the issue and Allotment of Rights Equity Shares by our Company to it towards its subscription (in part or full, as the case may be) in the Issue. For further details, please see the chapter titled “Objects of the Issue” on page 41.

- All the Equity Shares of our Company are fully paid-up and there are no partly paid up Equity Shares outstanding as on the date of this Letter of Offer. Further, the Rights Equity Shares, when allotted under the Issue, shall be partly paid up. For further details on the terms of the Issue, please see the chapter titled “*Terms of the Issue*” on page 137.

#### 4. Shareholding of Promoter and Promoter Group:

The details of Equity Shares held by the Promoter and Promoter Group including the details of lock-in, pledge and encumbrance on such Equity Shares as on the date of this Letter of Offer are set forth below:

Sr. No.	Name of the Promoter & Promoter Group	No. of fully paid up Equity Shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Details of Equity Shares pledged/encumbered		Details of Equity Shares locked-in	
				No. of Equity Shares	% of total shares held	No. of Equity Shares	% of total shares held
1	Mr. Rameshchandra K. Sojitra	7,37,319	1.49	5,23,553	71.01	-	-
2	Mr. Chirag J. Soni	5,00,000	1.01	-	-	-	-
3	Ms. Vaacha R. Sojitra	2,93,063	0.59	-	-	-	-
4	Mr. Vishwas R. Sojitra	2,48,068	0.50	-	-	-	-
5	Mrs. Leelavanti R. Sojitra	1,48,911	0.30	-	-	-	-
6	Rameshchandra K. Sojitra HUF	1,12,074	0.23	-	-	-	-
7	Karnavati Infrastructure Projects Limited	1,10,59,203	22.38	55,76,500	50.42	-	-
	<b>Total</b>	<b>1,30,98,638</b>	<b>26.50</b>	<b>61,00,053</b>	<b>46.57</b>	-	-

Except as disclosed above, none of the Equity Shares held by our Promoter and Promoter Group are pledged with any bank or institution, locked-in or otherwise encumbered.

- No Equity Shares have been acquired by the Promoter or members of the Promoter Group in the last one year immediately preceding the date of filing of this Letter of Offer with the Stock Exchange.

#### 6. Intention and extent of participation in the Issue by the Promoter and Promoter Group

The Promoter and members of the Promoter Group of our Company have, *vide* letter dated December 3, 2020 read with addendum letter dated March 16, 2021 (“**Subscription Letter**”) indicated that they, jointly and/or severally, intend to participate in the Issue by subscribing to a part of their Rights Entitlements only.

Our Company is in compliance with Regulation 38 of the SEBI Listing Regulations and will continue to comply with the minimum public shareholding requirements under applicable law, pursuant to this Issue.

- The ex-rights price per Rights Equity Shares, as computed in accordance with Regulation 10(4)(b) of the SEBI Takeover Regulations is ₹ 17.68.
- At any given time, there shall be only one denomination of the Equity Shares.

9. The details of the shareholders holding more than 1% of the share capital of the Company as on June 30, 2021 are as under:

Sr. No.	Name of Shareholders	No. of Equity Shares held	% of total share capital
1.	Karnavati Infrastructure Projects Limited	1,10,59,203	22.38
2.	Mr. Rajesh Chandubhai Thakkar	48,18,680	9.75
3.	Thakkar Rajesh Chandulal HUF	44,70,712	9.05
4.	Theeta Trading LLP	42,15,693	8.53
5.	Upsilon Trading LLP	26,51,263	5.36
6.	Mr. Mayur Mukundbhai Desai	15,33,216	3.10
7.	Ms. Taraben Chandubhai Thakkar	12,38,812	2.51
8.	Ashishbhai Jashwantbhai Desai HUF	9,51,416	1.93
9.	Mr. Milind Pankajbhai Shroff	8,05,343	1.63
10.	Mr. Shaival Mayurbhai Desai	7,87,480	1.59
11.	Mr. Rameshchandra K. Sojitra	7,37,319	1.49
12.	Clear Sky Tradelink LLP	6,25,000	1.26
13.	Mr. Mukesh Purshottamdas Patel	5,94,199	1.20
14.	Mr. Chirag J. Soni	5,00,000	1.01

#### 10. Shareholding Pattern of our Company

Shareholding Pattern of the Equity Shares of our Company as per the last filing with the Stock Exchange, i.e., as on June 30, 2021 is available on the website of BSE at <https://www.bseindia.com/corporates/shpSecurities.aspx?scripcd=526544&qtrid=110.00>



## OBJECTS OF THE ISSUE

We intend to utilize the gross proceeds raised through the Issue (the “**Gross Proceeds**”) after deducting the Issue related expenses (“**Net Proceeds**”) for the following objects (collectively, referred to as the “**Objects**”):

1. To repay / prepay, in full or in part, identified unsecured loans availed by our Company;
2. To meet long term working capital requirement; and
3. General corporate purposes.

The main object clause of our Memorandum of Association enables our Company to undertake its existing activities. The activities which have been carried out until now by our Company are valid in terms of the objects clause of our Memorandum of Association. The loans availed by our Company, and which are proposed to be repaid / pre-paid in full or in part, from the Net Proceeds, are for activities carried out by us as enabled by the objects clause of our Memorandum of Association.

### Issue Proceeds

The details of the Issue Proceeds are as follows:

Particulars	Estimated Amount
Gross proceeds to be raised through the Issue* <sup>(1)</sup>	2,495.94
Less: Issue related expenses	(36.06)
<b>Net Proceeds<sup>(1)</sup></b>	<b>2,459.88</b>

\* Assuming full subscription and Allotment and receipt of all Call Money with respect to the Rights Equity Shares.

<sup>(1)</sup>Pursuant to a loan agreement dated October 8, 2020 read with the supplemental loan agreement dated January 01, 2021 executed between our Company and Nihan Trading Private Limited (“**NTPL**”), the unsecured loan extended by NTPL to our Company is adjustable against monies payable by NTPL for the issue and allotment of Equity Shares by our Company to it. In terms of the said loan agreements and board resolution dated December 14, 2020, the unsecured loan amounting to ₹625.00 Lakhs, extended by NTPL to our Company, will be adjusted (in part or full, as the case may be) against the monies payable by NTPL towards its Application as an Eligible Equity Shareholder and/or Renouncee (including for Additional Rights Equity Shares), to the extent of issue and Allotment of Rights Equity Shares by our Company in the Issue. Consequently no fresh Issue proceeds would be received by our Company to such an extent. As on the date of this Letter of Offer, NTPL is holding 200 (Two Hundred) Equity Shares of our Company.

### Utilization of Net Proceeds and Schedule of Implementation

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

Sr. No.	Particulars	Amount to be funded from the Net Proceeds	Estimated deployment in FY 2021-22 <sup>^</sup>
1	Repay / prepay, in full or in part, identified unsecured loans availed by our Company	625.00	625.00
2	Long term working capital requirement	1,250.00	1,250.00
3	General corporate purposes	584.88	584.88
	<b>Net Proceeds*</b>	<b>2,459.88</b>	<b>2,459.88</b>

<sup>^</sup>Any portion of the Net Proceeds not deployed for the stated Objects in FY 2021-22 will be deployed by our Company in FY 2022-23.

\* Assuming full subscription and Allotment and receipt of all Call Money with respect to the Rights Equity Shares.

The above fund requirements are based on our current business plan, internal management estimates and have not been appraised by any bank or financial institution. The deployment of funds raised through this Issue is at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. In view of the competitive environment of the industry in which we operate, we may have to revise our business plan from time to time and consequently, our funding requirements may also change. Our historical funding requirements may not be reflective of our future funding plans. We may have to revise our funding requirements, and deployment from time to time on account of various factors such as economic and business conditions, increased competition and other external factors which may not be within our control. This

may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management, subject to compliance with applicable law. For further details, please see the section titled “Risk factors - The deployment of funds raised through this Issue shall not be subject to monitoring by any monitoring Agency and shall be purely dependent on the discretion of the management of our Company” on page 27.

In case of any increase in the actual utilisation of funds earmarked for any of the Objects of the Issue or a shortfall in raising requisite capital from the Net Proceeds, such additional funds for a particular activity will be met by through means available to us, including by way of incremental debt and/or internal accruals. If the actual utilisation towards any of the Objects is lower than the proposed deployment, such balance will be used towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purpose will not exceed 25% of the Gross Proceeds from the Issue in accordance with applicable law.

### Means of Finance

The requirements of funds for the Objects detailed above are intended to be funded from the Net Proceeds. Accordingly, our Company confirms that there is no requirement for it 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 through the Issue.

### Details of the Objects of the Issue

#### 1. To repay/prepay, in full or in part, identified unsecured loans availed by our Company

Our Company proposes to utilize an estimated amount aggregating to ₹625.00 Lakhs from the Net Proceeds of the Issue towards repayment/prepayment, in full or in part, of identified unsecured loans availed by our Company. Further, given that our Company is raising only 50.00% of the Gross Proceeds on Application, with the balance being raised in First and Final Call (the timing of which shall be determined by our Board at its sole discretion), our Company retains the right to utilize the Net Proceeds to repay / prepay in full or in part the loans identified herein below including any refinancing undertaken by our Company to repay / prepay these loans as well as repay / prepay any other existing or fresh loans taken by our Company after the filing of this Letter of Offer.

#### Details of the loans proposed to be repaid/ prepaid out of the Issue Proceeds:

(Amount in ₹ Lakhs)

Sr. No.	Name of the Lender	Nature of Facility and Details of Document	Principal Amount Outstanding as on June 30, 2021*	Amount proposed to be repaid out of the Net Proceeds**	Other terms and conditions
1	Nihan Trading Private Limited (“NTPL”)	Loan Agreement dated October 8, 2020 read with supplemental loan agreement dated January 01, 2021 entered into between our Company and NTPL	1,903.88	625.00	Loan carrying interest @18% p.a. repayable on demand obtained for meeting working capital requirements, repayment of existing debts or expenses incurred in the ordinary course of business
<b>Total</b>			<b>1,903.88</b>	<b>625.00</b>	

\*Certified by M/s Jayamal Thakore & Co, Chartered Accountants, Statutory Auditors of our Company vide their certificate dated July 12, 2021. Further, they have certified that these loans have been utilized for the purposes for which they were availed, as provided in the relevant loan agreement.

\*\*Pursuant to a loan agreement dated October 8, 2020 read with the supplemental loan agreement dated January 01, 2021 executed between our Company and Nihan Trading Private Limited (“NTPL”), the unsecured loan extended by NTPL to our Company is adjustable against monies payable by NTPL for the issue and allotment of Equity Shares by our Company to it. In terms of the said loan agreements and board resolution dated December 14, 2020, the unsecured loan amounting to ₹625.00 Lakhs, extended by NTPL to our Company, will be adjusted (in part or full, as the case may be) against the monies payable by NTPL towards its Application as an Eligible Equity Shareholder and/or Renouncee (including for Additional Rights Equity Shares), to the extent of issue and Allotment of Rights Equity Shares by our Company in the Issue. Consequently, no fresh Issue proceeds would be received by our Company to such an extent. As on the date of this Letter of Offer, NTPL is holding 200 Equity Shares of our Company.

Our Company, in order to meet its working capital requirement and expenses incurred in the ordinary course of business, was in need of finance. In the absence of the possibility of raising financial support from banks/financial institutions, based on business considerations, we have raised, from time to time, unsecured loans from directors, members of the Promoter and Promoter Group and other body corporates including related parties.

Given the nature of these borrowings and the terms of repayment, the aggregate outstanding amount of loans may vary from time to time and accordingly, our Company will repay/prepay the principal amount outstanding as on the date of repayment/prepayment. In case of any surplus after utilization of the Issue Proceeds for the repayment/prepayment of loans, our Company may use such surplus towards General Corporate Purposes subject to total utilization not exceeding 25% of the Gross Proceeds of the Issue. In the event Net Proceeds are insufficient for the repayment/prepayment of loans, such payment shall be made from the internal accruals of our Company.

We believe that repayment/prepayment of our unsecured loans through Net Proceeds shall result in an increase in the Net Worth of our Company and improve the debt-equity ratio of our Company. This would lead to strengthening of the balance sheet of our Company which would serve the following dual purposes:

- (a) As the prequalification criteria for most of the larger projects would require an increased Net Worth, our Company would strengthen its capability to be eligible to bid for such projects; and
- (b) Our Company would be able to raise need based investments and borrowings.

## 2. To meet long term working capital requirement

Our business is working capital intensive and we will need additional working capital for the growth of our business. The aim of our working capital management is to ensure that we are able to continue our operations, increase our business operations and have sufficient cash flow to satisfy both maturing short-term debt and upcoming operational expenses.

The incremental working capital will be used to fund the working capital gap, for our expanding business operations.

### Basis of estimation of working capital requirement:

The details of our Company's working capital requirements for FY 2018-19, FY 2019-20, and FY 2020-21 and source of funding of the same are provided in the table below:

	<i>(in ₹ Lakhs)</i>		
<b>Particulars</b>	<b>FY 2018-19</b>	<b>FY 2019-20</b>	<b>FY 2020-21</b>
<b>Current assets<sup>#</sup></b>			
Trade receivables	1,448.62	1,194.10	1,616.71
Short term loans and advances	292.11	94.81	126.66
Other Financial Asset	824.21	2,875.15	3,834.77
Other current assets	764.56	525.82	287.22
<b>Total current assets (A)</b>	<b>3,329.50</b>	<b>4,689.88</b>	<b>5,865.36</b>
<b>Less: current liabilities*</b>			
Trade payables	358.40	114.59	440.50
Financial Liabilities	706.25	-	-
Other Financial liabilities	442.60	1,440.16	1,962.56
Other current liabilities	79.91	49.28	111.22
Short term provisions	1.39	1.49	2.38
<b>Total current liabilities (B)</b>	<b>1,588.55</b>	<b>1,605.52</b>	<b>2,516.66</b>
<b>Net working capital requirement (A) – (B)</b>	<b>1,740.95</b>	<b>3,084.36</b>	<b>3,348.70</b>
<b>Funding pattern</b>			
Working capital funding from banks	593.28	1,098.00	1,081.02
Internal accruals & Equity	1,147.67	1,986.36	2,267.68
<b>Total</b>	<b>1,740.95</b>	<b>3,084.36</b>	<b>3,348.70</b>

<sup>#</sup> Excluding cash & cash equivalent

\*Excluding current tax liability.

On the basis of our existing working capital requirement, the details of our Company's estimated working capital requirement for FY 2021-22 and the funding of the same are as set out in the table below. Our Company proposes to meet the incremental requirement to the extent of ₹1,250 Lakhs for the FY 2021-22 from the Net Proceeds of the Issue:

<b>Particulars</b>	<b>(in ₹ Lakhs)</b> <b>FY 2021-22<sup>^</sup></b>
<b>Current assets<sup>#</sup></b>	
Inventories	-
Trade receivables	869.08
Short term loans and advances	169.45
Other financial assets	5,113.82
Other current assets	212.08
<b>Total currents assets (A)</b>	<b>6,364.44</b>
<b>Less: current liabilities</b>	
Trade payables	122.86
Other Financial Liabilities	1,388.15
Other current liabilities	58.95
Short term provisions	2.17
<b>Total current liabilities (B)</b>	<b>1,572.14</b>
<b>Net working capital requirement (A) – (B)</b>	<b>4,792.30</b>
<b>Funding pattern</b>	
Working capital funding from banks	1,100.00 <sup>§</sup>
Utilization from the Net Proceeds	1,250.00
Internal accruals & Equity	2,442.30
<b>Total</b>	<b>4,792.30</b>

<sup>#</sup>Excluding cash & cash equivalent

<sup>^</sup>Certified by M/s Parikh Shah Chotalia & Associates, Chartered Accountants vide its certificate dated August 4, 2021.

<sup>§</sup>We have, vide sanction letter dated June 29, 2020, availed cash credit facility of ₹ 1,100.00 Lakhs from Axis Bank Limited.

The incremental working capital requirements and deployment are based on historical Company data, experience of our management team and our internal management appraisal and estimation of the future requirements considering the growth in activities of our Company.

#### Basis of Estimation-Holding Period

Particulars	Basis	Actuals			Estimated
		FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
<b>Current Assets</b>					
Trade receivables	Days	133	83	136	47
Short term loans and advances	Days	27	7	11	9
Other financial assets	Days	76	200	323	275
Other current assets	Days	70	37	24	11
<b>Current Liabilities</b>					
Trade payables	Days	35	9	42	8
Financial liability	Days	70	-	-	
Other financial liability	Days	44	110	187	95
Other current liabilities	Days	8	4	11	4
Short term provisions	Days	-	-	-	-

## Justification for Estimation

Particulars	Assumptions made and justification
<b>Current Assets</b>	
Trade receivables	Receivable days for FY 2020-21 were higher due to onset of restriction and lockdown in India on account of Covid-19 pandemic which company expects to normalize in FY 2021-22, consequently, holding level for trade receivables is expected to decrease in FY 2021-22. Further, Company is focusing on non - government project including increasing its business of sale of software going forward where the receivable cycle are usually low as compared to government projects. Accordingly, our Company has assumed a holding level for trade receivable as 47 days of revenue from operations for the FY 2021-22.
Short term loans and advances	Our Company has assumed marginal decrease in holding level for short term loans and advances at 9 days of revenue from operations for the FY 2021-22 as compared to 11 days in the previous audited standalone financial statements of the Company.
Other financial assets	Our other financial asset includes unbilled revenue, contract assets and margin money deposits which are required to facilitate our operation and to meet our non-fund based credit facilities from banks. Unbilled revenue and contract assets are Company's right to receive payment under contract in which the Company has provided its services to customer however such services are not billed and payment is not due on the same. Our Company expects decrease in the holding level of other financial asset on account of easing of restriction imposed due to Covid-19 pandemic, normalcy of business operations and also, proposed reduction in business from government projects, where there is a need to provide bank guarantees / performance guarantees requiring us to maintain certain margin money deposits. Our Company has assumed the holding level for other financial assets as 275 days of revenue from operations for the FY 2021-22.
Other current assets	We expect minor decrease in holding level of other current assets to 11 days of revenue from operations for the FY 2021-22
<b>Current Liabilities</b>	
Trade payables	Trade payable days for FY 2020-21 were higher due to onset of restriction and lockdowns in India on account of Covid-19 pandemic which company expects to normalize in FY 2021-22, consequently, holding level for trade payables days expected to decrease in FY 2021-22. Our Company has assumed the holding level for trade payables at 8 days of operating expense for the FY 2021-22.
Other financial liability	Our other financial liability mainly includes provision for survey expense, base map creation and map digitization expense incurred under turnkey projects. Our Company expects change in business mix and focus on software sales where such expenses are not required. Hence, we expect decrease in survey expense, base map creation and map digitization expense. Accordingly, we have assumed decrease in holding levels of other financial liability. Our Company has assumed the holding level for other financial liability at 95 days of operating expense for the FY 2021-22.
Other current liabilities	Our Company has assumed the holding level for other current liability at 4 days of operating expense for the FY 2020-21.

### 3. General Corporate Purposes

Our Board will have flexibility in applying the balance amount, aggregating to ₹584.88 Lakhs, towards General Corporate Purposes, subject to such utilization not exceeding 25% of the Gross Proceeds of the Issue, including meeting our routine capital expenditure, funding our growth opportunities, strengthening marketing capabilities and brand building exercises, and strategic initiatives.

### Issue Expenses

The total expenses of the Issue are estimated to be approximately ₹36.06 Lakhs. The expenses of the Issue include, among others, fees of the Lead Manager, fees of the Registrar to the Issue, fees of the other advisors, printing and stationery expenses, advertising, and marketing expenses and other expenses.

The estimated Issue expenses are as under:

<b>Particulars</b>	<b>Estimated Expenses (₹ in Lakhs)</b>	<b>% of Estimated Issue size</b>	<b>% of Estimated Issue expenses</b>
Fees of the Lead Manager, Registrar to the Issue, legal advisor, other professional service providers and statutory fee	16.20	0.65	44.93
Fees payable to regulators, including depositories, Stock Exchanges and SEBI	11.00	0.44	30.50
Statutory Advertising, Marketing, Printing and Distribution	5.74	0.23	15.92
Other expenses (including miscellaneous expenses and stamp duty)	3.12	0.13	8.65
<b>Total estimated Issue expenses</b>	<b>36.06</b>	<b>1.45</b>	<b>100.00</b>

### **Appraisal of the Objects**

None of the Objects for which the Net Proceeds will be utilized have been appraised by any agency.

### **Interim Use of Funds**

Pending utilization for the purposes described above, we intend to deposit the Net Proceeds only in scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934. We confirm that pending utilization of the Net Proceeds for the Objects of the Issue, our Company shall not utilize the Net Proceeds for any investment in the equity markets, real estate or related products.

### **Bridge Loan**

We have not raised any bridge loans which are required to be repaid from the Net Proceeds.

### **Monitoring Utilization of Funds from Issue**

As this is an Issue for an amount less than ₹10,000 Lakhs, there is no requirement for the appointment of a monitoring agency. The Board or its duly authorized committees will monitor the utilization of the proceeds of the Issue. Our Company will disclose the utilization of the Issue Proceeds, including interim use, under a separate head along with details, for all such Issue Proceeds that have not been utilized. Our Company will indicate investments, if any, of unutilized Issue Proceeds in the balance sheet of our Company for the relevant Financial Years subsequent to the listing.

We will also on an annual basis, prepare a statement of the funds which have been utilized for purposes other than those stated in this Letter of Offer, if any, and place it before the Audit Committee and the Board. Such disclosure will be made only until all the Issue Proceeds have been utilized in full. The statement shall be certified by our Statutory Auditor. Further, in accordance with Regulation 32 of the SEBI Listing Regulations, we will furnish to the Stock Exchange on a quarterly basis, a statement including deviations and variations, if any, in the utilization of the Issue Proceeds from the Objects of the Issue as stated above.

### **Strategic and Financial Partners to the Objects of the Issue**

There are no strategic or financial partners to the Objects of the Issue.

### **Key Industry Regulations for the Objects of the Issue**

No additional provisions of any acts, regulations, rules and other laws are or will be applicable to the Company for the proposed Objects of the Issue.

**Other Confirmations**

There is no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds with our Promoter, Directors, associate company or Key Management Personnel of our Company and no part of the Net Proceeds will be paid as consideration to any of them. Further, none of our Promoter, members of Promoter Group or Directors are interested in the Objects of the Issue.

## STATEMENT OF SPECIAL TAX BENEFITS

To,  
**The Board of Directors,**  
Scanpoint Geomatics Limited  
9, Mahakant Complex, Opp. V.S. Hospital,  
Ashram Road, Ahmedabad – 380 006,  
Gujarat, India.

Dear Sirs,

**Subject: Statement of Special Tax Benefits available to Scanpoint Geomatics Limited, its shareholders and material subsidiaries**

We report that the enclosed statement in the **Annexures**, states the possible special tax benefits under direct and indirect tax laws and Income tax Act, 1961 including amendments made by the Finance Act, 2020 and the Taxation Laws (Amendment) Act, 2019 (hereinafter referred to as ‘Income Tax Laws’), the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Acts, the Customs Act, 1962, the Customs Tariff Act, 1975 as amended, the rules and regulations, circulars and notifications issued there under, Foreign Trade Policy presently in force in India, available to the Company and its shareholders. Several of these benefits are dependent on the Company, its shareholders as the case may be, fulfilling the conditions prescribed under the Act. Hence, the ability of the Company, its shareholders to derive the special tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company and its shareholders faces in the future. The Company and its shareholders may or may not choose to fulfill. The Company does not have “material subsidiary” as defined and identified in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The benefits discussed in the enclosed Statement cover only special tax benefits available to the Company and to the shareholders of the Company and are not exhaustive and also do not cover any general tax benefits available to the Company. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

The benefits discussed in the enclosed **Annexures** are not exhaustive. This 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 Issue. Neither we are suggesting nor advising the investor to invest in the Issue based on this statement.

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

- (i) the Company or its shareholders will continue to obtain these benefits in future; or
- (ii) the conditions prescribed for availing the benefits have been/would be met with.

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 also consent to the references to us as “Experts” as defined under Section 2(38) of the Companies Act, 2013, read with Section 26(5) of the Companies Act, 2013 to the extent of the certification provided hereunder and included in the Draft Letter of Offer and Letter of Offer “(**Offer Documents**)” of the Company or in any other documents in connection with the Issue.

We hereby give consent to include this statement of special tax benefits in the Offer Documents and in any other material used in connection with the Issue.

This certificate is issued for the sole purpose of the Issue, and can be used, in full or part, for inclusion in the Offer Documents and any other material used in connection with the Issue, and for the submission of this certificate as may be necessary, to any regulatory / statutory authority, recognized stock exchanges, any other authority as may be required and/or for the records to be maintained by the Lead Manager in connection with the Issue and in accordance with applicable law, and for the purpose of any defense the Lead Manager may wish to advance in



any claim or proceeding in connection with the contents of the offer documents.

This certificate may be relied on by the Company, Lead Manager, their affiliates and the legal counsels in relation to the Issue.

We undertake to immediately update you, in writing, of any changes in the abovementioned information until the date the Equity Shares issued pursuant to the Issue commences trading on the recognized stock exchanges. In the absence of any such communication, you may assume that there is no change in respect of the matters covered in this certificate until the date the Rights Equity Shares commence trading on the recognized stock exchanges.

Yours faithfully,

**Yours faithfully,**  
**For M/s. Jayamal Thakore & Co.**  
Chartered Accountants  
**Firm's Registration Number: 104098W**

Sd/-

**Anup Kumar Bhattacharjee**  
**Partner**  
**Membership No.: 082184**  
**UDIN: 20182184AAAABA5406**

**Date: 10/07/2021**  
**Place: Ahmedabad**

**Encl.: As above**

**CC:**

**Vivro Financial Services Private Limited**  
Vivro House, 11 Shashi Colony,  
Opp. Suvidha Shopping Centre,  
Paldi, Ahmedabad-380 007,  
Gujarat, India

(Vivro Financial Services Private Limited referred to as the “**Lead Manager**”)

**M/s. Wadia Ghandy & Co. (Ahmedabad)**  
*1<sup>st</sup> Floor, Chandan House,*  
*Near Mayor's Bungalow,*  
*Law Garden, Ahmedabad-380006.*

## ANNEXURE 1

### STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO SCANPOINT GEOMATICS LIMITED (THE "COMPANY") AND ITS SHAREHOLDERS

#### I. UNDER THE INCOME-TAX ACT, 1961 (hereinafter referred to as 'the Act')

##### 1. Special tax benefits available to the Company under the Act

There are no special tax benefits available to the Company.

##### 2. Special tax benefits available to the shareholders under the Act

There are no special tax benefits available to the shareholders of the Company.

#### Notes:

- a. The above Statement 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.
- b. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
- c. The above statement of possible tax benefits is as per the current direct tax laws relevant for the assessment year 2022-23.
- d. This statement is intended only 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 tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- e. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.
- f. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

## ANNEXURE 2

### STATEMENT OF INDIRECT TAX BENEFITS AVAILABLE TO SCANPOINT GEOMATICS LIMITED (THE "COMPANY") AND ITS SHAREHOLDERS

#### **II. The Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017 ("GST Act"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff Act") (collectively referred to as "indirect tax")**

##### **1. Special indirect tax benefits available to the Company under the Act**

There are no special indirect tax benefits available to the Company.

##### **2. Special indirect tax benefits available to the shareholders under the Act**

There are no special indirect tax benefits applicable in the hands of shareholders for investing in the Shares of the Company.

#### **Notes:**

- a. The above statement is based upon the provisions of the specified Indirect tax laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
- b. The above statement covers only above-mentioned tax laws benefits and does not cover any income tax law benefits or benefit under any other law.
- c. This statement is intended only 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 tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- d. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

## SECTION V – ABOUT OUR COMPANY

### INDUSTRY OVERVIEW

*The industry related information in this chapter is derived from the reports titled “Geospatial Strategy for New India” for the year 2019 and “GeoBuiz – 2019 edition” (together referred as “Geospatial Reports”) prepared by Geospatial Media and Communications Private Limited (“Geospatial Media”), except for other publicly available information as cited in this chapter. Neither we nor any other person connected with the Issue has verified the information in the Geospatial Reports or other publicly available information cited in this chapter. Further, the Geospatial Reports were prepared on the basis of information as of specific dates which may no longer be current or reflect current trends. Opinions in the Geospatial Reports may be based on estimates, projections, forecasts and assumptions that may prove to be incorrect. Prospective investors are advised not to unduly rely on the Geospatial Reports.*

*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 and accordingly, investment decisions should not be based on such information.*

#### **About Industry**

Our Company belongs to Geographic Information System (“GIS”) industry which is described as a framework for gathering, managing and analyzing geographical/location data. The genesis of GIS platforms (software/solutions) lies with capturing, analyzing and presenting earth observation data via satellites, drones and multiple devices. It analyzes spatial location and organizes layers of information into visualizations using maps and 3D scenes which give an in-depth understanding of the various layers of data that has been captured. The digital geospatial information provides far more value for societal, economic and environmental use than just a simple map and serves as an essential national information source.

#### **Global Geospatial Industry**

The global geospatial industry was valued at US\$ 339.0 billion in 2018. It was estimated to reach US\$ 439.2 billion in 2020, growing at a CAGR of 13.8%. The growth acceleration can be accredited to continuous technology advancements in the industry, democratization of geospatial information riding on integration with advancements in digital technologies and resultant innovative business models. The market size of the second largest geospatial technology segment — GIS/Spatial Analytics — was expected to grow at a CAGR of 12.4% during the period 2018-2020. This growth can be mainly accrued to growing adoption of spatial analytics in city planning, utilities management, e-governance, applications, retail and logistics sector, disaster management and various other applications. The spatial analytics industry is poised for greater growth with the demand for adding location context to data rising

The Asia-Pacific region is the fastest growing for the geospatial industry, with an estimated market share of 30.3% of the global geospatial market share. Of the Asian countries, India and China are third and fourth, respectively on the list.

#### **Indian Geospatial Industry**

India has designed a vision to change and emerge as a nation driven by technology. To realize its dream, the country has designed the ‘New India’ vision to transform the nation by 2022 through an agenda of reforms in ten interconnected areas. This will also help drive India to its goals of shared prosperity by 2030 and a more competitive economy. Geospatial and other emerging technologies like Artificial Intelligence, Internet of Things, Machine Learning, among others, will play a key role in achieving these targets.

The Indian geospatial economy was valued at ₹20,629 Crore (US\$ 3.07 billion) in FY 2017-18 employing over 2,51,000 people across the country and estimated to be valued at ₹99,000 Crore by FY 2029-30 employing around 22,00,000 people across the country. The domestic geospatial market was valued at ₹7,679 Crore in FY 2017-18 and is estimated to be valued at ₹36,000 Crore by FY 2029-30. The export market was valued at ₹6,659 Crore in FY 2017-18 and is estimated to be valued at ₹32,000 Crore by FY 2029-30 (*Source: Geospatial Reports*).

The growth driver for GIS software market in India is increase in adoption of GIS for facilities management, integration of GIS mainstream technologies for business intelligence, growth in demand for GIS software for urban and rural development such as smart cities, land records, transportation and highway development.

India offers several advantages which enhance the prospects for this industry manifold. GIS is widely used for urban planning and administration, developing smart cities, asset management, Agriculture and forest, disaster management, water resource management, Defense, home land security and law enforcement agencies, land records management, geology and mining, health care, utilities like power, gas, telecommunication, water etc. It is used in monitoring the climates, human population, forecasting and others. The relevance of geospatial information and technology continues to build on its growth momentum, adding spatial dimensions to all business processes.

GIS technology is being widely used in India by several government as well as private organisations. The areas and applications for usage of geospatial technology have grown leaps and bounds. Several businesses and industries are now using geospatial services in India for analysis of demography, competitiveness, expansion, risk management, target oriented marketing, planning of route etc. They help in increasing the efficiency and effectiveness to planning and strategizing business and day to day outcomes. Various companies are developing & using integrated GIS solutions with their other IT systems like SAP, CRM (Customer Relationship Management), Documentation Management Systems, Finance & Accounting software, various engineering software etc. Several companies have adopted integrated GIS solutions for making robust Management Information System (MIS). Such integration is largely done in companies which are working in supply chain categories.

In every major national program, including Digital India, Smart Cities, transportation and highway development, river linking, industrial corridors, smart power, and agriculture, geospatial technologies will play a critical role. As with other countries, digitalization presents India with a rare opportunity to make swift economic progress all across. New-age technologies like Internet of Things, Artificial Intelligence, Cloud, Wireless & Broadband and Big Data are empowering the assimilation of spatial information into existing business processes.

The opportunities for geospatial domain in some key sectors are listed below:

Sr. No.	Sector	FY 2017-18 (In ₹Crore)	CAGR (%)	FY 2029-30 (In ₹ Crore)
1	Transport Infrastructure	1,690	16.90	9,415
2	Land, Agriculture & Rural Development	1,488	13.70	6,108
3	Water Resources Management	379	11.90	1,305
4	Urban Transformation & Smart Cities	1,067	16.20	5,564

(Source: Geospatial Reports)

## OUR BUSINESS

*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 14 for a discussion of the risks and uncertainties in relation to those statements. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Also read “Risk Factors” on page 17, for a discussion of certain factors that may affect our business, financial condition or results of operations.*

*Our financial year ends on March 31 of each year, and references to a particular Financial Year is to the twelve months ended March 31 of that year. Unless otherwise indicated or the context requires otherwise, the financial information included herein is derived from our Audited Consolidated Financial Statements and Limited Review Financial Statements included in this Letter of Offer. For further information, please see the chapter titled “Financial Statements” on page 63.*

*In this chapter, unless the context otherwise requires, a reference to “our Company” is a reference to Scanpoint Geomatics Limited on a standalone basis, while any reference to “we”, “us”, “our” or “Group” is a reference to Scanpoint Geomatics Limited on a consolidated basis.*

### Overview

Our Company is a geospatial technology company engaged in the business of developing a technology platform and solution in the field of Geographic Information System (GIS) and remote sensing. Our flagship technology IGiS is an indigenous software platform developed by us under technical know-how from ISRO.

IGiS is a unique technology which brings GIS, Image Processing, Photogrammetry and CAD together on a single platform. We help solve complex geospatial data management to assist in meaningful, quick, effective and efficient decision making. Our integrated technology platform and solutions enables us to provide comprehensive geomatics solutions to our clients and customers. Backed on the domain knowledge and know-how provided by ISRO, we continue to innovate and enhance our products and solutions in line with technological trends and market needs.

Our Company has developed verticalized product and solution based on IGiS for segments which include agriculture, defense, land information, smart cities, urban planning, utilities, retail and location based services, and caters to the specific business need of such respective segments using integrated GIS and remote sensing technology. Our Company also provides end to end turn-key solutions in the area of enterprise GIS implementation which includes GIS platform, customized web GIS application as per customer need, implementation services, base map creation, training and capacity building and post implementation O&M services.

Our Company is an ISO 9001:2015 certified company for providing geomatics solutions in the area of GIS, IP, CAD, LBS and surveys and our information security management system is ISO 27001:2013 certified. Our products and processes are compliant of OGC and CMMi3 quality and capability maturity standards.

### Our financial performance

Our financial performance for FY 2020-21 and FY 2019-20 is summarized below:

	<i>(in ₹ Lakhs)</i>	
<b>Particulars</b>	<b>FY 2020-21</b>	<b>FY 2019-20</b>
Revenue from operation	4,337.61	5,252.26
EBITDA	505.86	468.41
Profit after tax	202.44	173.67

## **Our strengths**

### ***Product development partnership with ISRO***

We believe that our product development partnership with ISRO is one which provides support for business need, product understanding and platform and product development. Our Company has an access to scientific know how from ISRO which enables us to incorporate technological advances, understand their perspective of space technology and its uses for greater societal benefit. This has helped us to create product focused on solving real life issues.

### ***Pan India market coverage through direct and indirect sales channel***

Our software and platform is complex and covers a wide area of application. In order to generate business by actively engaging with potential customers through product presentations and making them aware of product applications, we have deployed investments in creating direct sales team covering 14 cities /state capital across India. Our wide presence is aimed at evangelizing potential customers early into the strength and utility of indigenous technology which can help them achieve intended outcomes for all their major initiatives.

### ***Government motto of Atmanirbhar Bharat giving push to indigenous products and services***

Our technology is developed in India and we believe that this provides us a strategic advantage and shall propel our marketing efforts in the intended direction of “Atmanirbhar Bharat”. With a majority of our nearest competitions being overseas entities and brands, we expect our indigenously developed technology backed by the expertise and know-how of ISRO would be a significant growth driver for our future business.

## **Our key strategies**

### ***Domain led approach towards customer acquisition and revenue generation in specific verticals***

We will continue to pursue our customer focused solution driven approach which, we believe, is our key differentiator with our competition. Effective technology deployment to meet the real business needs is the major challenge faced by several of our customers. Our Company’s domain led approach has enabled us to expand or customized our technology in line with need of respective segments like agriculture, defense, land information, smart cities, urban planning, utilities, retail and location based services, and caters to the specific business need of such respective segments using integrated GIS and remote sensing technology etc. and offer it to our customer as a tailor made solution. We believe this approach shall enable us to accelerate the adoption of our technology platform and solutions going forward. Our ability to replicate such solutions across several customers within a segment would contribute to our competitiveness and result in improvement in business and financial metrics. Our recent successes in segments including smart city, land records, SDI/SDR validates our strategy and provides us the vision and necessary direction of this approach.

### ***Expansion in Product portfolio to address end to end value chain in the Geospatial software technology domain***

Our Company has always focused on product enhancement and portfolio expansion to exploit technological advancement optimally. Product innovation and enhancement is one of our core strategies around which we plan our medium to long term strategic initiatives. Our Company has taken a two pronged approach by investing in the required human capital in core product development and strengthening our interaction with ISRO’s team to acquire know how to accelerate the pace of advancement. Robust technology platform has been and would remain our key differentiator in the market.

### ***Digital marketing & online sales for product license revenue***

With increased adoption of SMAC (Social, Mobile, Analytics and Cloud), digital marketing is “The Go to Market Approach” which can break the barriers of physical boundaries. We have strategically aligned our digital marketing strategy to develop a sales channel to increase our product sales while minimizing costs per sale. Rapid digitization triggered by situation arising out of the COVID-19 pandemic has further accelerated the pace of adoption of digitization in all our engagements. With our own e-commerce site which allows customer to buy our product online along with listing on Government e-Market place (GeM), we continue to improve our traction and revenue conversion in online space.

### ***Attract young talent for sustained inflow for Product development***

For any technology product company, highly motivated human capital brimming with innovative ideas is the key for innovation, long terms success and sustenance. A right mix of experienced talent and dynamic young talent is important for any IT organization to keep up the growth momentum with optimized budgets. Hence “Catch them Young”, groom and provide a growth path to such talent is our long term strategic initiative.

### **Our Products**

Our flagship product IGiS (Integrated GIS and Image Processing Software) is an end to end geospatial software technology product. It has many sub-products to meet the different functional as well as deployment needs of customers. Various sub-products of IGiS also come with different advance extension which allows customer to pick and choose the product based on their needs. A brief description of the various ranges of products is as under:

#### **1. IGiS Desktop - GIS & IP Desktop:**

IGiS Desktop is unique product which combines GIS and Image Processing capability along with advance analysis. It is a next-generation cartographic and visualization tools for conceptualization, production, dissemination, and analysis of 2D and 3D maps.

IGiS desktop has various extensions like Network Analyst, Tracking Analyst, 3D Analyst, Neural Network Analyst, Hyperspectral Analyst, Terrain Analyst, Raster GIS Analyst, Hydrology Analyst and MET GIS Analyst etc. These extensions address the specific need or advance analytics for different domains.

#### **2. IGiS - GIS & IP Enterprise Suite:**

IGiS Enterprise is a powerful geospatial suite with feature-rich tools to assist our clients to create, analyze, manage and securely share geospatial data over the internet and intranet. Key components of IGiS Enterprise suite include Desktop, Server, Publisher, Web, Mobile, widget, and SDK along with OGC Services to provide end-to-end enterprise geospatial solutions.

#### **3. IGiS - Photogrammetry Suite:**

IGiS - Photogrammetry Suite is designed for processing stereo imagery captured from various satellites, aircraft and drones with and without camera information. A simple automated workflow, highly accurate survey-grade outputs and high-speed parallel processing makes the IGiS Photogrammetry Suite unique.

#### **4. IGiS – CAD:**

IGiS CAD is a powerful 2D drafting and 3D modeling software for professionals not only to design but also to plan, execute, and analyze their projects with precision. It meets the requirements of various disciplines including that of Architecture, Engineering, Construction, Mechanical, Urban Planning, and many more.

#### **5. IGiS – MDMS:**

IGiS – MDMS (Metadata Management System) to store, manage, publish, register and securely distribute geospatial data collation. IGiS – MDMS is mainly used by organizations seeking to share their data with other geospatial users.

### **End users of Company’s Products & Services:**

Our Company’s products, solutions and services cater to different users such as government companies, government organizations and private businesses. Our users are from different industries which include agriculture, Defense, Land Information, Smart City, Urban Planning, Utilities, retail and Location Based Services among others.

### **Competition**

Our Company operates across the Indian market for GIS and remote sensing software, solution and turnkey projects. Our Company faces major competition from multinational companies. Our Company is the Indian



company which has developed GIS technology platform and software solutions with the help of ISRO's domain knowledge and expertise.

### **Sales and marketing**

Our sales and marketing strategy is focused on new customer acquisition as well as cross sell and upsell techniques in existing customers and creating repeat and referral business based on our existing credentials. Our partnership with ISRO and our "*Made in India*" credential is a critical aspect for our positioning, in order to gain the trust of our existing and potential customers towards our technology, products and solutions.

For our sales and marketing, we have a multi-pronged approach to address our target segment. We have direct sales team present in 14 cities/state capital across India. Our direct sales efforts are targeted at key customers who are strategic in nature and key to our long-term prospects. We also have a dedicated channel management team which focuses on sales generation through different categories of partners like Large Master System Integrators/System Integrators, Reselling Partners, Solution Partners, GIS Service Partners etc. Our Company's dedicated and experienced marketing team's strategy of focus on various approaches including digital marketing (including social media marketing, targeted marketing (E-mailers, workshops, bulk messaging etc.) and niche marketing (PR, events) contributes to our increase in sales, generation of leads, and builds our brand value, trust and connect with customers and prospects. In addition to our own e-commerce site (i.e., [www.igiscad.com](http://www.igiscad.com)), our range of IGiS products are also listed on GeM (Government e-Marketplace) for various government customers to procure it directly.

## OUR MANAGEMENT

### Board of Directors

As per the Articles of Association, our Company is required to have not less than 3 (Three) and not more than 15 (Fifteen) Directors on our Board of Directors.

Currently, our Company has 9 (Nine) Directors on our Board, comprising of 3 (Three) Executive Directors, 1 (One) Non-Executive Director and 5 (Five) Independent Directors including 1 (One) woman Director. The composition of the Board of Directors is governed by the provisions of the Companies Act and the SEBI Listing Regulations and the norms of the code of corporate governance as applicable to listed companies in India.

The following table sets forth certain details regarding the Board of Directors as on date of this Letter of Offer:

Sr. No.	Name, Address, Occupation, DIN, Period of Directorship, Current Term Nationality and Date of birth	Age (years)	Other Directorships
1.	<b>Mr. Rameshchandra K. Sojitra</b>  <b>Address:</b> A-502, Pushpvan Apartment, Near IOC Petrol Pump, Opp. Ruchir Bungalows, Judges Bungalows, Bodakdev, Ahmedabad – 380054, Gujarat, India.  <b>Designation:</b> Managing Director  <b>Occupation:</b> Business  <b>DIN:</b> 00016149  <b>Period of Directorship:</b> Since incorporation  <b>Current Term:</b> For a period of 1 year from May 25, 2021 to May 24, 2022.  <b>Nationality:</b> Indian  <b>Date of Birth:</b> January 18, 1964	57	1. Jyacad Solutions Private Limited
2.	<b>Mr. Chirag J. Soni</b>  <b>Address:</b> 18/B, Purneshwar Flats, Gulbai Tekra, Ambawadi, Ahmedabad – 380015, Gujarat, India.  <b>Designation:</b> Whole Time Director  <b>Occupation:</b> Business  <b>DIN:</b> 01684683  <b>Period of Directorship:</b> Since July 31, 2007  <b>Current Term:</b> For a period of 3 years from November 1, 2019 till October 31, 2022  <b>Nationality:</b> Indian  <b>Date of Birth:</b> July 11, 1974	47	1. Diyatec Private Limited 2. Jyacad Solutions Private Limited

Sr. No.	Name, Address, Occupation, DIN, Period of Directorship, Current Term Nationality and Date of birth	Age (years)	Other Directorships
3.	<p><b>Mr. Kantilal V. Ladani</b></p> <p><b>Address:</b> C/4/14, Sagar Apartments, Near Shyamal Cross Road Satellite, Ambawadi Vistar, Ahmedabad - 380015, Gujarat, India</p> <p><b>Designation:</b> Executive Director &amp; CFO</p> <p><b>Occupation:</b> Business</p> <p><b>DIN:</b> 00016171</p> <p><b>Period of Directorship:</b> Since October 19, 2002</p> <p><b>Current Term:</b> Liable to retire by rotation</p> <p><b>Nationality:</b> Indian</p> <p><b>Date of Birth:</b> July 18, 1967</p>	54	<ol style="list-style-type: none"> <li>1. Scan Press Limited</li> <li>2. Imperial Farmers Producer Company Limited</li> <li>3. Beta Resources Private Limited</li> </ol>
4.	<p><b>Mr. Dinesh J. Shah</b></p> <p><b>Address:</b> Flat No 6, 2nd floor, Rajmilan Co-operative Housing Society, Phirozshah Mehta Road, Vile Parle (East), Mumbai – 400057, Maharashtra, India.</p> <p><b>Designation:</b> Independent Director</p> <p><b>Occupation:</b> Professional</p> <p><b>DIN:</b> 02377709</p> <p><b>Period of Directorship:</b> Since August 13, 1994</p> <p><b>Current Term:</b> For a period of 5 years from September 30, 2020 till September 29, 2025</p> <p><b>Nationality:</b> Indian</p> <p><b>Date of Birth:</b> February 8, 1954</p>	67	<ol style="list-style-type: none"> <li>1. Nivaka Fashions Limited</li> </ol>
5.	<p><b>Mr. Mitesh K. Sanghvi</b></p> <p><b>Address:</b> B-703/704, Shalibhadra Apartment, Pancheshwar Tower, Jamnagar – 361001, Gujarat, India</p> <p><b>Designation:</b> Non-Executive Director</p> <p><b>Occupation:</b> Professional</p> <p><b>DIN:</b> 07403394</p> <p><b>Period of Directorship:</b> Since September 9, 2016</p>	43	<ol style="list-style-type: none"> <li>1. Prop Corporate Mentors Private Limited</li> <li>2. Turnrest Resources Private Limited</li> <li>3. Eques Capital Management Private Limited</li> </ol>

Sr. No.	Name, Address, Occupation, DIN, Period of Directorship, Current Term Nationality and Date of birth	Age (years)	Other Directorships
	<p><b>Current Term:</b> Not liable to retire by rotation</p> <p><b>Nationality:</b> Indian</p> <p><b>Date of Birth:</b> May 17, 1978</p>		
6.	<p><b>Mrs. Pooja S. Shah</b></p> <p><b>Address:</b> A/T/3, Rajvi Complex, Near Sonal Cross Road, Gurukul Road, Memnagar, Ahmedabad – 380052, Gujarat, India.</p> <p><b>Designation:</b> Independent Director</p> <p><b>Occupation:</b> Practicing Company Secretary</p> <p><b>DIN:</b>07441428</p> <p><b>Period of Directorship:</b> Since March 14, 2017</p> <p><b>Current Term:</b> For a period of 5 years from March 14, 2017 to March 13, 2022</p> <p><b>Nationality:</b> Indian</p> <p><b>Date of Birth:</b> December 11, 1990</p>	30	<p>1. CIL Nova Petrochemicals Limited</p> <p>2. Bhavana Textiles Private Limited</p>
7.	<p><b>Mr. Kalpesh P. Rachhh</b></p> <p><b>Address:</b> Palm City A-Wing, Flat-A-404, Floor-4, S V Road, Opp. Vidyaniketan School, Pati Dar Chowk, Rajkot – 360007, Gujarat, India.</p> <p><b>Designation:</b> Independent Director</p> <p><b>Occupation:</b> Professional</p> <p><b>DIN:</b> 03363315</p> <p><b>Period of Directorship:</b> Since May 3, 2019</p> <p><b>Current Term:</b> For a period of 5 years from May 3, 2019 till May 2, 2024</p> <p><b>Nationality:</b> Indian</p> <p><b>Date of Birth:</b> June 28, 1976</p>	45	No other directorship
8.	<p><b>Mr. Suresh S. Tejwani</b></p> <p><b>Address:</b> 5-B Sarvoday Society, Behind Janta Society, Jamnagar – 361006, Gujarat, India.</p> <p><b>Designation:</b> Independent Director</p>	39	No other directorship

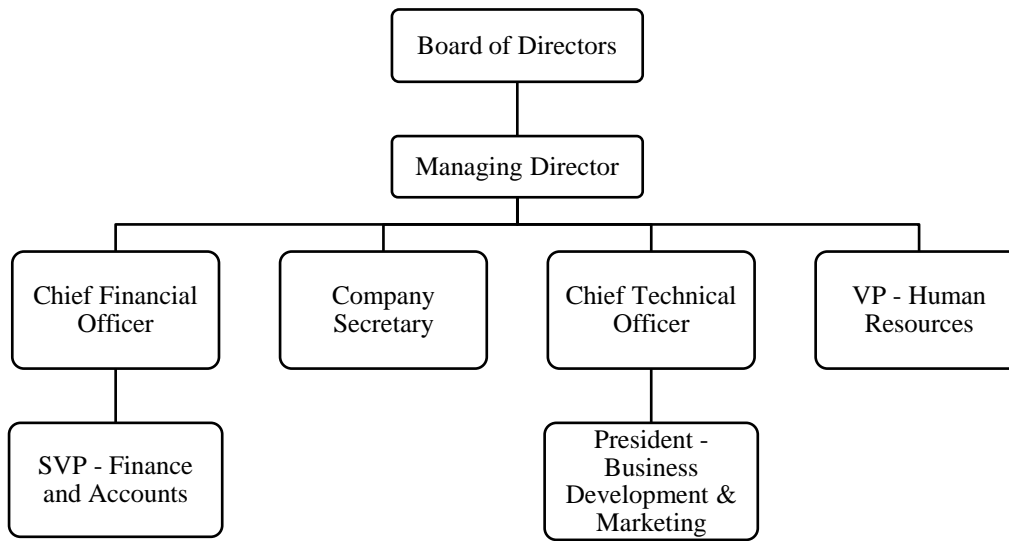
Sr. No.	Name, Address, Occupation, DIN, Period of Directorship, Current Term Nationality and Date of birth	Age (years)	Other Directorships
	<p><b>Occupation:</b> Professional</p> <p><b>DIN:</b> 08437794</p> <p><b>Period of Directorship:</b> Since May 3, 2019</p> <p><b>Current Term:</b> For a period of 5 years from May 3, 2019 till May 2, 2024</p> <p><b>Nationality:</b> Indian</p> <p><b>Date of Birth:</b> December 4, 1981</p>		
9.	<p><b>Mr. Varixkumar J. Patel</b></p> <p><b>Address:</b> 54, Baleshwar Upvan, Nr. Axis Bank, Ghuma, Ahmedabad – 380058, Gujarat, India.</p> <p><b>Designation:</b> Additional (Independent) Director</p> <p><b>Occupation:</b> Service</p> <p><b>DIN:</b> 08905030</p> <p><b>Period of Directorship:</b> Since October 9, 2020</p> <p><b>Current Term:</b> For a period of 5 years from October 9, 2020 till October 8, 2025</p> <p><b>Nationality:</b> Indian</p> <p><b>Date of Birth:</b> January 02, 1977</p>	44	No other directorship

### Our Senior Management and Key Management Team

The following table sets forth certain details regarding the senior management and key management team (other than Directors) of our Company as on date of this Letter of Offer:

Sr. No.	Name of person	Designation	Associated with Company Since
1	Mr. Kantilal V. Ladani	Chief Financial Officer	October 19, 2002
2	Mr. Chirag J. Soni	Whole time Director & Chief Technical Officer	July 31, 2007
3	Ms. Shaili S. Mehta	Company Secretary	February 15, 2020
4	Mr. Deven Laheru	President – Business Development	May 1, 2018
5	Mr. Ajay Dalmia	Senior Vice President – Finance and Accounts	August 12, 2019
6	Mr. Rakesh Patel	Vice President – Human Resource	March 22, 2019
7	Mr. Ashish Makati	Vice President – Finance	February 2, 2021

## Organizational Structure



### Other Confirmations:

1. None of our Directors are currently, or have been in the past five years immediately preceding the date of filing of this Letter of Offer, on the board of directors of any listed company whose shares have been or were suspended from being traded on any stock exchange, during the term of their directorship in such company.
2. Except for Mr. Rameshchandra K. Sojitra, Mr. Chirag J. Soni, Mr. Dinesh J. Shah and Mr. Kantilal V. Ladani, none of our Directors is or was, in the past ten years immediately preceding the date of filing of this Letter of Offer, a director of any listed company which has been or was delisted from any stock exchange in India during the term of their directorship in such company. With regard to our Company, it is to be noted that we had voluntarily approached the Ahmedabad Stock Exchange Limited (“**ASE**”) to delist our Equity Shares from trading on the ASE due to no trading activity on the ASE. These Equity Shares were removed from the list of listed securities of ASE with effect from December 9, 2015. Our Company has not approached the ASE for relisting of the Equity Shares since then. Further, the shares of our Company were also listed on the Saurashtra Kutch Stock Exchange Limited (“**SKSEL**”). However, SKSEL was derecognized by the SEBI *vide* its order dated July 5, 2007, and subsequently ceased to operate as a stock exchange in furtherance of the order dated April 5, 2013 issued by the SEBI mandating it to exit as a stock exchange.

**SECTION VI – FINANCIAL INFORMATION**

**FINANCIAL STATEMENTS**

<b>Particulars</b>	<b>Page No</b>
Audited consolidated financial statements for the FY 2020-21	64 to 117



## INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SCANPOINT GEOMATICS LIMITED

Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of **Scanpoint Geomatics Ltd.** ("the company") and its subsidiaries, (the company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Change in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.







## Key Audit Matters

1. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our auditor addressed the key audit matter
<p><b><u>1. Recoverability of Loans to Subsidiary Company</u></b></p> <p>The Company has advanced a sum of Rs. 104.96 Lakhs as on March 31, 2021. The company had given the advance to its subsidiary during the previous financial year as well as during the current financial year.</p> <p>The aggregate of advance as on 31st March, 2020 was Rs. 78.45 Lakhs which has increased to Rs. 104.96 Lakhs as on 31st March, 2021</p> <p>This payment is in nature for technology transfer to Holding Company. When the technology is ready for transfer, the said will be asset of Holding Company.</p>	<p>We reviewed management's rational and objective for providing advance to subsidiary. We reviewed management's assessment of recoverability advances to subsidiary and corroborated the same with the financials of subsidiary. We reviewed the Company's internal control system for advancing the money to suppliers and subsidiary and carried out a combination of procedures involving enquiry and observation and inspection of evidence in respect of these loans and advances. Our audit approach consisted testing of design and operating effectiveness of internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"><li>• Review of complete details of advance given to subsidiary and corroborating the same with of ledger Accounts and confirmation of subsidiary.</li><li>• Review of onward payment by subsidiary to various parties and with the supporting documents / Purchase Orders / Invoices etc.</li><li>• Reviewed the procedures followed by Scanpoint and subsidiary for selection of vendors and justification of terms of payments, delivery, warranties/Guarantees etc.</li><li>• Assessed present status of Advance, receipt / availability of material/services.</li><li>• Obtained explanation from the management and went through the report obtained by the company from external independent expert on fund utilization. Based on our procedures, we found management's judgment around the recovery of the Advance to be appropriate.</li></ul>





### **Information other than the Financial Statements and Auditor's Report thereon**

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, Management discussion and Analysis and Report on corporate governance but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Consolidated Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including Other Comprehensive Income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.





The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our





auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.





### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143 (3) of the Act, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including other comprehensive income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Company as on March 31, 2021 taken on record by the Board of Directors of the Company, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of those companies.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.



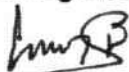


- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection fund by the company and its subsidiary company incorporated in India.

Place: Ahmedabad  
Date: 30<sup>th</sup> June, 2021



For Jayamal Thakore & Co.  
Chartered Accountants  
Firm's Registration Number: 104098W

  
Anup Kumar Bhattacharjee  
Partner  
Membership number: 082184  
UDIN: 21082184AAAAAK5192



## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of Scanpoint Geomatics Limited (hereinafter referred to as "the Company") and its subsidiary company, which is a company incorporated in India, as of that date.

### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Company and its subsidiary company, which is incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal Control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary company, which is a company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures





selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and its subsidiary company which is a company incorporated in India.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

1. In our opinion, to the best of our information and according to the explanations given to us, the Company and its subsidiary Company which is a company incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the criteria for Internal financial Control over financial reporting established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Ahmedabad  
Date: 30<sup>th</sup> June, 2021



For Jayamal Thakore & Co.  
Chartered Accountants  
Firm's Registration Number: 104098W

  
Anup Kumar Bhattacharjee  
Partner

Membership number: 082184  
UDIN: 21082184AAAAAK5192



**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021**

PARTICULARS	Note No.	(Amount in Rs.)	
		As At March 31, 2021	As At March 31, 2020
<b>I. ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	1,75,05,096	1,80,80,579
Intangible asset under development	5	46,57,60,937	32,96,71,617
Intangible Assets	5	3,34,45,955	3,70,37,781
Financial Assets			
Investments	6	1,69,63,200	1,54,07,000
Loans	7	44,00,000	44,00,000
Other financial assets		-	-
Other non-current assets	9	3,73,15,083	3,73,15,082
<b>Total non-current assets</b>		<b>57,53,90,271</b>	<b>44,19,12,059</b>
<b>Current assets</b>			
Financial assets			
Trade Receivables	10	16,16,71,161	11,94,09,615
Cash and cash equivalents	11	11,73,730	13,60,309
Bank Balance other than Cash & Cash Equivalent	11	5,61,014	1,09,321
Loans	7	21,70,381	16,35,750
Other financial assets	8	38,34,77,485	28,75,13,869
Other current asset	9	2,87,21,842	5,25,82,360
<b>Total current assets</b>		<b>57,77,75,613</b>	<b>46,26,11,224</b>
<b>Total Assets</b>		<b>1,15,31,65,884</b>	<b>90,45,23,283</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	12	9,88,39,036	9,88,39,036
Other Equity		47,80,71,124	45,78,62,575
Non-Controlling Interest		(262)	(229)
<b>Total Equity</b>		<b>57,69,09,898</b>	<b>55,67,01,382</b>
<b>Liabilities</b>			
Non Current Liabilities			
Financial liabilities			
(i) Borrowings	13	20,60,41,650	6,59,90,475
Provisions	14	48,10,078	33,76,288
<b>Total non-current liabilities</b>		<b>21,08,51,728</b>	<b>6,93,66,763</b>
Current Liabilities			
Trade payables	15	4,40,14,387	1,14,23,612
Other financial liabilities	16	19,62,66,280	14,55,69,948
Borrowings	13	10,81,01,781	10,97,99,673
Other Current liabilities	17	1,11,22,156	49,70,851
Provisions	14	2,37,809	1,49,408
Deferred tax liabilities (net)	18	56,61,845	65,41,646
<b>Total current liabilities</b>		<b>36,54,04,258</b>	<b>27,84,55,138</b>
<b>Total Equity and Liabilities</b>		<b>1,15,31,65,884</b>	<b>90,45,23,283</b>

Significant accounting policies and notes to acc

2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For Jayamal Thakore & Co.

**Chartered Accountants**

For and on behalf of the Board of Directors of

Scanpoint Geomatics Limited




**Anup Kumar Bhattacharjee**

(Partner)

M. No: 082184

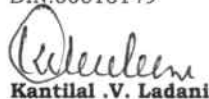
Ahmedabad, 30 June, 2021



**Ramesh Sojitra**

Managing Director

DIN: 00016149



**Kantilal V. Ladani**

Director & CFO

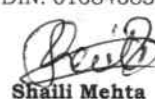
DIN: 00016171



**Chirag Soni**

Whole Time Director

DIN: 01684683



**Shaili Mehta**

Company Secretary

M. NO: 42440

Ahmedabad, 30 June 2021

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2021**

(Amount in Rs.)

PARTICULARS	Notes	2020-2021	2019-2020
Revenue from operations	19	43,37,60,825	52,52,26,401
Other Income	20	41,18,924	47,30,389
<b>Total Income</b>		<b>43,78,79,749</b>	<b>52,99,56,790</b>
<b>Expenses</b>			
Cost of Materials Consumed	21	16,66,02,703	23,57,97,966
Employee benefits expense	22	7,71,31,466	8,26,25,250
Finance Costs	23	1,77,68,895	1,78,14,443
Travel Expenses	24	31,90,644	1,05,49,696
Depreciation and amortization expense	4 & 5	94,58,783	87,75,339
Other expense	24	13,62,50,472	14,94,13,079
<b>Total Expense</b>		<b>41,04,02,963</b>	<b>50,49,75,773</b>
<b>Profit before tax</b>		<b>2,74,76,786</b>	<b>2,49,81,017</b>
<b>Tax expense:</b>			
Current tax		81,12,697	70,47,628
Deferred tax		(8,79,801)	5,66,872
<b>Profit for the period</b>		<b>2,02,43,890</b>	<b>1,73,66,517</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined liability/asset		(2,59,906)	2,64,499
Equity instruments through other comprehensive income		12,32,510	10,92,564
Items that will be reclassified subsequently to profit or loss		-	-
<b>Total Comprehensive income, net of tax</b>		<b>9,72,604</b>	<b>13,57,063</b>
<b>Total Comprehensive income for the period</b>		<b>2,12,16,494</b>	<b>1,87,23,580</b>
<b>Earning per equity share</b>			
Equity shares of par value Rs.2 each		4,94,19,518	4,94,19,518
Basic (Rs.)		0.41	0.35
Diluted (Rs.)		0.41	0.35
Weighted average equity shares used in computing earning per equity share		4,94,19,518	4,94,19,518

Significant accounting policies and notes to accounts 2

The accompanying notes forms an integral part of the consolidated financial statements

As per our report of even date

 For and on behalf of the Board of Directors of  
Scanpoint Geomatics Limited

**For Jayamal Thakore & Co.  
Chartered Accountants**

**Anup Kumar Bhattacharjee  
(Partner)  
M. No: 082184  
Ahmedabad, 30 June, 2021**

  
**Ramesh Sojitra  
Managing Director  
DIN:00016149**  
  
**Kantilal V. Ladani  
Director & CFO  
DIN: 00016171**
  
**Chirag Soni  
Whole Time Director  
DIN: 01684683**  
  
**Shaili Mehta  
Company Secretary  
M. NO: 42440**

Ahmedabad, 30 June, 2021

**CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2021**

(Amount in Rs.)

PARTICULARS	2020-21	2019-20
<b>A. Cash Flow from Operating Activities</b>		
Net Profit/(Loss) before Tax	2,74,76,786	2,49,81,017
<b>Adjustments for:</b>		
<b>Add:</b>		
Depreciation	94,58,783	87,75,339
Interest Paid	1,77,68,895	1,78,14,443
<b>Less:</b>		
Interest Received	37,74,006	26,64,684
<b>Operating Profit/(Loss) before Working Capital Changes</b>	<b>5,09,30,458</b>	<b>4,89,06,115</b>
<b>Adjustments for:</b>		
Trade Receivable	(4,22,61,546)	2,54,52,826
Loans	(5,34,531)	2,22,94,713
Other financial assets	(9,59,63,616)	91,35,065
Other non current assets	(1)	5,78,72,758
Other Current Assets	2,43,26,031	(19,16,04,879)
Provisions	11,62,111	13,78,371
Trade payables	3,25,90,775	(2,44,20,253)
Other financial liabilities	4,25,83,635	1,95,04,236
Other current liabilities	61,51,305	(30,28,256)
<b>Cash Generated from Operation</b>	<b>1,89,84,622</b>	<b>(3,45,09,304)</b>
<b>Income tax Paid</b>	-	-
<b>Net Cash Generated by operating activities</b>	<b>1,89,84,622</b>	<b>(3,45,09,304)</b>
<b>B. Cash Flow from Investing Activities</b>		
Intangible Asset under development	(13,60,89,320)	(11,59,79,436)
Acquisition of property, plant and equipment	(52,91,474)	(67,69,883)
<b>Net Cash used in Investing Activities</b>	<b>(14,13,80,794)</b>	<b>(12,27,49,319)</b>
<b>C. Cash Flow from Financing Activities</b>		
Interest Recieved	37,74,006	26,64,684
Proceeds from issue of share capital (incl.securities premium)	(16,97,007)	9,67,23,721
Borrowing	13,83,53,283	7,66,74,532
<b>Less:</b>		
Interest paid	1,77,68,895	1,78,14,443
<b>Net Cash used in Financing Activities</b>	<b>12,26,61,387</b>	<b>15,82,48,494</b>
<b>Net Increase in Cash and Cash Equivalent</b>	<b>2,65,214</b>	<b>9,89,871</b>
<b>Cash and Cash Equivalent as at 31-3-2020</b>	<b>14,69,530</b>	<b>4,79,659</b>
<b>Cash and Cash Equivalent as at 31-3-2021</b>	<b>17,34,744</b>	<b>14,69,530</b>

**NOTES**

Previous year's figure has been regrouped/rearranged wherever necessary to conform to current year's classification.

As per our attached report of even date

For and on behalf of the Board of Directors of  
Scanpoint Geomatics Limited

For Jayamal Thakore & Co.  
Chartered Accountants



Anup Kumar Bhattacharjee  
(Partner)  
M. No: 082184  
Ahmedabad, 30 June,2021.



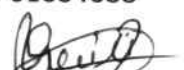

Ramesh Sojitra  
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Kantilal V. Ladani  
Director & CFO  
DIN: 00016171



Chirag Soni  
Whole Time Director  
DIN: 01684683



Shaili Mehta  
Company Secretary  
M. NO: 42440

## Statement of Changes in Equity

F.Y.2019-20

Particulars	Equity Share Capital	OTHER EQUITY						Total equity attributable to equity holders of the company
		Reserves and Surplus				Other Comprehensive Income		
		Securities Premium Reserve	Retained Earnings	Capital Reserve	General Reserve	Equity instruments through other comprehensive income	Other items of other comprehensive income	
Balance as on April 1, 2019	9,01,71,398	25,95,63,884	7,82,92,679	1,65,44,664	11,63,292	(36,21,420)	995	44,21,15,491
Changes in the equity for the year ended March 31, 2020								
Increase in share capital/Securities Premium on account of Rights issue	86,67,638	9,10,10,199	-	-	-	-	-	9,96,77,837
Pre-operative issue expenses	-	(29,54,113)	-	-	-	-	-	(29,54,113)
Equity instruments through other comprehensive income, net of tax effect	-	-	-	-	-	10,92,564	-	10,92,564
Prior Period Item Adjustments	-	-	(8,61,245)	-	-	-	-	(8,61,245)
Remeasurement of the net defined benefit liability, net of tax effect	-	-	-	-	-	-	2,64,499	2,64,499
Profit for the period	-	-	1,73,66,578	-	-	-	-	1,73,66,578
<b>Balance as on March 31, 2019</b>	<b>9,88,39,036</b>	<b>34,76,19,970</b>	<b>9,47,98,012</b>	<b>1,65,44,664</b>	<b>11,63,292</b>	<b>(25,28,856)</b>	<b>2,65,494</b>	<b>55,67,01,611</b>

## Statement of Changes in Equity

F.Y.2020-21

Particulars	Equity Share Capital	OTHER EQUITY						Total equity attributable to equity holders of the company
		Reserves and Surplus				Other Comprehensive Income		
		Securities Premium Reserve	Retained Earnings	Capital Reserve	General Reserve	Equity instruments through other comprehensive income	Other items of other comprehensive income	
Balance as on April 1, 2020	9,88,39,036	34,76,19,970	9,47,98,012	1,65,44,664	11,63,292	(25,28,856)	2,65,494	55,67,01,611
Changes in the equity for the year ended March 31, 2021								
Increase in share capital/Securities Premium on account of Rights issue	-	-	-	-	-	-	-	-
Pre-operative issue expenses	-	(16,97,007)	-	-	-	-	-	(16,97,007)
Equity instruments through other comprehensive income, net of tax effect	-	-	-	-	-	12,32,510	-	12,32,510
Prior Period Item Adjustments	-	-	6,89,029	-	-	-	-	6,89,029
Remeasurement of the net defined benefit liability, net of tax effect	-	-	-	-	-	-	(2,59,906)	(2,59,906)
Profit for the period	-	-	2,02,43,923	-	-	-	-	2,02,43,923
<b>Balance as on March 31, 2021</b>	<b>9,88,39,036</b>	<b>34,59,22,963</b>	<b>11,57,30,964</b>	<b>1,65,44,664</b>	<b>11,63,292</b>	<b>(12,96,346)</b>	<b>5,588</b>	<b>57,69,10,160</b>

## **Notes forming part of Consolidated Financial Statements**

### **1. CORPORATE INFORMATION**

The Consolidated financial statements of Scanpoint Geomatics Limited are made up of the Scanpoint Geomatics Limited together with its subsidiaries Jyacad Solutions Pvt Ltd. (collectively referred to as the "Group").

The Company is engaged in the business of GIS based software development and sales. The Scanpoint Geomatics Limited is a public company incorporated under the provisions of the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange.

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

#### **2.1 BASIS OF PREPARATION & PRESENTATION OF FINANCIAL STATEMENTS**

##### **a. Statement of Compliance**

These consolidated statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

##### **b. Basis of measurement**

The consolidated financial statements have been prepared on a historical cost convention and on an accrual basis, except for certain financial instruments which are measured at fair value at end of the each reporting period, as explained in the accounting policies below.

##### **c. Use of judgment, estimates and assumptions**

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions considered in the reported amounts of assets and liabilities and disclosure relating to contingent liabilities as at the date of consolidated financial statement and the reported amounts of income and expenditure during the reported year. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements is included in the following notes:

##### **i. Income taxes**

The Company's major tax jurisdiction is India. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. In assessing the



reliability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

#### **ii. Impairment testing**

Investments in goodwill and intangible assets are tested for impairment annually and when events occur or changes in circumstances indicate that the recoverable amount of the asset or cash generating units to which these pertain is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to dispose. The calculation of value in use of a cash generating unit involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions.

#### **iii. Depreciation and amortisation**

Depreciation and amortization is based on management estimates of the future useful lives of certain class of property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortization charges.

#### **iv. Other estimates**

The preparation of consolidated financial statements involves estimates and assumptions that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of consolidated financial statements and the reported amount of revenues and expenses for the reporting period. Specifically, the Company estimates the probability of collection of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

Fair valuation of derivative hedging instruments designated as cash flow hedges involves significant estimates relating to the occurrence of forecast transaction.



**v. Estimation of uncertainties relating to the global health pandemic COVID-19:**

The management has considered the possible effects, if any, that may result from the pandemic relating to Covid 19 on the carrying amounts of receivables. In making the assumptions and estimates relating to the uncertainties as at the Balance sheet date in relation to recoverable amounts of these assets, the management has considered the global economic conditions prevailing at the date of approval of these consolidated financial statements and has used internal and external sources of Information to the extent determined by it. The actual outcome of these assumptions and estimates may vary in the future due to the impact of the pandemic.

**2.2 Basis of Consolidation**

<b>Name of the Company</b>	<b>Country of Incorporation</b>	<b>Proportion of Ownership as on March 31, 2021</b>	<b>Proportion of Ownership as on March 31, 2020</b>
Jyacad Solutions Pvt. Ltd.	India	99.9%	99.9%

**Principles of Consolidation and equity accounting**

• **Subsidiary companies**

Subsidiary companies are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary companies are fully consolidated from the date on which control is obtained by the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the Consolidated Financial Statements of the parent and its subsidiary companies line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting Policies of subsidiary companies have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiary companies are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of changes in equity and Consolidated Balance Sheet respectively.



- **Equity Method**

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize share of the Group in post-acquisition profit and loss of the investee in profit and loss, and share of the Group in Other Comprehensive Income of the investee in Other Comprehensive Income. Dividends received or receivable from subsidiary Company are recognized as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealized gains on transactions between the Group and its subsidiary Company are eliminated to the extent of the Group interest in these entities. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting Policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in (ix) below.

- **Change in ownership interest**

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interest in the subsidiary companies. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in the Consolidated Statement of Profit and Loss. This fair value becomes the initial carrying amount for the purpose of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amount previously recognized in Other Comprehensive Income in respect of that entity is accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in Other Comprehensive Income are reclassified to the Consolidated Statement of Profit and Loss.

If the ownership interest in a joint venture Company or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in Other Comprehensive Income are reclassified to the Consolidated Statement of Profit and Loss where appropriate.





## 2.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### a. Functional and presentation currency

Items included in the consolidated financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company. The functional currency of its subsidiary is also in Indian rupee

### b. Property, plant and equipment

Property, plant and equipment are measured at historical cost or its deemed cost less accumulated depreciation and impairment losses, if any. Historical Cost includes expenditures directly attributable to the acquisition of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

### c. Capital work-in-progress

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital advances and capital work-in-progress respectively.

### d. Depreciation/ Amortisation

Depreciable amount for assets is the cost of asset less its estimated residual value.

Depreciation has been provided on all assets on the straight line method, as per the useful life prescribed in Schedule II of the Companies Act, 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. The Company assesses at each Balance Sheet date whether there is objective evidence that an asset or a group of assets is impaired. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The residual values are not more than 5% of the original cost of assets.



## e. Leases

From April 1, 2019, Ind AS 116 'Leases' is applicable to all the listed companies. Ind AS 116 has certain exemptions from the application of Ind AS – 116:

### i. Short Term Leases

A lease that, at the commencement date, has a lease term of 12 months or less. However, a lease that contains an option to purchase the asset is not a short-term lease.

1. The election for short-term leases shall be made by class of underlying asset to which the right of use relates and can be made on a lease-by-lease basis.

### ii. Leases for low value assets

An underlying asset can be of low value only if:

1. The lessee can benefit from use of the underlying asset on its own or together with other resources that are readily available to the lessee; and
2. The underlying asset is not highly dependent on, or highly interrelated with, other assets.
  - Examples of low-value underlying assets can include tablet and personal computers, small items of office furniture and telephones.
  - When new, if the asset is typically not of low value, the lease of such asset does not qualify as a lease of a low-value asset.
  - If a lessee subleases an asset, or expects to sublease an asset, the head lease does not qualify as a lease of a low-value asset.
  - The assessment of whether an underlying asset is of low value is performed on an absolute basis. Leases of low-value assets qualify for recognition exemption regardless of whether those leases are material to the lessee. The assessment is not affected by the size, nature or circumstances of the lessee.

### Accounting for short term and low value asset leases

If a lessee elects to opt for the recognition exemption for either short-term leases or leases for which the underlying asset is of low value, the lessee shall recognize the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis.

According to information and explanation provided to us, all the lease agreements of company are short term lease agreements so application of new Ind AS – 116 'Leases' is not applicable to us.



## **f. Financial Instruments**

All financial instruments are recognized initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognized on trade date. While, loans and borrowings and payables are recognized as net cost of directly attributable transaction costs.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortized cost, debt instruments at fair value through other comprehensive income(FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non-derivative financial liabilities at amortized cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) atFVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

### **Non-derivative financial assets**

#### **i. Financial assets at amortised cost**

A financial asset shall be measured at amortized cost if both of the following conditions are met:

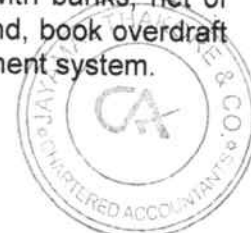
- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest rate method, less any impairment loss.

Financial assets at amortized cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Company's cash management system.



**ii. Financial Assets at Fair Value through Other Comprehensive Income (FVTOCI)**

For assets, if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and where the company has exercised the option to classify the equity investment as at FVTOCI, all fair value changes on the investment are recognized in OCI. The accumulated gains or losses on such investments are not recycled to the Statement of Profit and Loss even on sale of such investment.

**iii. Financial assets at Fair Value through Profit and loss (FVTPL)**

A financial asset which is not classified in any of the above category is measured at FVTPL. These include surplus funds invested in mutual funds etc.

Financial assets included within the FVTPL category are measured at fair values with all changes recorded in the statement of profit and loss.

**Non-derivative financial liabilities**

**i. Financial liabilities at amortized cost.**

Financial liabilities at amortized cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method. For trade and other payable maturing within one year from the Balance Sheet date, the carrying value approximates fair value due to short maturity.

**ii. Financial liabilities at Fair Value through Profit and loss (FVTPL)**

Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognized in the statement of profit and loss.

**iii. Derivative financial instruments and hedging activities**

A derivative is a financial instrument which changes value in response to changes in an underlying asset and is settled at a future date. Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group enters into derivative contracts to hedge the risks asserted with currency fluctuations relating to firm commitments and highly probable transactions. The Company does not use derivative instruments for speculative purposes.

The Group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an on-going basis, of whether the derivatives that are



used in hedging transactions are effective in offsetting changes in cash flows of hedged items.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in Other Comprehensive Income. The ineffective portion of changes in the fair value of the derivative is recognized in the Consolidated Statement of Profit and Loss.

Amounts accumulated in hedging reserve are reclassified to the Consolidated Statement of Profit and Loss in the periods when the hedged item affects the Consolidated Statement of Profit and Loss.

The full fair value of a hedging derivative is classified as a current/ non-current, asset or liability based on the remaining maturity of the hedged item.

When a hedging instrument expires, swapped or unwound, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in Consolidated Statement of Changes in Equity is recognized in the Consolidated Statement of Profit and Loss.

#### **iv. Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the Consolidated Balance Sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

#### **v. Fair value measurement**

The Group classifies the fair value of its financial instruments in the following hierarchy, based on the inputs used in their valuation:

- i. Level 1 - The fair value of financial instruments quoted in active markets is based on their quoted closing price at the Balance Sheet date.
- ii. Level 2 - The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.
- iii. Level 3 - The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). When the fair value of unquoted instruments cannot be measured with sufficient reliability, the Company carries such instruments at cost less impairment, if applicable.



## **g. Employee Benefits**

### **i. Short term employee benefits:**

Short Term benefits are recognized as an expense at the undiscounted amounts in the Statement of Profit and Loss of the year in which the related service is rendered.

### **ii. Post employment benefits:**

#### **• Defined contribution plan:**

The Employee and Company make monthly fixed Contribution to Government of India Employee's Provident Fund equal to a specified percentage of the Cover employee's salary, Provision for the same is made in the year in which service are render by employee.

#### **• Defined benefit plans:**

The Liability for Gratuity to employees, which is a defined benefit plan, as at Balance Sheet date determined on the basis of actuarial Valuation based on Projected Unit Credit method and the contribution thereof paid/payable is absorbed in the accounts.

The present value of the defined benefit obligations is determined by discounting the estimated future cash flows at a predetermined rate of interest, taking into account the probability of payment. This cost is included in employee benefit expenses in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in balance sheet. Changes in present value of the defined benefit obligation resulting from plan amendment or curtailments are recognized immediately in profit or loss as past service cost.

### **iii. Other long term employee benefits:**

Other long term employee benefits comprises of leave encashment towards un-availed leave and compensated absences, these are recognized based on the present value of defined obligation which is computed using the project unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

Remeasurement of leave encashment towards un-availed leave and compensated absences are recognized in the statement of profit and loss except those included in cost of assets as permitted in the period which they occur.



## h. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized 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 some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Group from a contract are lower than the unavoidable costs of meeting the future obligations under the contract. Provisions for onerous contracts are measured at the present value of lower of the expected net cost of fulfilling the contract and the expected cost of terminating the contract.

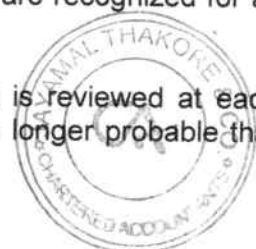
## i. Income Taxes

Income tax comprises current and deferred tax. Income tax expense is recognized in the Consolidated Statement of Profit and Loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

- i. **Current income tax** -Current income tax liability/ (asset) for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the year. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the year. The Group off sets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.
- ii. **Deferred tax** -Deferred income tax is recognized using the Balance Sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction.

Deferred income tax asset is recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for all taxable temporary differences.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that



sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

INCOME TAX

**A) Major Components of Deferred Tax Liabilities /(Assets) arriving on account of timing difference are as follow:**

As at 31st March 2021					
Particulars	As at 31st March, 2020	Availment of MAT Credit	Recognized in profit and loss	Recognised in OCI	(Rs.) As at 31st March, 2021
Fixed assets :- Impact of difference between WDV as per Income Tax Act and as per books of accounts	56,03,988	-	(97,505)	-	55,06,483
Fair Value on Unquoted Investment	-	-	-	-	-
Pre- Operative Right Issue Exp	-	-	(10,84,486)	-	(10,84,486)
Expense Allowable for Tax on payment	9,37,658	-	3,02,190	-	12,39,848
Carried Forward Capital Loss FY 2018-19	-	-	-	-	-
<b>Total</b>	<b>65,41,646</b>	<b>-</b>	<b>(8,79,801)</b>	<b>-</b>	<b>56,61,845</b>
As at 31st March 2020					
Particulars	As at 31st March, 2019	Availment of MAT Credit	Recognized in profit and loss	Recognized in OCI	(Rs.) As at 31st March, 2020
Fixed assets :- Impact of difference between WDV as per Income Tax Act and as per books of accounts	52,82,597	-	3,21,391	-	56,03,988
Fair Value on Unquoted Investment	-	-	-	-	-
MAT Credit Entitlement	-	-	-	-	-
Expense Allowable for Tax on payment	6,92,177.	-	2,45,481.	-	9,37,658.
Carry Forward Capital Losses	-	-	-	-	-
<b>Total</b>	<b>59,74,774.</b>	<b>-</b>	<b>56,6,872.</b>	<b>-</b>	<b>65,41,646.</b>





Particulars	As at 31st Mar 2021	As at 31st Mar 2020
<b>(B) Income Taxes</b>		
<b>Major component of Tax expenses for the year are as under</b>		
<b>(i) Income tax recognized in the Statement of Profit and Loss</b>		
Current Tax	81,12,697	70,47,628
Income Tax for Prior years		-
Deferred Tax	-8,79,801	5,66,872
	<b>72,32,896</b>	<b>76,14,500</b>
<b>(ii) Income tax recognized in OCI</b>		
Income tax expenses on remeasurement of defined employee benefits plans	1,00,174	1,01,945
Income Tax expenses on remeasurement of financial instruments	-3,23,690	2,86,936
	<b>-2,253,516</b>	<b>3,88,881</b>
	<b>70,09,380</b>	<b>80,03,381</b>
<b>C) Reconciliation of Tax expenses and the accounting profit for the year is as under :</b>		
Profit before tax	2,74,76,786	2,49,81,017
Income Tax exp	81,12,697	70,47,628
<b>Total</b>	<b>81,12,697</b>	<b>70,47,628</b>

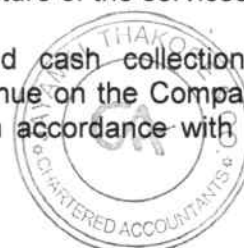
**j. Cash flow Statement:**

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash-flows. The cash flow from operating, investing and financing activities of the Company is segregated.

**k. Revenue Recognition**

The Company derives revenue primarily from software development and from the licensing of software products. The Company recognizes revenue when it transfers control over a product or a service to a customer. The method for recognizing revenues and costs depends on the nature of the services rendered.

The timing of revenue recognition, billings and cash collections results in receivables, unbilled revenue, and unearned revenue on the Company's Balance Sheet. Amounts are billed as work progresses in accordance with agreed-upon



contractual terms, either at periodic intervals (e.g., monthly or quarterly) or upon achievement of contractual milestones.

The Group's receivables are rights to consideration that are unconditional. Unbilled revenues comprising revenues in excess of billings from time and material contracts and fixed-price maintenance contracts are classified as financial asset when the right to consideration is unconditional and is due only after a passage of time.

Invoicing to the clients for other fixed-price contracts is based on milestones as defined in the contract and therefore the timing of revenue recognition is different from the timing of invoicing to the customers. Therefore unbilled revenues for other fixed-price contracts (contract asset) are classified as "non-financial asset" because the right to consideration is dependent on completion of contractual milestones. Invoicing in excess of earnings is classified as "unearned revenue".

During the current financial year, unbilled revenues worth Rs. 76.27 lakhs has been reversed which have been shown as sales during previous financial years.

Trade receivables and unbilled revenues are presented net of impairment in the Balance Sheet. During the years ended March 31, 2021 and March 31, 2020, Rs. 5.73 crores and Rs. 4.15 crores of unbilled revenue pertaining to other fixed price and fixed time frame contracts as of April 1, 2020 and April 1, 2019, respectively has been reclassified to "trade receivables" upon billing to customers on completion of milestones.

#### **Remaining performance obligation disclosure:**

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation-related disclosures for contracts where the revenue recognized corresponds directly with the value to the customer of the entity's performance completed to date, typically those contracts where invoicing is on time and material and unit of work-based contracts. Remaining performance obligation estimates are subject to change and are affected by several factors, including terminations, changes in the scope of contracts, periodic revalidations, and adjustment for revenue that has not materialized and adjustments for currency.

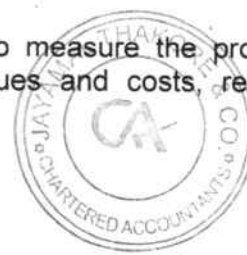
#### **i. Time and materials contracts**

Revenues from contracts priced on a time and material basis are recognized as the related services are performed and related costs are incurred.

#### **ii. Fixed-price contracts**

Revenues from fixed-price contracts are recognized using the "percentage-of-completion" method. Percentage of completion is determined based on project costs incurred to date as a percentage of total estimated project costs required to complete the project. The cost expended (or input) method has been used to measure progress towards completion as there is a direct relationship between input and productivity.

If the Company does not have a sufficient basis to measure the progress of completion or to estimate the total contract revenues and costs, revenue is



recognized only to the extent of contract cost incurred for which recoverability is probable.

When total cost estimates exceed revenues in an arrangement, the estimated losses are recognized in the statement of profit and loss in the period in which such losses become probable based on the current contract estimates.

### iii. Maintenance Contracts

Revenue from maintenance contracts is recognized ratably over the period of the contract using the "percentage-of-completion" method. When services are performed through an indefinite number of repetitive acts over a specified period of time, revenue is recognized on a straight line basis over the specified period or under some other method that better represents the stage of completion.

'Unbilled revenues' represent cost and earnings in excess of billings as at the end of the reporting period.

'Unearned revenues' represent billing in excess of revenue recognized. Advance payments received from customers for whom no services are rendered are presented as 'Advance from customers'.

During the current financial year, unbilled revenues worth Rs. 76.27 lakhs has been reversed which have been shown as sales during previous financial years.

Revenues are reported net of GST and applicable discounts and allowances.

## REVENUE FROM OPERATIONS

Particulars	Year 2020-2021	Year 2019-2020
(a) Sale of products		
<b>GIS Product and Other Ancillary</b>	17,15,33,564	23,74,66,181
	<b>17,15,33,564</b>	<b>23,74,66,181</b>
(b) Sale of Services		
Gis Software Solutions and Customization	26,22,27,261	28,77,60,220
	<b>26,22,27,261</b>	<b>28,77,60,220</b>
<b>Total</b>	<b>43,37,60,825</b>	<b>52,52,26,401</b>
Particulars	Year 2020-2021	Year 2019-2020
Revenue from contracts with customers disaggregated based on geography		
<b>a. Domestic</b>	43,37,60,825	52,52,26,401
<b>b. Exports</b>	-	-
Total Revenue from Operation	<b>43,37,60,825</b>	<b>52,52,26,401</b>
C. Reconciliation of gross revenue from contracts with customers	-	-
Gross Revenue	43,37,60,825	52,52,26,401



Less : Commission& Discount	-	-
Less : Return/Rejection/Shortage/Deduction	-	-
Less: Deduction for Rework/Rectification/Price Difference	-	-
Net revenue recognized from contracts with customers	<b>43,37,60,825</b>	<b>52,52,26,401</b>
<b>OTHER INCOME</b>		
<b>Particulars</b>	<b>Year 2020-2021</b>	<b>Year 2019-2020</b>
<b>a) Interest income</b>		
i. On Deposit with Banks	37,74,006	26,64,684
<b>c) Other Receipts</b>		
i. Others	3,44,919	5,83,648
<b>d) Other gain and losses</b>		
i. Net gain on foreign currency transaction	-	14,82,056
<b>Total</b>	<b>41,18,925</b>	<b>47,30,389</b>

#### **I. Dividend and dividend distribution tax**

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. The Company declares and pays dividends in Indian rupees and is subject to applicable distribution taxes. The applicable distribution taxes are treated as an appropriation of profits.

#### **m. Foreign Currency transactions and translations**

Transactions in foreign currency are translated into the respective functional currencies using the exchange rates prevailing at the dates of the respective transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Profit and Loss and reported within foreign exchange gains/ (losses).

Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.



## **n. Finance Income and expense**

Finance income consists of interest income on funds invested, dividend income and fair value gains on the FVTPL financial assets. Interest income is recognized as it accrues in the statement of profit and loss, using the effective interest method.

Dividend income is recognized in the statement of profit and loss on the date that the Company's right to receive payment is established.

Finance expenses consist of interest expense on loans and borrowings. Borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method.

## **o. Impairment**

### **i. Financial assets**

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss.

The Group assesses at each Balance Sheet date whether a financial asset or a group of financial assets is impaired. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable and unbilled revenue. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The Company recognizes lifetime expected credit losses for all trade receivables and/or other contract assets that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

ECL allowance (or reversal) is recognized as income / expense in the Statement of Profit and Loss.

### **ii. Non-financial assets**

The Group assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non financial assets is impaired. If any such indication exists, the Company estimates the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through Statement of Profit and Loss.

The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net off any accumulated depreciation/amortization) had no impairment loss been recognized for the asset in prior years.



The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. 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 the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assessor groups of assets (the "cash-generating unit").

**p. Earnings per share**

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

**q. Contingent Liabilities**

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or nonoccurrence of one or more uncertain future events not wholly within the control of the Group, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

**r. Contingent Assets**

A contingent asset is a possible asset 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. The Group does not recognize a contingent asset.

**s. Events after the reporting period**

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorization for issue. On-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed.



**t. Intangible Assets**

Intangible assets are measured on initial recognition at cost (net of recoverable taxes, if any). Subsequently, intangible assets are carried out at cost less any accumulated amortization and accumulated impairment losses, if any.

The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized as income or expenses in the Statement of Profit and Loss in the year or disposal.

**u. Borrowing Costs**

Borrowing costs include interest and amortization of ancillary costs incurred to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalization of such asset is added to the cost of the assets. Capitalizations of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

During the year company has not capitalized any borrowing cost.

**v. Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest rupees as per the requirement of Schedule III, unless otherwise stated.

**w. Goods & Service Tax:**

GST credit on materials purchased for production / service availed for production / input service are taken into account at the time of purchase and GST credit on purchase of capital items wherever applicable are taken into account as and when the assets are acquired.

The GST credits so taken are utilized for payment of excise duty/GST on sales. The unutilized GST credit is carried forward in the books. The GST credits so taken are utilized for payment of tax on goods sold. The unutilized GST credit is carried forward in the books.

**3. Equity shares movement during the year ended March 31, 2021**

The Company has not issued any equity shares during the current financial year.



**NOTE 4 PROPERTY PLANT AND EQUIPMENT**

Particulars	Building	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computer and Peripheral	Electric Installation	Total
<b>Year Ended March 31,2020</b>								
Gross Carrying amount	13,40,578	51,24,809	59,78,564	11,94,843	10,34,508	55,06,430	12,74,688	2,14,54,420
Additions	-	4,35,641	2,07,211	-	1,06,064	53,94,647	3,82,642	65,26,204
Disposals	-	-	-	-	-	-	-	-
<b>Closing Gross Carrying Amount</b>	<b>13,40,578</b>	<b>55,60,450</b>	<b>61,85,775</b>	<b>11,94,843</b>	<b>11,40,572</b>	<b>1,09,01,077</b>	<b>16,57,330</b>	<b>2,79,80,624</b>
<b>Accumulated Depreciation</b>								
Depreciated during the year	2,25,169	19,92,277	21,40,003	6,04,477	3,97,282	11,59,948	3,17,357	68,36,513
	75,344	3,99,491	7,65,377	1,91,041	2,20,630	12,55,824	1,55,825	30,63,532
<b>Closing Accumulated Depreciation</b>	<b>3,00,513</b>	<b>23,91,768</b>	<b>29,05,380</b>	<b>7,95,518</b>	<b>6,17,912</b>	<b>24,15,772</b>	<b>4,73,182</b>	<b>99,00,045</b>
<b>Net carrying amount</b>	<b>10,40,065</b>	<b>31,68,682</b>	<b>32,80,395</b>	<b>3,99,325</b>	<b>5,22,660</b>	<b>84,85,305</b>	<b>11,84,148</b>	<b>1,80,80,579</b>

Particulars	Building	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipment	Computer and Peripheral	Electric Installation	Total
<b>Year Ended March 31,2021</b>								
Gross Carrying amount	13,40,578	55,60,450	61,85,775	11,94,843	11,40,572	1,09,01,077	16,57,330	2,79,80,624
Additions	-	1,45,641	45,960	-	10,500	26,47,733	77,700	29,27,534
Disposals	-	-	-	-	-	-	-	-
<b>Closing Gross Carrying Amount</b>	<b>13,40,578</b>	<b>57,06,090</b>	<b>62,31,735</b>	<b>11,94,843</b>	<b>11,51,072</b>	<b>1,35,48,810</b>	<b>17,35,030</b>	<b>3,09,08,158</b>
<b>Accumulated Depreciation</b>								
Depreciated during the year	3,00,513	23,91,768	29,05,380	7,95,518	6,17,912	24,15,772	4,73,182	99,00,045
Disposals	75,369	4,10,125	7,74,163	1,91,278	1,26,674	17,51,626	1,73,782	35,03,017
	-	-	-	-	-	-	-	-
<b>Closing Accumulated Depreciation</b>	<b>3,75,882</b>	<b>28,01,893</b>	<b>36,79,543</b>	<b>9,86,796</b>	<b>7,44,586</b>	<b>41,67,398</b>	<b>6,46,964</b>	<b>1,34,03,062</b>
<b>Net carrying amount</b>	<b>9,64,696</b>	<b>29,04,197</b>	<b>25,52,191</b>	<b>2,08,047</b>	<b>4,06,486</b>	<b>93,81,412</b>	<b>10,88,066</b>	<b>1,75,05,096</b>





**NOTE 5 INTANGIBLE ASSETS AND INTANGIBLE ASSETS UNDER DEVELOPMENT**

Particulars	IGIS Software Ver. 2.0	Software	Intangible Assets Under Development	Total
<b>Year Ended March 31,2020</b>				
Gross Carrying amount	5,54,34,677	8,91,666	21,36,92,181	27,00,18,524
Additions	-	2,43,679	11,59,79,436	11,62,23,115
Disposals	-	-	-	-
<b>Closing Gross Carrying Amount</b>	<b>5,54,34,677</b>	<b>11,35,345</b>	<b>32,96,71,617</b>	<b>38,62,41,639</b>
Accumulated Depreciation	1,36,98,811	1,21,623	-	1,38,20,434
Depreciated during the year	55,23,640	1,88,167	-	57,11,807
				-
<b>Closing Accumulated Depreciation</b>	<b>1,92,22,451</b>	<b>3,09,790</b>	<b>-</b>	<b>1,95,32,241</b>
<b>Net carrying amount</b>	<b>3,62,12,226</b>	<b>8,25,555</b>	<b>32,96,71,617</b>	<b>36,67,09,398</b>

Particulars	IGIS Software Ver. 2.0	Software	Intangible Assets Under Development	Total
<b>Year Ended March 31,2021</b>				
Gross Carrying amount	5,54,34,677	11,35,345	32,96,71,617	38,62,41,639
Additions	-	23,63,940	13,60,89,320	13,84,53,260
Disposals	-	-	-	-
<b>Closing Gross Carrying Amount</b>	<b>5,54,34,677</b>	<b>34,99,285</b>	<b>46,57,60,937</b>	<b>52,46,94,899</b>
<b>Accumulated Depreciation</b>	<b>1,92,22,451</b>	<b>3,09,790</b>	<b>-</b>	<b>1,95,32,241</b>
Depreciated during the year	55,25,530	4,30,236	-	59,55,766
Disposals				-
<b>Closing Accumulated Depreciation</b>	<b>2,47,47,981</b>	<b>7,40,026</b>	<b>-</b>	<b>2,54,88,007</b>
<b>Net carrying amount</b>	<b>3,06,86,696</b>	<b>27,59,259</b>	<b>46,57,60,937</b>	<b>49,92,06,892</b>



Notes on Accounts forming part of Consolidated Financial Statements

Particulars	As at March 31, 2021 Amount in Rs.	As at March 31, 2020 Amount in Rs.
<b>NOTE 6</b>		
<b>Financial Assets</b>		
<b>Investments</b>		
<b>non-current investment</b>		
unquoted		
<b>Investment carried at fair value through other comprehensive income</b>		
Shreejikrupa Buildcon Ltd		
310000 Equity Shares	1,69,63,200	1,54,07,000
<b>Total Investment</b>	<b>1,69,63,200</b>	<b>1,54,07,000</b>
Aggregate amount of unquoted investments	1,69,63,200	1,54,07,000
Investment carried at fair value through other comprehensive income	1,69,63,200	1,54,07,000
<b>NOTE 7</b>		
<b>Financial Assets</b>		
<b>LOANS</b>		
<b>Non-current</b>		
<b>Loan receivables considered good- Unsecured</b>		
Other Loans	44,00,000	44,00,000
	<u>44,00,000</u>	<u>44,00,000</u>
<b>Current</b>		
<b>Loan receivables considered good- Unsecured</b>		
Loan to employees	1,13,000	53,150
Intercorporate Loan	19,13,063	15,11,870
Other loans & Advances	1,44,318	70,730
	<u>21,70,381</u>	<u>16,35,750</u>
<b>TOTAL</b>	<b>65,70,381</b>	<b>60,35,750</b>
<b>NOTE 8</b>		
<b>Other Financial Assets</b>		
<b>Current</b>		
Security Deposits*	50,09,975	67,36,806
Rental Deposits*	18,50,200	18,41,700
Margin Money for Bank Gurantee	1,10,50,340	1,20,15,460
Fixed Deposit in Lien of Axis Bank	5,25,00,000	5,25,00,000
Interest receivable	1,20,822	1,91,877
Unbilled Revenue	31,29,46,148	21,42,28,026
	<u>38,34,77,485</u>	<u>28,75,13,869</u>



Particulars	As at March 31, 2021 Amount in Rs.	As at March 31, 2020 Amount in Rs.
<b>NOTE 9</b>		
<b>Other Assets</b>		
<b>Non-current</b>		
<b>Others</b>		
Long Term Trade Receivable, unsecured considered good	3,73,15,083	3,73,15,082
	<u>3,73,15,083</u>	<u>3,73,15,082</u>
<b>Other Current Assets</b>		
Contract Assets	1,38,42,300	3,74,92,559
Pre-paid expenses	7,97,846	20,97,292
Balance with Government Authority	1,40,81,696	1,29,92,509
	<u>2,87,21,842</u>	<u>5,25,82,360</u>
<b>TOTAL</b>	<b><u>6,60,36,925</u></b>	<b><u>8,98,97,442</u></b>
<b>NOTE 10</b>		
<b>TRADE RECEIVABLES</b>		
Trade Receivables	16,16,71,161	11,94,09,615
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables- Credit Impaired	-	-
Less: Allowance for doubtful trade receivables	-	-
	<u>16,16,71,161</u>	<u>11,94,09,615</u>
<b>Total Receivables</b>		
Secured, considered good	-	-
Unsecured, considered good	16,16,71,161	11,94,09,615
Doubtful	-	-
<b>TOTAL</b>	<b><u>16,16,71,161</u></b>	<b><u>11,94,09,615</u></b>
<b>NOTE 11</b>		
<b>Cash and Cash Equivalents</b>		
<b>Cash on Hand</b>	11,73,730	13,60,309
<b>Balance with Banks</b>		
-In Current Accounts	5,61,014	1,09,321
-In CC. Account	-	-
<b>TOTAL</b>	<b><u>17,34,744</u></b>	<b><u>14,69,630</u></b>
<b>NOTE 12</b>		
<b>SHARE CAPITAL</b>		
<b>-Authorised</b>		
75000000 Equity Shares of Rs. 2/- each(2020-21)	150000000	130000000
65000000 Equity Shares of Rs. 2/- each(2019-20)		
<b>-Issued, Subscribed and Paid up</b>		
4,94,19,518 Equity Shares of Rs.2/- each fully paid-up.	9,88,39,036	9,88,39,036
<b>TOTAL</b>	<b><u>9,88,39,036</u></b>	<b><u>9,88,39,036</u></b>

- Reconciliation of Shares:	Number	Amt (Rs)	Number	Amt (Rs)
<b>Shares Outstanding at the beginning of the year</b>	4,94,19,518	9,88,39,036	45085699	9,01,71,398
Add: Shares issued During the year	-	-	-	-
Add: Rights/Bonus Shares Issued	-	-	43,33,819	86,67,638
Total	4,94,19,518	9,88,39,036	4,94,19,518	9,88,39,036
Less: Buy back of Shares	-	-	-	-
Less Reduction in Capital	-	-	-	-
<b>Shares Outstanding at the end of the year</b>	4,94,19,518	9,88,39,036	49419518	9,88,39,036

**Terms and rights attached to equity shares**

The company has only one class of equity shares having the par value of Rs. 2/- per share. Each holder of equity share is entitled to one vote per share

**List of Share holders having 5% or more Shares (In Nos)**

Name of Shareholders	Number of shares held	% of Holding	Number of shares held	% of Holding
Karnavati Infrastructure Projects Limited	1,10,59,203	22.38%	1,10,59,203	22.38%
Rajesh Chandubhai Thakkar	48,18,680	9.80%	31,00,000	6.27%
Theeta Trading LLP	41,75,693	8.45%	41,65,693	8.43%
SMC Global Securities Limited	-	-	38,16,006	7.72%
Upsilon Trading LLP	26,51,263	5.36%	26,51,263	5.36%
Rajesh Chandubhai Thakkar HUF	44,70,712	9.05%	24,70,712	4.99%



Particulars	As at March 31, 2021 Amount in Rs.	As at March 31, 2020 Amount in Rs.
<b>NOTE 13</b>		
<b>Financial Liabilities</b>		
<b>Long Term Borrowings</b>		
<b>Secured</b>		
<b>From Bank</b>	1,61,24,993	-
<b>Unsecured</b>		
From NBFC	67,01,790	73,30,193
From Bank	31,20,705	48,18,750
<b>Intercorporate Deposits</b>		
From Shareholders	-	-
From others	17,88,38,795	5,17,58,795
<b>Loans and advances from Related Parties</b>		
From Directors	10,00,000	10,00,000
<b>Intercorporate Deposits</b>		
From Related Parties	2,55,367	10,82,737
	20,60,41,650	6,59,90,475
<b>Short Term Borrowings</b>		
<b>Secured</b>		
Working Capital Loans repayable on demand from banks	10,81,01,781	10,97,99,673
	10,81,01,781	10,97,99,673
<b>A) For Working Capital Loans</b>		
1) Nature of Security:- Secured by way of hypothecation of book debts and collateral Security of extension of mortgage of Residential Flat and Fixed Deposit in lien		
2) Rate of Interest :- Working Capital Loan from banks carry interest rate of 9.25% Per annum(For previous year the rate was 9.8%		
<b>B) For Intercorporate Deposits</b>		
1) Inter corporate deposits carry interest @ 5.34% and is in the course of business		
<b>C) For Business Loans: It is Unsecured Loan</b>		
1) Nature of Security:- It is Unsecured Loan		
2) Rate of Interest :-		
Loan from Bajaj Finance Limited carry interest rate of @ 18.5% per annum.		
Loan from ECL Finance LTD carry interest rate of @ 18.5% per annum		
Loan from ECL Finance LTD carry interest rate of @ 14% per annum		
Loan from ICICI BANK carry interest rate of @ 17% per annum		
Loan from India Infoline Finance Limited carry interest rate of @ 19% per annum		
Loan from KOTAK MAHINDRA BANK LIMITED carry interest rate of @ 19.43% per annum		
Loan from KOTAK MAHINDRA BANK LIMITED carry interest rate of @ 9.43% per annum		
Loan from Magma Fincorp Limited carry interest rate of @ 18.50% per annum		
Loan from Magma Fincorp Limited carry interest rate of @ 14% per annum		
Loan from Tata Capital interest rate of @ 18.25% per annum		
<b>TOTAL</b>	<b>31,41,43,431</b>	<b>17,57,90,148</b>
<b>NOTE 14</b>		
<b>Provisions</b>		
<b>Long Term</b>		
<b>Provision for Employee Benefits</b>		
Gratuity	35,36,898	25,28,444
Leave Encashment	12,73,180	8,47,844
	48,10,078	33,76,288
<b>Short Term</b>		
<b>Provision for Employee Benefits</b>		
Gratuity	57,972	50,005
Leave Encashment	1,79,837	99,403
	2,37,809	1,49,408
<b>TOTAL</b>	<b>50,47,887</b>	<b>35,25,696</b>



Particulars	As at March 31, 2021 Amount in Rs.	As at March 31, 2020 Amount in Rs.
<b>NOTE 15</b>		
<b>Trade Payables</b>		
Total outstanding dues of micro and small enterprises	3,76,95,291	5,00,18,378
Others	63,19,096	(3,85,94,766)
<b>TOTAL</b>	<b>4,40,14,387</b>	<b>1,14,23,612</b>

**Note:**

**Dues to Micro and Small Enterprise**

The Company has certain dues to suppliers under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act).

The disclosures pursuant to the said MSMED Act are as follows:

	As at 31st March, 2021	As at 31st March, 2020
a) The principal amount remaining unpaid to any supplier at the end of the year	3,76,95,291	5,00,53,301
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006	-	-
e) The amount of Interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principle amounts/interest payable amounts for delayed payments to such vendors at the Balance Sheet date. The payment is made to vendors according to terms and conditions mutually agreed to both parties and accordingly there is no delay in payment to these vendors and no interest liability therefore.

**NOTE 16**

**Other Financial Liabilities**

**Current**

Employee Benefits payable	1,58,89,717	79,09,618
Provision for Expenses	15,63,02,466	12,07,06,202
Income Tax Provision	81,12,697	44,37,511
Advance from customers	-	-
Other payables	4,17,729	4,75,061

**Current maturities of long term borrowings**

**Secured**

<b>From Bank</b>	55,43,915	-
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**Unsecured:**

<b>From NBFC</b>	49,06,166	71,70,628
<b>From Bank</b>	37,36,216	33,27,000
<b>From Other</b>	13,57,375	15,43,929

**Terms and conditions of the above financial liabilities:**

-Other payables include fees payable which are normally settled on quarterly basis

-Employee benefits payables are normally settled on monthly basis company

**TOTAL**

**19,62,66,280**

**14,55,69,948**

**NOTE 17**

**Other Liabilities**

**Current**

Statutory Dues	1,11,22,156	49,70,851
	<b>1,11,22,156</b>	<b>49,70,851</b>



Particulars	As at March 31, 2021 Amount in Rs.	As at March 31, 2020 Amount in Rs.
<b>NOTE 18</b>		
<b>Income Taxes</b>		
<b>Deferred Income Tax Liability</b>		
Intangible Assets	55,92,334	60,40,930
Employee Benefits	12,39,848	9,37,658
Deferred Expenditures	-	-
Other Equity	-	-
	<u>68,32,182</u>	<u>69,78,588</u>
<b>Deferred Income Tax Assets</b>		
Property, plant and equipment	85,851	4,36,942
Pre- Operative Right Issue Exp	10,84,486	-
<b>Deferred Income Tax Liabilities after set off</b>	<b>56,61,845</b>	<b>65,41,646</b>
<b>NOTE 19</b>		
<b>REVENUE FROM OPERATIONS</b>		
<b>Indigenous Sales</b>		
Sales of Products	17,15,33,564	23,74,66,181
Services Sales	26,22,27,261	28,77,60,220
<b>TOTAL</b>	<b>43,37,60,825</b>	<b>52,52,26,401</b>
<b>NOTE 20</b>		
<b>OTHER INCOME</b>		
Interest On Fixed Deposit	37,74,006	26,64,684
Foreign Exchange Fluctuation	-	14,82,056
Creditors Written Back	1,71,363	1,91,400
Discount Recived	10,078	2,500
Other non-operating income	1,63,478	3,89,749
<b>TOTAL</b>	<b>41,18,924</b>	<b>47,30,389</b>
<b>NOTE 21</b>		
<b>COST OF RAW MATERIAL CONSUMED</b>		
<b>Raw Materials' Consumption</b>		
Inventory at the beginning of the year	-	-
Add: Purchases during the year	16,66,02,703	23,57,97,966
Less : Inventory at the beginning end of the year	-	-
<b>Cost of Raw material consumed</b>	<b>16,66,02,703</b>	<b>23,57,97,966</b>
<b>NOTE 22</b>		
<b>EMPLOYEE BENEFITS EXPENSES</b>		
Salaries, Wages, Bonus etc.	7,34,75,608	7,98,80,304
Contribution to P.F, E.S.I and Other Statutory Funds	10,67,237	1,80,514
Workmen and Staff Welfare Expenses	8,35,301	10,85,210
Leave Encase Allowance	6,61,343	6,43,380
Provision of Gratuity	10,91,977	8,35,842
<b>TOTAL</b>	<b>7,71,31,466</b>	<b>8,26,25,250</b>



Particulars	As at March 31, 2021 Amount in Rs.	As at March 31, 2020 Amount in Rs.
<b>NOTE 23</b>		
<b>FINANCE COSTS</b>		
<b>Interest Expense</b>		
Interest on Working Capital Loan	1,54,29,562	83,86,099
Bank & Other Charges	8,66,833	43,96,305
<b>Other Borrowing Costs</b>		
Interest to others	14,72,500	50,32,039
<b>TOTAL</b>	<b>1,77,68,895</b>	<b>1,78,14,443</b>
<b>NOTE 24</b>		
<b>OTHER EXPENSES</b>		
Survey Expenses	9,82,57,272	11,44,47,829
Base Map Creation, Digitisation & Satellite Image	44,55,757	66,53,754
IGIS Software License Exp	1,76,975	1,54,300
Store and Spares	74,942	94,202
Repairs & Maintenance Exp.	4,39,926	5,15,889
Electricity	11,24,689	10,37,259
Insurance	1,01,601	40,807
Audit Fees	4,62,500	4,60,000
Legal and Professional Fees	1,18,06,649	97,72,595
Printing, Stationery, Postage and Telephone Expenses	7,45,965	10,67,747
Travelling and Conveyance Expenses	31,90,644	1,05,49,696
Rent, Rates and Taxes	51,66,071	44,47,499
Advertisement & Business Promotion Expenses	7,20,885	15,41,350
Computer & Software Expenses	9,09,902	4,75,094
Office Expenses	44,261	1,23,384
Interest and Penalty Expenses	17,66,529	18,28,643
Bank Guarantee Charges	12,98,092	12,40,312
Royalty-Space Application Centre	2,96,803	11,29,965
Other Expenses	84,01,652	43,82,450
<b>TOTAL</b>	<b>13,94,41,116</b>	<b>15,99,62,775</b>



## 25. Segment reporting:

The company is engaged in the business of providing Information Technology Software services and GIS products. The company is therefore having one business segment, only.

## 26. Contingent Liabilities

(i) Particulars	As at March 31, 2021
Claims against the Company not acknowledged as debts	
a. Income Tax Matters	1,04,86,430/-

a. **Income Tax Matters** – There is only one particular disputed demand in relation to A.Y. 2016-17 as disclosed above. The recovery of demand has been stayed and appeal is pending at CIT level. The said assessment was completed in haste and inconclusively by the A.O. u/s 143(3) without considering the submission placed. The CIT has already heard the matter and the demand is surely going to be deleted as invalid. So the management and tax advocates expect this matter to be resolved soon and will not have a material adverse effect on the company's financial position and results of operations.

**Originally**, the tax demand was raised for Rs. 2,08,74,300, but Rs. 1,03,87,870 is adjusted from previous years refund and company has also paid an amount of Rs. 7, 50,000 against pending demand.

b. A petition has been filed by the Shareholder against the Company in NCLT to restore their name in the Registers of Members, ideally matters relate to share transfer, Transmission, maintaining registers, etc. are dealt by RTA & depository participants. Any grievances in this matter are to be directly addressed to the RTA, though the Company has been made party to the case. Our advocate for NCLT has confidently advised that when the matter will be heard by NCLT, Company would be removed from the list of defendant.

## 27. Details of dues to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.

Dues to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as on 31.03.2021 is Rs. 3,76,59,611/-.

## 28. Directors Remuneration:

The Profit and Loss Account includes payments and provisions of remuneration to the Managing Director and Whole Time Directors as under:

Particulars	FY 2020-2021	FY 2019-2020
Salary & Allowance	44,19,032	45,00,000
Perquisites	NIL	NIL
<b>Total</b>	<b>44,19,032</b>	<b>45,00,000</b>





## 29. Costs of Materials consumed

### a. Particulars of Materials consumed:

Particulars	FY 2010-2021 (Rs)	FY 2019-2020 (Rs)
Opening Stock	-	-
Purchases	16,66,02,703	23,57,97,966
Less: Closing stock	-	-
<b>Total</b>	<b>16,66,02,703</b>	<b>23,57,97,966</b>

### b. Break up of Raw Material consumed:

Particular	2020-2021		2019-2020	
	%	Rupees	%	Rupees
Imported	NIL	NIL	NIL	NIL
Indigenous	100	16,66,02,703	100	23,57,97,966
<b>Total</b>	<b>100</b>	<b>16,66,02,703</b>	<b>100</b>	<b>23,57,97,966</b>

30. In the opinion of Management, any of the assets other than items of property, plant and equipment, intangible assets and Non-Current Investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated, unless otherwise stated.

31. On periodical basis and as and when required, the Company reviews the carrying amounts of its assets and found that there is no indication that those assets have suffered any impairment loss. Hence, no such impairment loss have been provided in the Financial Year 2020-21 (Previous Year Rs. Nil)

## 32. Defined Benefit Plans

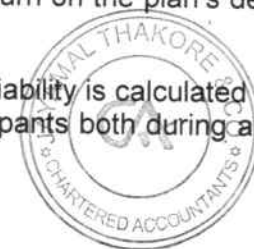
### 32.1. Risk exposure to defined benefit plans

The plans typically expose the Company to actuarial risks such as: investment 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 Indian government securities; if the return on plan asset is below this rate, it will create a plan deficit.

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 debt investment.

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 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.

The most recent actuarial valuation of the plan assets and the defined benefit obligation were carried out at March 31, 2021. 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.

**32.2. Gratuity Disclosure Statement (Ref: 512210) as Per Indian Accounting Standard 19 (Ind AS 19) For The Period 01-04-2020 - 31-03-2021**

Particular	2020-21	2019-20
Type of Benefit	Gratuity	Gratuity
Country	India	India
Reporting Currency	INR	INR
Reporting Standard	Standard 19 (Ind AS 19)	Standard 19 (Ind AS 19)
Funding Status	Unfunded	Unfunded
Starting Period	01-Apr-20	01-Apr-19
Date of Reporting	31-Mar-21	31-Mar-20
Period of Reporting	12 Months	12 Months
Reference ID	512210	411523

Assumptions (Previous Period)		
Expected Return on Plan Assets	N.A.	7.72%
Rate of Discounting	6.89%	7.72%
Rate of Salary Increase	5.00%	5.00%
Rate of Employee Turnover	For service 4 years and below 10.00% p.a. For service 5years and above 2.00% p.a.	2% to 10%
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate



Assumptions (Current Period)		
Expected Return on Plan Assets	N.A.	N.A.
Rate of Discounting	6.87%	6.89%
Rate of Salary Increase	5.00%	5.00%
Rate of Employee Turnover	For service 4 years and below 10.00% p.a. For service 5 years and above 2.00% p.a.	For service 4 years and below 10.00% p.a. For service 5 years and above 2.00% p.a.
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

Table Showing Change in the Present Value of Projected Benefit Obligation		
Particular	2020-21	2019-20
<b>Present Value of Benefit Obligation at the Beginning of the Period</b>	<b>2,578,450</b>	<b>2,149,673</b>
Interest Cost	177,655	165,955
Current Service Cost	914,322	669,887
Past Service Cost	-	-
Liability Transferred In/ Acquisitions	-	-
(Liability Transferred Out/ Divestments)	-	-
(Gains)/ Losses on Curtailment	-	-
(Liabilities Extinguished on Settlement)	-	-
(Benefit Paid Directly by the Employer)	(435,636)	(40,621)
(Benefit Paid From the Fund)	-	-
The Effect Of Changes in Foreign Exchange Rates		
Actuarial (Gains)/Losses on Obligations-Due to Change in Demographic Assumptions		(3,71,102)
Actuarial (Gains)/Losses on Obligations - Due to Experience Financial Assumptions	9,281	258,834
Actuarial (Gains)/Losses on Obligations-Due to Experience	350,799	(254,176)
<b>Present Value of Benefit Obligation at the End of the Period</b>	<b>3,594,871</b>	<b>2,578,450</b>



<b>Recognized in the Balance Sheet Amount Recognized in the Balance</b>		
<b>Particular</b>	<b>2020-21</b>	<b>2019-20</b>
(Present Value of Benefit Obligation at the end of the Period)	(3,594,871)	(2,578,450)
Fair Value of Plan Assets at the end of the Period	-	-
Funded Status (Surplus/ (Deficit))	(3,594,871)	(2,578,450)
<b>Net (Liability)/Asset Recognized in the Balance Sheet</b>	<b>(3,594,871)</b>	<b>(2,578,450)</b>

<b>Net Interest Cost for Current Period rest</b>		
<b>Particular</b>	<b>2020-21</b>	<b>2019-20</b>
Present Value of Benefit Obligation at the Beginning of the Period	2,578,450	2,149,673
(Fair Value of Plan Assets at the Beginning of the Period)	-	-
Net Liability/(Asset)at the Beginning	2,578,450	2,149,673
Interest Cost	177,655	165,955
(Interest Income)	-	-
<b>Net Interest Cost for Current Period</b>	<b>177,655</b>	<b>165,955</b>

<b>Expenses Recognized in the Statement of Profit or Loss for Current Period</b>		
Current Service Cost	914,322	669,887
Net Interest Cost	177,655	165,955
Past Service Cost	-	-
(Expected Contributions by the Employees)	-	-
(Gains)/Losses on Curtailments And Settlements	-	-
Net Effect of Changes in Foreign Exchange Rates	-	-
<b>Expenses Recognized</b>	<b>1,091,977</b>	<b>835,842</b>



<b>Recognized in the Other Comprehensive Income (OCI) for Current Period</b>		
Actuarial (Gains)/Losses on Obligation For the Period	360,080	(366,444)
Return on Plan Assets, Excluding Interest Income	-	-
Change in Asset Ceiling	-	-
<b>Net (Income)/Expense For the Period Recognized in OCI</b>	<b>360,080</b>	<b>(366,444)</b>

<b>Balance Sheet Reconciliation</b>		
<b>Particular</b>	<b>2020-21</b>	<b>2019-20</b>
<b>Opening Net Liability</b>	<b>2,578,450</b>	<b>2,149,673</b>
Expenses Recognized in Statement of Profit or Loss	1,091,977	835,842
Expenses Recognized in OCI	360,080	(366,444)
Net Liability/(Asset) Transfer In	-	-
Net(Liability)/Asset Transfer Out	-	-
(Benefit Paid Directly by the Employer)	(435,636)	(40,621)
(Employer's Contribution)	-	-
<b>Net Liability/(Asset) Recognized in the Balance Sheet</b>	<b>3,594,871</b>	<b>2,578,450</b>

<b>Other Details</b>		
No of Active Members	171	146
Per Month Salary For Active Members	3,716,630	3,134,314
Weighted Average Duration of the Projected Benefit Obligation	15	15
Average Expected Future Service	15	15
Projected Benefit Obligation	3,594,871	2,578,450
Expected Contribution in the Next Year	-	-

<b>Net Interest Cost for Next Year</b>		
<b>Particular</b>	<b>2020-21</b>	<b>2019-20</b>
Present Value of Benefit Obligation at the End of the Period	3,594,871	2,578,450
(Fair Value of Plan Assets at the End of the Period)	-	-
Net Liability/(Asset) at the End of the Period	3,594,871	2,578,450
Interest Cost	246,968	177,655
(Interest Income)	-	-
<b>Net Interest Cost for Next Year</b>	<b>246,968</b>	<b>177,655</b>

<b>Expenses Recognized in the Statement of Profit or Loss for Next Year</b>		
<b>Particular</b>	<b>2020-21</b>	<b>2019-20</b>
Current Service Cost	1,143,148	914,322
Net Interest Cost	246,968	177,655
(Expected Contributions by the Employees)	-	-
<b>Expenses Recognized</b>	<b>1,390,116</b>	<b>1,091,977</b>

<b>Maturity Analysis of the Benefit Payments</b>		
<b>Projected Benefits Payable in Future Years From the Date of Reporting</b>		
1st Following Year	57,972	50,005
2nd Following Year	66,849	51,807
3rd Following Year	85,454	58,867
4th Following Year	108,201	73,614
5th Following Year	193,506	88,013
Sum of Years 6 To 10	987,676	688,875
Sum of Years 11 and above	9,018,942	6,493,666

<b>Sensitivity Analysis</b>		
<b>Particular</b>	<b>2020-21</b>	<b>2019-20</b>
<b>Projected Benefit Obligation on Current Assumptions</b>	<b>3,594,871</b>	<b>2,578,450</b>
Delta Effect of +1% Change in Rate of Discounting	(425,495)	(307,350)
Delta Effect of -1% Change in Rate of Discounting	510,694	367,856
Delta Effect of +1% Change in Rate of Salary Increase	515,294	371,241
Delta Effect of -1% Change in Rate of Salary Increase	(436,201)	(315,146)
Delta Effect of +1% Change in Rate of Employee Turnover	28,826	24,863
Delta Effect of -1% Change in Rate of Employee Turnover	(41,619)	(33,605)

- The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.
- The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the



assumptions may be correlated.

- Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognized in the balance sheet.
- There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

#### NOTES:

- Gratuity is payable as per entity's scheme as detailed in the report.
- Actuarial gains/losses are recognized in the period of occurrence under Other Comprehensive Income(OCI). All above reported figures of OCI are gross of taxation.
- Salary escalation & attrition rate are considered as advised by the entity; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.
- Maturity Analysis of Benefit Payments is undiscounted cash flows considering future salary, attrition & death in respective year for members as mentioned above.
- Average Expected Future Service represents Estimated Term of Post - Employment Benefit Obligation.
- Any benefit payment and contribution to plan assets is considered to occurred of the year to depict liability and fund movement in the disclosures.

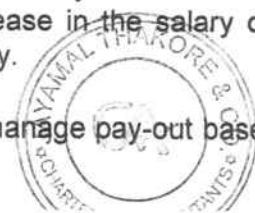
### Qualitative Disclosures

#### Para 139 (a) Characteristics of defined benefit plan

- The entity has a defined benefit gratuity plan in India(unfunded).The entity's defined benefit gratuity plan is a final salary plan for employees.
- Gratuity is paid from entity as and when it becomes due and is paid as per entity scheme for Gratuity.

#### Para 139 (b) Risks associated with defined benefit plan

- Gratuity is a defined benefit plan and entity is exposed to the Following Risks:
- Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.
- Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.
- Asset Liability Matching Risk: The plan faces the .entity has to manage pay-out based on



pay as you go basis from own funds.

- Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Para 139 (c) Characteristics of defined benefit plans

During the year, there were no plan amendments, curtailments and settlements.

Para 147 (a)

Gratuity plan is unfunded.

### **33. Financial Instruments and Risk Management**

#### **Risk Management Framework**

The Company's risk management is governed by policies and approved by the board of directors. Company's identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The company has policies for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

#### **33.1. Credit Risk**

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company maintains its cash and cash equivalents and bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis. The maximum exposure to credit risk at the reporting date is primarily from trade receivables. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business. On account of the adoption of Ind AS 109, the company uses ECL model to assess the impairment loss or gain. The company uses a provision matrix to compute the ECL allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors and the company's experience for customers.

The Company reviews trade receivables on periodic basis and charges to profit and loss account when management feels the amount will not be receivable in future. The Company also calculates the expected credit loss (ECL) for non-collection of receivables.





### 33.2. Liquid Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and liabilities including debt financing plans and maintenance of balance sheet liquidity ratios are considered while reviewing the liquidity position.

#### Exposure to Liquid Risk:

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

31.3.2021	Carrying Amount	Contractual Cash Flow				Total
		<1year	1-2 Year	3-5 Year	More than 5 Years	
Financial Liabilities						
Non-Current Borrowings	20,60,41,650	-	18,89,16,657	1,71,24,993	-	20,60,41,650
Current Borrowings	10,81,01,781	10,81,01,781	-	-	-	10,81,01,781
Trade Payables	4,40,14,387	4,40,14,387	-	-	-	4,40,14,387
Current Financial Liabilities	19,62,66,280	19,62,66,280	-	-	-	19,62,66,280
<b>Total</b>	<b>55,44,24,098</b>	<b>34,83,82,448</b>	<b>18,89,16,657</b>	<b>1,71,24,993</b>	<b>-</b>	<b>55,44,24,098</b>

31.3.2020	Carrying Amount	Contractual Cash Flow				Total
		<1year	1-2 Year	3-5 Year	More than 5 Years	
Financial Liabilities						
Non-Current Borrowings	6,59,90,475	-	3,80,42,846	2,79,47,629	-	6,59,90,475
Current Borrowings	10,97,99,673	10,97,99,673	-	-	-	10,97,99,673
Trade Payables	1,14,23,612	1,14,23,612	-	-	-	1,14,23,612
Current Financial Liabilities	14,55,69,948	14,55,69,948	-	-	-	14,55,69,948
<b>Total</b>	<b>33,27,83,708</b>	<b>26,67,93,233</b>	<b>3,80,42,846</b>	<b>2,79,47,629</b>	<b>-</b>	<b>33,27,83,708</b>



### 33.3. Market Risk

Market risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market factors. Market risk comprises three types of risks:

#### a. Currency Risk

The functional currency of the Company is Indian Rupee. The Company is exposed to currency risk on account of receivables in foreign currency. Company is exposed to currency risk on account of receivables in foreign currency.

#### I. Particulars of unhedged foreign currency exposures at the reporting date

Particulars	Currency	As at 31/03/2021	As at 31/03/2020
Trade	USD	1,55,469	1,55,469
Receivables	INR	*98,50,031	*98,50,031

\* The trade receivable mentioned above is non-current in nature so exchange rate prevailing at 31/03/2021 is not considered, due to which foreign exchange gain/ loss is not recognized on non-current receivables.

#### II. Foreign Currency Risk Sensitivity

A change of 3% in foreign currency would have following Impact on profit before tax.

Particulars	2020-21		2019-20	
	3% Increase	3% Increase	3% Increase	3% Increase
INR	2,95,501	(2,95,501)	2,95,501	(2,95,501)
<b>Total</b>	<b>2,95,501</b>	<b>(2,95,501)</b>	<b>2,95,501</b>	<b>(2,95,501)</b>

#### b. Price Risk

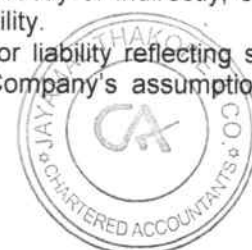
As of 31st March 2021, the company has nil exposure on security price risks.

### 33.4. Fair value measurement

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- Level 1 inputs quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants



Measured at Amortized Cost	As at March 31,2021	As at March 31,2020
<b>Financial Assets</b>		
Trade Receivables	16,16,71,161	11,94,09,615
Cash and Cash Equivalents	17,34,744	14,69,630
Loans		
Non Current	44,00,000	44,00,000
Current	21,70,381	16,35,750
Other Financial Assets		
Non Current	-	-
Current	38,34,77,485	28,75,13,869
<b>Total Financial Assets</b>	<b>59,07,68,853</b>	<b>48,17,43,946</b>
<b>Financial Liabilities</b>		
Non Current	20,60,41,650	6,59,90,475
Current	-	-
Trade Payables	4,40,50,067	1,14,23,612
Other Financial Liabilities		
Current	19,62,56,280	14,55,69,948
Borrowings	10,81,01,781	10,97,99,673
<b>Total Financial Liabilities</b>	<b>55,44,49,778</b>	<b>33,27,83,708</b>

The carrying amount of cash and cash equivalents, trade receivables, trade payables considered to be the same as their values due to their short term nature.

#### 34. Related Party Transactions

Following are the name and relationship of related parties with which company have transactions/balances:

##### Associate/Subsidiary/Related Company/Enterprise/Firms:

- Karnavati Infrastructure Projects Ltd
- Scanpress Ltd
- Diyatec Pvt Ltd
- Prop Corporate Mentors Pvt Ltd
- Jyacad Solutions Pvt Ltd
- Turnrest Resources Pvt Ltd
- Arth Geospatial Pvt. Ltd
- Eques Capital Management Private Limited
- Beta Resources Private Limited
- MRH Enterprise

##### Key Management Personnel along with their relatives having significant influence:

###### a). Key Management Personnel

- Ramesh Sojitra
- Chirag Soni
- Kantilal Ladani

###### b). Relatives of KMP

- Minal Soni
- Vishwas Sojitra
- Leelavanti Sojitra
- Vaacha Sojitra



c. Disclosures in respect of significant transactions with related parties during the year:

Transactions	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>Remuneration</b>		
Ramesh K Sojitra	24,00,000	24,00,000
Chirag Soni	20,19,032	21,00,000
<b>Salary</b>		
Vishwas R Sojitra	4,88,760	5,04,000
Vaacha Sojitra	3,00,000	2,91,760
<b>Professional Fees</b>		
Diya Tech Pvt Ltd	21,00,000	19,25,000
Kanti Ladani	5,25,000	3,00,000
Chirag Soni HUF	-	1,75,000
Prop Corporate Mentors Pvt. Ltd.	-	11,80,000
Turnrest Resources Pvt. Ltd.	60,00,000	45,00,000
MRH Enterprise	7,22,500	-
<b>Software Purchase</b>		
Turnrest Resources Pvt. Ltd.	8,30,667	-
<b>Interest Paid</b>		
Prop Corporate Mentors Pvt. Ltd.	-	2,83,742
Turnrest Resources Pvt. Ltd.	-	9,19,300
<b>Receipt of Loan</b>		
Turnrest Resources Pvt Ltd	5,00,000	6,36,75,250
Prop Corporate Mentors Pvt. Ltd.	-	52,00,375
<b>Repayment of Loan</b>		
Turnrest Resources Pvt Ltd	13,27,370	9,11,59,667
Prop Corporate Mentors Pvt. Ltd.	-	1,98,41,287
Karnavati Infrastructure Projects Ltd	-	1,50,17,380
<b>Disclosure of closing balances:</b>		
<b>Amount Due to</b>		
Kantilal V Ladani_ Loan A/c	10,00,000	10,00,000
Prop Corporate Mentors Pvt. Ltd.	2,55,367	2,55,367
Turnrest Resources Pvt Ltd_ Loan A/c	-	8,27,370
Chirag Soni	-	3,930
<b>Amount Due From</b>		
Karnavati Infrastructure Projects Ltd	19,13,063	15,11,870
<b>Trade Payables</b>		
Diyatec Pvt Ltd	1,61,875	5,04,000
Kantilal V Ladani	46,247	15,842
Chirag Soni Huf	1,57,500	1,57,500
Turnrest Resources Pvt Ltd	12,08,000	6,06,775



35. Previous year's figures have been regrouped and rearranged wherever necessary, to make them comparable with those of current year.

As per our report of even date  
For, **Jayamal Thakore & Co.**  
Chartered Accountants



**Anup Kumar Bhattacharjee**  
(Partner)  
M. No.:082184  
Ahmedabad, June 30, 2021  
UDIN: 21082184AAAAAK5192

For and on behalf of the Board of Directors of  
**Scanpoint Geomatics Limited**



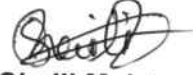
**Ramesh Sojitra**  
Managing Director  
DIN: 00016149



**Chirag Soni**  
Whole Time Director  
DIN: 01684683



**Kantilal V. Ladani**  
Director & CFO  
DIN: 00016171



**Shaili Mehta**  
Company Secretary  
M. No: 42440  
Ahmedabad, June 30, 2021

## ACCOUNTING RATIOS

The following table sets forth the accounting ratios as at March 31, 2021 and March 31, 2020:

### Accounting Ratios (Consolidated)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Earnings Per Share		
(a) Basic Earnings Per Share (after extraordinary items) (₹)	0.41	0.35
(b) Diluted Earnings Per Share (after extraordinary items) (₹)	0.41	0.35
Return on Net Worth (after extraordinary items and excluding revaluation reserves)	3.5%	3.11%
Net Asset Value / Book Value per Equity Share (₹)	11.70	11.31
EBITDA (in ₹ Lakhs)	505.86	468.41

*Certified by M/s Jayamal Thakore & Co., Chartered Accountants, Statutory Auditors of our Company vide certificate dated July 10, 2021.*

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our Financial Information as of and for the FY 2020-21 and FY 2019-20 all prepared in accordance with the Companies Act and Ind AS, including the schedules, annexures and notes thereto and the reports thereon, included in the section titled "Financial Information" on page 63. Unless otherwise stated, the financial information used in this chapter is derived from the consolidated financial statements of our Company.*

*This discussion contains forward looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward looking statements as a result of certain factors such as those set forth in the sections titled "Risk Factors" and "Forward-Looking Statements" on pages 17 and 14 respectively.*

*Our financial year ends on March 31 of each year, so all references to a particular "financial year" and "Fiscal" are to the 12 (Twelve) month period ended March 31 of that year. References to the "Company", "we", "us" and "our" in this chapter refer to Scanpoint Geomatics Limited on a consolidated basis, as applicable in the relevant period, unless otherwise stated.*

### OVERVIEW OF OUR BUSINESS

Our Company is a geospatial technology company engaged in the business of developing a technology platform and solution in the field of Geographic Information System (GIS) and remote sensing. Our flagship technology IGiS is an indigenous software platform developed by us under technical know-how from ISRO.

IGiS is a unique technology which brings GIS, Image Processing, Photogrammetry and CAD together on a single platform. We help solve complex geospatial data management to assist in meaningful, quick, effective and efficient decision making. Our integrated technology platform and solutions enables us to provide comprehensive geomatics solutions to our clients and customers. Backed on the domain knowledge and know-how provided by ISRO, we continue to innovate and enhance our products and solutions in line with technological trends and market needs.

Our Company has developed verticalized product and solution based on IGiS for segments which include agriculture, defense, land information, smart cities, urban planning, utilities, retail and location based services, and caters to the specific business need of such respective segments using integrated GIS and remote sensing technology. Our Company also provides end to end turn-key solutions in the area of enterprise GIS implementation which includes GIS platform, customized web GIS application as per customer need, implementation services, base map creation, training and capacity building and post implementation O&M services.

Our Company is an ISO 9001:2015 certified company for providing geomatics solutions in the area of GIS, IP, CAD, LBS and surveys and our information security management system is ISO 27001:2013 certified. Our products and processes are compliant of OGC and CMMi3 quality and capability maturity standards.

Our financial performance for FY 2020-21 and FY 2019-20 is summarized below:

Particulars	(in ₹ Lakhs)	
	FY 2020-21	FY 2019-20
Revenue from operation	4,337.61	5,252.27
EBITDA	505.86	468.41
Profit after tax	202.44	173.67

### SIGNIFICANT FACTORS AFFECTING OUR BUSINESS, FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Our financial condition and results of operations are affected by numerous factors and uncertainties, including those discussed in the section titled 'Risk Factors' on page 17. The following is a discussion of certain factors that have had, and we expect will continue to have, a significant effect on our financial condition and results of operations:

- Factors affecting the Geomatics industry;
- Increasing competition in the Industry;
- Ability to launch new products every year;
- Changes in government regulations, tax regimes, laws and regulations that apply to the industry;
- Changes in fiscal, economic or political conditions in India;
- Changes in the foreign exchange control regulations, interest rates and tax laws in India.

#### **CHANGE IN ACCOUNTING POLICIES**

There have been no changes in the accounting policies during the FY 2020-21.

#### **RESERVATIONS, QUALIFICATIONS AND ADVERSE REMARKS**

There are no reservations or qualifications or adverse remarks in the auditors' report for FY 2020-21.

#### **PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS**

##### ***Revenue***

Our revenue comprises of:

##### *Revenue from operations*

Revenue from operations is due to sales of products and sale of service which are recognized on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of products and services to customers. The method for recognizing revenues and costs depends on the nature of the services rendered or product sold.

##### *Other Income*

Other income primarily comprises recurring income which includes interest income on fixed deposits placed with banks, financial institutions and others, as well as, certain non-recurring income such as creditors written back, statutory provision written off, gain on foreign currency transactions and miscellaneous income.

##### ***Expenses***

Our expenses primarily comprise cost of raw material consumed, changes in inventories of stock-in-trade, employee benefit expenses, finance costs, depreciation and amortization expenses, travel expense and other expenses.

##### *Cost of Raw Material Consumed*

The purchase of raw material comprises of purchase of Ink and PVC Flex sheet required for GIS ancillary Services.

##### *Changes in inventories of stock-in-trade*

Changes in inventories of stock-in-trade comprises of project work in progress expenditure which is under development stage.

##### *Employee benefit expenses*

Employee benefit expense consists of salaries, wages, gratuity, bonus, commission, contribution to provident fund & other funds and staff welfare expenses.

##### *Travel Expense*

Travel expense consists of traveling and conveyance expenses.



### *Other expenses*

Other expenses comprises of survey expense, rent expense, commission & brokerage, advertisement & business promotion, base map creation & satellite image expense, digitization & printing of map expense, repair & maintenance expenses, legal & professional fees, electricity, insurance expense, printing expense, computer and software expense, bank guarantee charges and miscellaneous expenses.

### *Earnings before Interest Taxes Depreciation and Amortization (EBITDA)*

EBITDA comprises of operating earnings before interest, tax, depreciation and amortization.

### *Finance cost*

Finance cost comprises interest expense and other finance costs. Interest expense, generally, comprises interest on secured loans and unsecured loans, interest on income tax, and TDS. Other finance costs consists of bank commission, letter of credit charges, interest on buyer's credit, loan processing charges, commission on corporate guarantee, loan repayment charges and term loan renewal charges.

### *Depreciation and Amortisation Expense*

Depreciation and amortization expense comprises of depreciation on building, plant and machinery, office equipment, furniture & fixtures, vehicles, computers & peripherals, electric installation and amortization of intangible assets.

### *Tax expenses*

Tax expense comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws. Deferred tax liability or credit is recognized based on the difference between taxable profit and book profit due to the effect of timing differences. Our deferred tax is measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date.

## **Results of our Operations**

The following table sets forth certain information with respect to our results of operations for the periods indicated:

Particulars	FY 2020-21		FY 2019-20	
	Amount	% of Total Revenue	Amount	% of Total Revenue
Revenue from Operations	4,337.61	99.06%	5,252.27	99.11%
Other Income	41.19	0.94%	47.30	0.89%
<b>Total Revenue</b>	<b>4,378.80</b>	<b>100.00%</b>	<b>5,299.57</b>	<b>100.00%</b>
Cost of Raw Material Consumed	1,666.03	38.05%	2,357.98	44.49%
Employee Benefit Expense	771.31	17.61%	826.25	15.59%
Travel Expense	31.91	0.73%	105.50	1.99%
Other Expenses	1,362.50	31.12%	1,494.13	28.19%
<b>EBITDA</b>	<b>505.86</b>	<b>11.55%</b>	<b>468.41</b>	<b>8.84%</b>
Financial Costs	177.69	4.06%	178.14	3.36%
Depreciation and Amortization Expense	94.59	2.16%	87.75	1.66%
<b>Total Expenses</b>	<b>4,104.03</b>	<b>93.72%</b>	<b>5,049.75</b>	<b>95.29%</b>
<b>Profit Before Exceptional and Extra Ordinary items and Tax</b>	<b>274.77</b>	<b>6.28%</b>	<b>249.82</b>	<b>4.71%</b>
<b>Profit Before Tax</b>	<b>274.77</b>	<b>6.28%</b>	<b>249.82</b>	<b>4.71%</b>
Tax expense:				
- Current Tax	81.13	1.85%	70.48	1.33%
- Deferred tax	(8.80)	(0.20%)	5.67	0.11%

Particulars	FY 2020-21		FY 2019-20	
	Amount	% of Total Revenue	Amount	% of Total Revenue
Net Tax expenses	72.33	1.65%	76.15	1.44%
Profit / (Loss) for the period	202.44	4.62%	173.67	3.28%

## Comparison of Historical Results of Operations

### FY 2020-21 compared to FY 2019-20

#### *Total Revenue*

Our total revenue for the FY 2020-21 was ₹4,378.80 Lakhs as compared to ₹5,299.57 Lakhs for the FY 2019-20, representing a decrease of 17.37%. Total revenue comprises of:

#### *Revenue from operations*

Our revenue from operations for the FY 2020-21 was ₹4,337.61 Lakhs as compared to ₹5,252.27 Lakhs for the FY 2019-20, representing a decrease of 17.41%. This is primarily due to decrease in sale of products on account of Covid-19 pandemic.

#### *Other income*

Other income for the FY 2020-21 was ₹41.19 Lakhs as compared to ₹47.30 Lakhs for the FY 2019-20, representing a decrease of 12.92%. The decrease in other income was primarily due to no foreign exchange fluctuation gain during FY 2020-21 which partially offset by increase in interest on fixed deposit.

#### *Expenses*

Our total expenditure for the FY 2020-21 was ₹4,104.03 Lakhs as compared to ₹5,049.75 Lakhs for the FY 2019-20, representing a decrease of 18.73%. Total expenditure comprises of:

#### *Cost of Raw Material Consumed*

The Cost of Raw Material Consumed for the FY 2020-21 was ₹1,666.03 Lakhs as compared to ₹2,357.98 Lakhs for the FY 2019-20, representing a decrease of 29.35%. This decrease was due to decrease in revenue of the Company on account of Covid-19 pandemic and due to increase in portion of service income as part of total revenue from operations in FY 2020-21.

#### *Employee benefit expenses*

Employee benefit expense for the FY 2020-21 was ₹771.31 lakhs as compared to ₹826.25 Lakhs for the FY 2019-20, representing a decrease of 6.65%. This was due to reduction in temporary staff and project specific employees in FY 2020-21.

#### *Travel Expense*

Travel Expense for the FY 2020-21 was ₹31.10 Lakhs as compared to ₹105.50 Lakhs for the FY 2019-20, representing a decrease of 70.52%. This was due to restrictions on account of Covid-19 pandemic.

#### *Other expenses*

Other expenses for the FY 2020-21 were ₹1,362.50 Lakhs as compared to ₹1,494.13 Lakhs for the FY 2019-20, representing a decrease of 8.81%. The decrease was due to decrease in survey expense and base map creation, digitisation & satellite image expense which are decreased due to decrease in revenue of the Company.

### *Earnings before Interest Taxes Depreciation and Amortization (EBITDA)*

EBITDA for the FY 2020-21 was ₹505.86 Lakhs as compared to ₹468.41 Lakhs for the FY 2019-20, representing an increase of 8.00%. The increase in EBITDA was due to decrease in employee benefit expense, travel expense and other expense of the company.

### *Finance cost*

Finance cost for the FY 2020-21 was ₹177.69 Lakhs as compared to ₹178.14 Lakhs for the FY 2019-20, representing a marginal decrease of 0.25%.

### *Depreciation and Amortisation Expense*

Depreciation and amortization expense for the FY 2020-21 was ₹94.59 lakhs as compared to ₹87.75 Lakhs for the FY 2019-20, representing an increase of 7.79%. The increase is due to capital expenditure made towards the computer and peripherals and other assets.

### *Profit/Loss before Tax*

The profit/(loss) before tax for the FY 2020-21 of ₹274.77 Lakhs as compared to ₹249.82 Lakhs for the FY 2019-20, representing an increase of 9.99%. The improvement was primarily on account of increase in EBITDA of the Company.

### *Taxation*

Total tax expense for the FY 2020-21 was ₹72.33 Lakhs as compared to ₹76.15 Lakhs for the FY 2019-20, representing a decrease of 5.02%. The decrease was due to creation of deferred tax assets in FY 2020-21 as against provision of deferred tax liability in FY 2019-20.

### *Profit/Loss after Tax*

As a result of the aforesaid, Our Company earned a profit for FY 2020-21 of ₹202.44 Lakhs as compared to ₹173.67 Lakhs for the FY 2019-20, representing an increase of 16.57%.

### **Related Party Transactions**

For details, please see the chapter titled “*Financial Statements*” beginning on page 63.

### **Significant developments after March 31, 2021 that may affect our future results of operations**

Other than as disclosed in this Letter of Offer, there have been no significant developments after March 31, 2021 that may affect our future results of operations. For further information, please see the chapter titled “*Material Developments*” on page 125.

## **DISCLOSURES PERTAINING TO WILFUL DEFAULTERS**

Neither our Company, nor our Promoter or any of our Directors are or have been categorized 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.

## **MATERIAL DEVELOPMENTS**

To our knowledge, no material developments have arisen after the latest balance sheet, i.e., March 31, 2021, which may significantly impact the operations, performance, prospects or financial condition of our Company.

## SECTION VII – LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATIONS AND OTHER DEFAULTS

*Except as described below, there are no material outstanding litigations with respect to (i) issues of moral turpitude or criminal liability on the part of our Company and/or our Subsidiary, (ii) material violations of statutory regulations by our Company and/or our Subsidiary, (iii) economic offences where proceedings have been initiated against our Company and/or our Subsidiary, (iv) any pending matters, which if they result in an adverse outcome would materially and adversely affect operations or financial position of our Company and/or our Subsidiary, and (v) tax matters.*

*In determining whether any outstanding litigation against our Company, other than litigation involving (a) moral turpitude or criminal liability on the part of our Company and/or our Subsidiary, (b) material violations of statutory regulations by our Company and/or our Subsidiary or (c) proceedings relating to economic offences initiated our Company and/or our Subsidiary, would have a material adverse effect on our business, the materiality threshold has been determined based on threshold prescribed under the SEBI Listing Regulations.*

*Pre-litigation notices received by our Company and/or our Subsidiary from third parties (excluding notices pertaining to any offence involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings related to economic offences) have not been evaluated for materiality until such time our Company and/or our Subsidiary are impleaded as defendants in litigation proceedings before any judicial forum.*

*We have, from time to time, been involved in legal proceedings which include, inter alia, criminal proceedings filed by and against us, arising in the ordinary course of our business.*

A summary of legal proceedings involving our Company and our Subsidiary, which we consider material, is set forth below:

#### **A. Legal proceedings initiated against our Company**

1. Our Company had taken premise no. 12 in the building known as Abhishree Corporate Park, situated at Ambli sim, Taluka Dascroi, Ahmedabad (“**Property**”), on lease for its corporate office from Mr. Rameshbbhai Mohanbbhai Patel and Mr. Jayantibhai Mohanlal Patel (being the owners of the Property) (“**Plaintiffs**”), *vide* the lease deed dated March 8, 2015 (“**Lease Deed**”). Our Company had issued various cheques towards payment of rent and maintenance charges for the Property for the months of May, July, August and September, 2016. Our Company received several notices alleging dishonor of these cheques and the Company has replied to the same. Pursuant to the same, the Plaintiffs filed a civil suit bearing case no. SPCS/137/2017 before the Hon’ble Court of Principal Senior Civil Judge, Ahmedabad (Rural), Mirzapur (“**Civil Court**”) against the Company and Mr. Rameshchandra K. Sojitra, wherein they also alleged that the Company and Mr. Rameshchandra K. Sojitra had illegally raised additional construction over the Property. Accordingly, the Plaintiffs have sought for (a) eviction and handing over the possession of the Property; (b) claiming an amount of ₹57.56 Lakhs, being the compensation for the lock-in period of 3 (three) years and (c) claiming mesne profit of ₹3.61 Lakhs per month from January 15, 2018 till the date of vacant and peaceful possession of the Property is handed over to them. The matter is currently pending before the Civil Court for further hearing.
2. A company petition has been filed before Hon’ble National Company Law Tribunal, Ahmedabad Bench by Mrs. Rama Hasmukh Sojitra and Mr. Hasmukh Bavanji Sojitra (petitioners therein) against our Company along with 26 (twenty six) other respondents (respondents therein) for rectification of register of members of the Company under Section 59 of the Companies Act, 2013 by way of directing the Company to restore the name of the 2 (two) petitioners therein as members of the Company and granting to the petitioners all such benefits as may be given to other shareholders of the Company from the date of removal of the name of the petitioners from the register of members. The matter is pending as on date of filing of this Letter of Offer.
3. Our Company had deducted TDS amounting to ₹29,04,139/- for the A.Y. 2017-18, however the same was not deposited with the Government within due dates. CIT (TDS), Ahmedabad issued a show cause notice to the Company and thereafter initiated a criminal prosecution against our Company on May 30, 2018 before the Metropolitan Magistrate Court – Ahmedabad, bearing case number CC 49982 of 2018 (“**Criminal Case**”). During the pendency of the said case, our Company has filed an application dated July 25, 2019 for

compounding of the offence committed under Section 276B of the IT Act for the A.Y. 2017-18, as per CBDT's directive *vide* F. No. 285/08/-IT (Inv. V) dated June 14, 2019. Upon receiving the compounding application, CCIT (TDS), called for reports from the CIT (TDS), Ahmedabad *vide* letter dated July 30, 2019. The CIT (TDS), Ahmedabad *vide* letter dated January 13, 2020, forwarded the report of the Assessing Officer along with the checklist, in Annexure-2, duly endorsed by the Addl. CIT (TDS), Ahmedabad & CIT (TDS), Ahmedabad, recommending compounding of the offence for A.Y. 2017-18. The CCIT (TDS), Ahmedabad on January 24, 2020 approved compounding of the offence committed under Section 276B of the IT Act for the A.Y. 2017-18, which was intimated to our Company *vide* letter dated February 13, 2020. An order has been passed by the CCIT (TDS) dated July 09, 2020 wherein CCIT (TDS), Ahmedabad ("**Compounding Order**") has compounded the offence of our Company and has also recorded receipt of compounding fees of ₹6,51,314/- and the outstanding amount of ₹3,170/- for the A.Y. 2017-18 on March 07, 2020 and June 30, 2020 respectively. Though the Criminal Case is still pending as on the date of filing of this Letter of Offer, CCIT (TDS) has given instructions to Assessing Officer in the Compounding Order to take necessary steps in relation to the said issue.

4. Our Company filed an income tax return for the A.Y. 2016-17 declaring the total taxable income as NIL and claiming TDS refund of ₹8,43,960/- before ITO Ward 4(1)(1), Ahmedabad on October 16, 2016. The said income tax return for the A.Y. 2016-17 was processed under Section 143 (1) (a) of IT Act accepting the returned income. The case of our Company was selected under Computer Aided Scrutiny Selection (CASS) for e-proceeding and the Assessing Officer Ward 4(1)(1), issued e-notices under Section 143(2) and 142(1) of the IT Act to our Company and alleged that the same were not responded by our Company. Accordingly, the Assessing Officer passed an assessment order passed under Section 143(3) of the IT Act making additions of ₹8,27,66,404/- in the income of our Company by disallowing deductions claimed by our Company. Being aggrieved by such additions made by the Assessing Officer, our Company filed a rectification application under Section 154 of the IT Act with ITO Ward 4(1)(1) on December 27, 2018. Due to no response or order from the ITO Ward 4(1)(1), our Company filed an appeal before the Commissioner of Income-Tax (Appeals) under Section 246(1)(a) of the IT Act on January 17, 2019 ("**Appeal**"). As on the date of filing of this Letter of Offer, the Appeal is pending before the Commissioner of Income-Tax (Appeals) and the initial outstanding demand of ₹2,08,74,300/- is now reduced to ₹1,04,87,430/- on the date of filing of this Letter of Offer, after adjusting (a) refund for the A.Y. 2017-18 amounting to ₹24,23,480/-; (b) refund for the A.Y. 2018-19 amounting to ₹31,73,040/-; (c) refund for the A.Y. 2019-20 amounting to ₹39,97,350/-; (d) security deposit amounting to ₹7,50,000/-; and (e) from our Company's account amounting to ₹43,000/-.

#### **B. Legal proceedings initiated by our Company**

Our Company has filed a criminal case bearing number 16439/2021, under Sections 138 and 141 of the Negotiable Instruments Act, 1881 before Hon'ble Metropolitan Magistrate at Ahmedabad against Dellsoft Technologies Private Limited ("**DTPL**"), wherein the two cheques, i.e. (a) the first cheque for ₹ 3,00,000/- dated March 25, 2021 bearing cheque number 000035, and (b) second cheque for ₹ 5,26,000/- dated April 15, 2021 bearing cheque number 000036 provided by DTPL to our Company, for purchase of 25 user licenses of IGIS Professional Education Software, were dishonored upon being presented in the bank due to insufficiency of balance in the bank account of DTPL. The matter is pending as on the date of this Letter of Offer.

#### **C. Legal proceedings initiated against our Subsidiary**

As on the date of this Letter of Offer, there are no outstanding legal proceedings initiated against our Subsidiary.

#### **D. Legal proceedings initiated by our Subsidiary**

As on the date of this Letter of Offer, there are no outstanding legal proceedings initiated by our Subsidiary.

## **GOVERNMENT AND OTHER STATUTORY APPROVALS**

*Our Company is required to obtain consents, licenses, permissions and approvals from various governmental and regulatory authorities that are required for carrying on our present business operation. Some of the approvals and license that we require for our present business operation may expire in the ordinary course of business, in which case, we will apply for their renewal from time to time.*

### **Material pending government and regulatory approvals pertaining to the Objects of the Issue**

As on the date of this Letter of Offer, there are no material pending government and regulatory approvals pertaining to the Objects of the Issue.



## **OTHER REGULATORY AND STATUTORY DISCLOSURES**

### **Authority for the Issue**

This Issue has been authorized by the resolution passed by our Board at its meeting held on August 25, 2020 pursuant to Section 62 and other provisions of the Companies Act.

The Rights Issue Committee of our Company, in their meeting held on August 6, 2021, has determined the Issue Price as ₹ 12.50 per Rights Equity Share including a premium of ₹10.50 per Rights Equity Share and the Rights Entitlements as 40 (Forty) Rights Equity Shares for every 99 (Ninety Nine) fully paid up Equity Shares held on the Record Date. The Issue Price has been arrived at in consultation with the Lead Manager. On Application, Investors will have to pay ₹6.25 per Rights Equity Share, which constitutes 50.00% of the Issue Price and the balance ₹6.25 per Rights Equity Share which constitutes 50.00% of the Issue Price, will have to be paid, on the First and Final Call, as determined by our Board at its sole discretion.

Our Company has received 'in-principle' approval from the BSE for listing of the Rights Equity Shares to be allotted in the Issue pursuant to their letter dated March 18, 2021. Our Company will also make applications to BSE to obtain its trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

### **Prohibition by SEBI or RBI**

Our Company, the Promoter, Promoter Group and the Directors of our Company have not been or are not prohibited from accessing or operating in the capital markets, or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

None of our Promoter and Promoter Group, the Directors, persons in control of our Company or the persons in control of our Promoter and Promoter Group was or is a promoter, director or person in control of any other company which has been restrained, prohibited or debarred from accessing or operating in the capital markets, or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

None of the Directors of our Company are associated with the capital market in any manner. SEBI has not initiated action against any entity with which our Directors are associated.

Neither our Promoter nor our Directors are declared as Fugitive Economic Offenders.

### **Eligibility for the Issue**

Our Company is a listed company and has been incorporated under the Companies Act, 1956. Presently, the Equity Shares of the Company are listed on the BSE. Our Company is eligible to offer the Rights Equity Shares pursuant to the Issue in terms of the provisions of the Companies Act, applicable provisions of the SEBI ICDR Regulations and other applicable laws.

### **Applicability of the SEBI ICDR Regulations**

The present Issue being of less than ₹5,000 Lakhs, Our Company is in compliance with the first proviso to Regulation 3 of the SEBI ICDR Regulations and our Company shall file the copy of the Letter of Offer prepared in accordance with the SEBI ICDR Regulations with SEBI for information and dissemination on the website of SEBI, i.e. [www.sebi.gov.in](http://www.sebi.gov.in).

### **Compliance with Regulation 61 and 62 of the SEBI ICDR Regulations**

Our Company is in compliance with requirements of Regulation 61 and 62 of the SEBI ICDR Regulations to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI ICDR Regulations, our Company has made applications to the BSE and has received its in-principle approvals for listing of the Rights Equity Shares to be issued pursuant to this Issue.

### **Compliance of Part B of Schedule VI of the SEBI ICDR Regulations**

Our Company has complied with the requirements of Part B of Schedule VI of the SEBI ICDR Regulations, to the extent applicable, in terms of the disclosures made in this Letter of Offer.

Further, our Company confirms that it is in compliance with the following:

- a) Our Company has been filing periodic reports, statements and information in compliance with the SEBI Listing Regulations, as applicable, for the last one year immediately preceding the date of filing of this Letter of Offer with the BSE;
- b) the reports, statements and information referred to in sub-clause (a) above are available on the website of the BSE; and
- c) Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by the Board as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI ICDR Regulations, and given that the conditions specified in Clause (3) of Part B of Schedule VI of SEBI ICDR Regulations are not applicable to our Company, the disclosures in this Letter of Offer are in terms of Clause (4) of Part B of Schedule VI of the SEBI ICDR Regulations.

## **DISCLAIMER CLAUSES**

### **1. SEBI**

As required, a copy of the Letter of Offer will be submitted to SEBI.

**“IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE SUBMISSION OF THE LETTER OF OFFER 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 THE LETTER OF OFFER. THE LEAD MANAGER, VIVRO FINANCIAL SERVICES PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE LETTER OF OFFER ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE LETTER OF OFFER, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE THE LEAD MANAGER, VIVRO FINANCIAL SERVICES PRIVATE LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED AUGUST 6, 2021 WHICH READS AS FOLLOWS:**

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL WHILE FINALISING THE LETTER OF OFFER OF THE SUBJECT ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION, CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**
  - a) THE LETTER OF OFFER FILED WITH SEBI IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;**

- b) ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS SPECIFIED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
- c) THE MATERIAL DISCLOSURES MADE IN THE LETTER OF OFFER ARE TRUE AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THESE REGULATIONS AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. BESIDES OURSELVES, ALL INTERMEDIARIES NAMED IN THE LETTER OF OFFER ARE REGISTERED WITH SEBI AND THAT TILL DATE, SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS - NOT APPLICABLE.
5. WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF THE PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED OR SOLD OR TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE LETTER OF OFFER WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE LETTER OF OFFER – NOT APPLICABLE, BEING A RIGHTS ISSUE.
6. ALL APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS, WHICH RELATE TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAVE BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION(S) HAVE BEEN MADE IN THE LETTER OF OFFER – NOT APPLICABLE, BEING A RIGHTS ISSUE.
7. ALL APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 WHICH RELATE TO RECEIPT OF PROMOTERS' CONTRIBUTION PRIOR TO OPENING OF THE ISSUE, SHALL BE COMPLIED WITH. ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THAT THE AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE ISSUE– NOT APPLICABLE, BEING A RIGHTS ISSUE.
8. NECESSARY ARRANGEMENTS SHALL BE MADE TO ENSURE THAT THE MONIES RECEIVED PURSUANT TO THE ISSUE ARE CREDITED OR TRANSFERRED TO IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONIES SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES, AND THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION - NOTED FOR COMPLIANCE TO THE EXTENT APPLICABLE.
9. THE EXISTING BUSINESS AS WELL AS ANY NEW BUSINESS OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED FALL WITHIN THE 'MAIN OBJECTS' IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED IN THE LAST TEN YEARS ARE VALID IN TERMS OF THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION - COMPLIED WITH TO THE EXTENT APPLICABLE.

**10. FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE LETTER OF OFFER –**

- a) **AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER WHERE AN ISSUER HAS OUTSTANDING SUPERIOR RIGHTS EQUITY SHARES - COMPLIED WITH (THE COMPANY HAS NOT ISSUED ANY SUPERIOR RIGHTS EQUITY SHARES), AND**
- b) **THAT THE ISSUER SHALL COMPLY WITH ALL DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI.**

**11. WE SHALL COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENTS IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 TO THE EXTENT APPLICABLE.**

**12. IF APPLICABLE, THE COMPANY IS ELIGIBLE TO LIST ON THE INNOVATORS GROWTH PLATFORM IN TERMS OF THE PROVISIONS OF CHAPTER X OF THE SEBI ICDR REGULATIONS, 2018.- NOT APPLICABLE, BEING A RIGHTS ISSUE.**

**THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH THE LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE LETTER OF OFFER.**

**2. Our Company and the Lead Manager**

Our Company and the Lead Manager, namely Vivro Financial Services Private Limited, accept no responsibility for statements made otherwise than in this Letter of Offer or in the advertisement or any other material issued by or at the instance of our Company and that anyone placing reliance on any other source of information would be doing so at their own risk.

Investors who invest in the Issue will be deemed to have been represented by our Company and the Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company, and are relying on independent advice/evaluation as to their ability and quantum of investment in this Issue.

We and the Lead Manager shall make all information available to the Eligible Equity Shareholders and no selective or additional information would be available for a section of the Eligible Equity Shareholders in any manner whatsoever including at presentations, in research or sales reports etc. after filing of this Letter of Offer with the SEBI.

**Applicants will be required to confirm and will be deemed to have represented to our Company and the Lead Manager 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 Rights Equity Shares of our Company and that they shall not issue, sell, pledge or transfer their Rights Entitlements or Rights Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Rights Equity Shares. Our Company, the Lead Manager 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 any Rights Equity Shares.**

The Lead Manager and its affiliates may engage in transactions with, and perform services for, our Company and our group entities or affiliates in the ordinary course of business and have engaged, or may in the future engage, in transactions with our Company and our group entities or affiliates, for which they have received, and may in the future receive, compensation.

### **3. Disclaimer with respect to jurisdiction**

This Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of this Issue will be subject to the jurisdiction of the appropriate court(s) in Ahmedabad, Gujarat, India only.

### **4. Disclaimer Clause of the Stock Exchange**

BSE Limited (“the Exchange”) has given vide its letter dated March 18, 2021, permission to this Company to use the Exchange’s name in this Letter of Offer as the stock exchange on which this Company’s securities are proposed to be listed. The Exchange has scrutinized this Letter of Offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- i. Warrant, certify or endorse the correctness or completeness of any of the contents of this Letter of Offer; or
- ii. Warrant that this Company’s securities will be listed or will continue to be listed on the Exchange; or
- iii. Take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this Letter of Offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

### **Filing**

In accordance with the SEBI ICDR Regulations, the copy of this Letter of Offer has been filed with BSE and with Corporation Finance Department of the SEBI, located at SEBI Bhavan, Western Regional Office, Panchvati, 1st Lane, Gulbai Tekra Road, Ahmedabad - 380006, Gujarat, India and through the SEBI intermediary portal at <https://siportal.sebi.gov.in> in terms of the SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, for the purpose of their information and dissemination on its website.

### **Selling Restrictions**

The distribution of this Letter of Offer, Abridged Letter of Offer, Entitlement Letter, Application Form and the issue of Rights Equity Shares, to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession this Letter of Offer, Abridged Letter of Offer, Entitlement Letter or Application Form may come are required to inform themselves about and observe such restrictions.

We are making this Issue of Equity Shares on a rights basis to the Eligible Equity Shareholders and will send/dispatch the Letter of Offer / Abridged Letter of Offer, Entitlement Letter, Application Form, and other applicable Issue material (collectively, the “**Issue Materials**”) only to such Eligible Equity Shareholders who have provided an Indian address to our Company. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Those overseas shareholders who have not updated our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to e-mail the Letter of Offer / Abridged Letter of Offer, Entitlement Letter and Application Form, shall not be sent the Letter of Offer / Abridged Letter of Offer, Entitlement Letter and Application Form. Further, the Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company or the Lead Manager to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, the Lead Manager, and the Stock Exchange, and on R-WAP, subject to applicable law. Our Company shall also endeavor to dispatch physical copies of the Issue Materials to Eligible Equity Shareholders who have provided an Indian address to our

Company. Accordingly, our Company, the Lead Manager and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form must be treated as sent for information only and should not be copied, redistributed or acted upon for subscription to Rights Equity Shares or the purchase of Rights Entitlements. Accordingly, persons receiving a copy of this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form should not, in connection with the issue of the Rights Entitlements or Rights Equity Shares, distribute or send such document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations or would subject the Company, Lead Manager or their respective affiliates to any filing or registration requirement (other than in India). If this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and/or Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlement or Rights Equity Shares referred to in this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form. Envelopes containing an Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares in this Issue must provide an Indian address.

Any person who makes an application to acquire Rights Entitlements and the Rights Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that such person is authorised to acquire the Rights Entitlement and the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in his jurisdiction, without requirement for our Company, the Lead Manager or their respective affiliates to make any filing or registration (other than in India).

Neither the delivery of this Letter of Offer, Abridged Letter of Offer, Entitlement Letter and Application Form nor any sale or offer hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of this Letter of Offer or any other Issue Material or date of such information.

**The contents of this Letter of Offer and Abridged Letter of Offer should not be construed as business, legal, tax or investment advice. Prospective investors may be subject to adverse foreign, state or local tax or legal consequences as a result of buying or selling of Rights Equity Shares or Rights Entitlements. As a result, each investor should consult its own counsel, business advisor and tax advisor as to the legal, business, tax and related matters concerning the offer of Rights Equity Shares or Rights Entitlements. In addition, neither our Company nor the Lead Manager nor any of their respective affiliates are making any representation to any offeree or purchaser of the Rights Equity Shares or the Rights Entitlements regarding the legality of an investment in the Rights Equity Shares or the Rights Entitlements by such offeree or purchaser under any applicable laws or regulations.**

#### **NO OFFER IN THE UNITED STATES**

The Rights Entitlements and the Rights Equity Shares have not been and will not be registered under the United States Securities Act, 1933, as amended (“**Securities Act**”), or any U.S. state securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof (“**United States**” or “**U.S.**”) or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S under the Securities Act (“**Regulation S**”), except in a transaction exempt from the registration requirements of the Securities Act. The Rights Entitlements and Rights Equity Shares referred to in this Letter of Offer are being offered in India and in jurisdictions where such offer and sale of the Rights Equity Shares and/ Or Rights Entitlements are permitted under laws of such jurisdictions, but not in the United States. The offering to which this Letter of Offer and Abridged Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights.

Accordingly, this Letter of Offer / Abridged Letter of Offer, Entitlement Letter and Application Form should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made. No payments for subscribing for the Rights Equity Shares shall be made from US bank accounts and all persons subscribing for the Rights Equity Shares and wishing to hold such Rights Equity Shares in registered form must provide an address for registration of the Rights Equity Shares in India.

**We, the Registrar, the Lead Manager or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which: (i) does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorised to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations; (ii) appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States; (iii) where a registered Indian address is not provided; or (iv) where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and we shall not be bound to allot or issue any Rights Equity Shares in respect of any such Application Form.**

Rights Entitlements may not be transferred or sold to any person in the United States.

### **Investor Grievances and Redressal System**

Our Company has adequate arrangements for the redressal of investor complaints. Redressal norm for response time for all correspondence including shareholders complaints is within 15 (Fifteen) days. Additionally, we have been registered with SCORES, as required by the SEBI Circular no. CIR/OIAE/2/2011 dated June 3, 2011. Letters are filed category wise after being duly attended. A well-arranged correspondence system has been developed for letters of a routine nature.

Our Company has a Stakeholders' Relationship Committee which meets as and when required, to deal with and monitor redressal of complaints from shareholders. Link Intime India Private Limited is our Registrar and Share Transfer Agent. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Compliance Officer.

### **Status of Complaints**

1. Total number of complaints received during FY 2018-19: 1 complaint received and resolved
2. Total number of complaints received during FY 2019-20: Nil
3. Total number of complaints received during FY 2020-21: 1 complaint received
4. Time normally taken for disposal of various types of investor complaints:
  - a) Share transfer process: Within 15 (fifteen) days after receiving full set of documents
  - b) Share transmission process: Within 21 (twenty one) days after receiving full set of documents
  - c) Other complaints: Within 7 (seven) to 10 (ten) days from the receipt of the complaint

### **Status of outstanding investor complaints**

As on the date of this Letter of Offer, there is 1 (One) outstanding Investor complaint.

As mentioned, our Company is registered with the SCORES. Consequently, Investor grievances are tracked online by our Company.

The average time taken by the Registrar to the Issue for attending to routine grievances will be within 30 (Thirty) days from the date of receipt. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to the Issue to attend to them as expeditiously as possible. We undertake to resolve the investor grievances in a time bound manner.

### **Investor Grievances arising out of the Issue**

Any investor grievances arising out of the Issue will be handled by the Registrar to the Issue. The agreement between the Company and the Registrar to the Issue provides for a period for which records shall be retained by the Registrar to the Issue in order to enable the Registrar to the Issue to redress grievances of Investors.

All grievances relating to the ASBA process or R-WAP process may be addressed to the Registrar to the Issue, with a copy to the SCSB in case of ASBA process, giving full details such as Folio No. / Demat Account No., name and address, contact telephone/ cell numbers, email id of the first Applicant, number of Rights Equity Shares applied for, serial number of Application Form, amount blocked (in case of ASBA process) or amount debited (in case of R-WAP process), the name of the bank/ SCSB and the branch where the Application Form was deposited, along with a photocopy of the acknowledgement slip (in case of ASBA process) and copy of e-acknowledgment (in case of R-WAP process). In case of renunciation, the same details of the Renouncee should be furnished. For details on the ASBA and R-WAP process, please see the chapter titled “*Terms of the Issue*” on Page 137.

Investors may contact the Registrar to the Issue at:

#### **Registrar to the Issue**

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

C-101, 1<sup>st</sup> Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400083, Maharashtra, India.

**Contact Person:** Mr. Sumeet Deshpande

**Tele:** + 91-22-4918 6200

**Email:** [scanpoint.rights2021@linkintime.co.in](mailto:scanpoint.rights2021@linkintime.co.in)

**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)

**Investor Grievance ID:** [scanpoint.rights2021@linkintime.co.in](mailto:scanpoint.rights2021@linkintime.co.in)

**SEBI Registration No.:** INR000004058

**Investors may contact the Compliance Officer and/or Registrar to the Issue in case of any pre-Issue/ post - Issue related problems such as non-receipt of Allotment Advice/demat credit/refund orders etc. The contact details of the Compliance Officer are as follows:**

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

##### **Ms. Shaili S. Mehta**

12, Abhishree Corporate Park,  
ISKCON- Ambli Road, Ahmedabad- 380058, Gujarat, India.

**Telephone:** +91-2717-297096/98

**E-mail:** [cs@sgligis.com](mailto:cs@sgligis.com)

**Website:** [www.sgligis.com](http://www.sgligis.com)

In accordance with the SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar at <http://www.linkintime.co.in>. Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties is 022 - 4918 6200.



## SECTION VIII – OFFERING INFORMATION

### TERMS OF THE ISSUE

*This section is for the information of the Investors proposing to apply in this Issue. Investors should carefully read the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter and the Application Form, before submitting the Application Form. Our Company and the Lead Manager are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigation and ensure that the Application Form is correctly filled up. Unless otherwise permitted under the SEBI ICDR Regulations read with SEBI Rights Issue Circulars, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this section.*

### OVERVIEW

This Issue and the Rights Equity Shares proposed to be issued on a rights basis, are subject to the terms and conditions contained in this Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI ICDR Regulations, the SEBI Listing Regulations and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreement entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment Advice.

### Important:

#### 1. Dispatch and availability of Issue materials:

In accordance with the SEBI ICDR Regulations and SEBI Rights Issue Circulars, our Company will send/dispatch, at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Entitlement Letter, Application Form and other issue material (“**Issue Materials**”) only to such Eligible Equity Shareholders who have provided their Indian addresses to our Company and who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Further this Letter of Offer will be provided, only through email, by the Registrar on behalf of our Company or Lead Manager to the Eligible Equity Shareholders who have provided their Indian addresses to our Company, and who makes a request in that regard. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- i. our Company at [www.sgligis.com](http://www.sgligis.com);
- ii. the Registrar at [www.linkintime.co.in](http://www.linkintime.co.in);
- iii. the Lead Manager at [www.vivro.net](http://www.vivro.net);
- iv. the Stock Exchange at [www.bseindia.com](http://www.bseindia.com); and
- v. the Registrar’s web-based application platform (“R-WAP”) at [www.linkintime.co.in](http://www.linkintime.co.in).

Further, our Company along with the Lead Manager will undertake all adequate steps to reach out to the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible. In light of the current COVID-19 situation, our Company, the Lead Manager and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials, including the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter and the Application Form attributable to the non-availability of the e-mail addresses of Eligible

Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Entitlement Letters are delayed or misplaced in transit.

## 2. Facilities for Application in this Issue:

**In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and subject to the conditions prescribed under the SEBI circular SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009 and SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011 (together the “ASBA Circulars”), all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process or the optional mechanism instituted only for resident Investors in this Issue, i.e., R-WAP. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA or using the R-WAP. For details, please see “*Procedure for Application through the ASBA Process*” and “*Procedure for Application through R-WAP facility*” on pages 148 and 149 respectively.**

- (a) **ASBA facility:** Investors can submit either the Application Form in physical mode to the Designated Branch of the SCSBs or online/ electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility. Investors should note that the ASBA process involves procedures that are different from the procedure under the R-WAP process. Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, please see “*Procedure for Application through the ASBA Process*” on page 148.

Please note that subject to SCSBs complying with the requirements of SEBI Circular CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI Circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

- (b) **Registrar’s Web-based Application Platform (R-WAP):** In accordance with SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020 read with SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020, SEBI circular SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021, and SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021, a separate web based application platform, i.e., the R-WAP facility (accessible at [www.linkintime.co.in](http://www.linkintime.co.in)), has been instituted for making an Application in this Issue by resident Investors. Further, **R-WAP is only an additional option and not a replacement of the ASBA process.** At the R-WAP, resident Investors can access and submit the online Application Form in electronic mode using the R-WAP and make online payment using their internet banking or UPI facility from their own bank account thereat. Prior to making an Application, such Investors should enable the internet banking or UPI facility of their respective bank accounts and such Investors should ensure that the respective bank accounts have sufficient funds.

**PLEASE NOTE THAT ONLY RESIDENT INVESTORS CAN SUBMIT AN APPLICATION USING R-WAP FACILITY. R-WAP FACILITY WILL BE OPERATIONAL FROM THE ISSUE OPENING DATE. FOR RISKS ASSOCIATED WITH THE R-WAP PROCESS, PLEASE SEE “RISK FACTORS - THE R-WAP PAYMENT MECHANISM FACILITY PROPOSED TO BE USED FOR THIS ISSUE MAY BE EXPOSED TO RISKS, INCLUDING RISKS ASSOCIATED WITH PAYMENT GATEWAYS” ON PAGE 29.**

For guidance on the Application process through R-WAP and resolution of difficulties faced by the Investors, the Investors are advised to carefully read the frequently asked questions or call helpline number (022 - 4918 6200). For details, please see “*Procedure for Application through R-WAP*” on page 149.

### **3. Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders**

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only.

Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar; or (e) credit of the Rights Entitlements returned/reversed/failed; (f) the ownership of the Equity Shares currently under dispute, including any court proceedings; or (g) Eligible Equity Shareholders who have not provided their Indian addresses.

Eligible Equity Shareholders, whose Rights Entitlements are credited in demat suspense escrow account opened by our Company, are requested to provide relevant details (such as copy of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e. Wednesday, September 08, 2021, to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar, is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e., [www.linkintime.co.in](http://www.linkintime.co.in)). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar (i.e., [www.linkintime.co.in](http://www.linkintime.co.in)) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., [www.sgligis.com](http://www.sgligis.com)).

### **4. Other important links and helpline:**

The Investors can visit following links for the below-mentioned purposes:

- Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: [www.linkintime.co.in](http://www.linkintime.co.in)
- Updation of Indian address/ email address/ mobile number in the records maintained by the Registrar or our Company: [www.linkintime.co.in](http://www.linkintime.co.in)
- Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: [www.linkintime.co.in](http://www.linkintime.co.in)
- Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Equity Shareholders: [scanpoint.rights2021@linkintime.co.in](mailto:scanpoint.rights2021@linkintime.co.in)

### **Renounees**

All rights and obligations of the Eligible Equity Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renounee(s) as well.

### **Basis for this Issue**

The Rights Equity Shares are being offered for subscription for cash to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members of our Company in respect of our Equity Shares held in physical form at the close of business hours on the Record Date.

## **Rights Entitlements**

Eligible Equity Shareholders whose names appear as a beneficial owner in respect of the Equity Shares held in dematerialised form or appears in the register of members of our Company as an equity shareholder in respect of our Equity Shares held in physical form, as on the Record Date, are entitled to subscribe to the number of Rights Equity Shares as set out in the Entitlement Letter.

The Registrar will email an Entitlement Letter along with the Abridged Letter of Offer and the Application Form to all Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions, which will contain details of their Rights Entitlements based on their shareholding as on the Record Date.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., [www.linkintime.co.in](http://www.linkintime.co.in)) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., [www.sgligis.com](http://www.sgligis.com)).

Rights Entitlements shall be credited to the respective demat accounts of Eligible Equity Shareholders before the Issue Opening Date only in dematerialised form. If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e., [www.linkintime.co.in](http://www.linkintime.co.in)). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements are credited in their demat accounts.).

**Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send/dispatch the Abridged Letter of Offer, the Entitlement Letter, the Application Form and other issue material (“Issue Materials”) only to such Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address then Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. Further this Letter of Offer will be provided, only through email by the Registrar on behalf of our Company or the Lead Manager to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and in each case who make a request in this regard. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them. For more details, please see the chapter titled “Notice to Overseas Shareholders” on page 11.**

## **PRINCIPAL TERMS OF THIS ISSUE**

### **Face Value**

Each Rights Equity Share will have the face value of ₹2.

### **Issue Price**

The Rights Equity Shares are being offered at a price of ₹12.50 per Rights Equity Share (including a premium of ₹10.50 per Rights Equity Share) in this Issue. On Application, Investors will have to pay ₹6.25 per Rights Equity Share which constitutes 50.00% of the Issue Price and the balance ₹6.25 per Rights Equity Share which constitutes 50.00% of the Issue Price, will have to be paid on the First and Final Call, as determined by our Board at its sole discretion.

The Issue Price for Rights Equity Shares has been arrived at by our Company in consultation with the Lead Manager and has been decided prior to the determination of the Record Date.

## **Rights Entitlements Ratio**

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 40 (Forty) Rights Equity Shares for every 99 (Ninety Nine) fully paid up Equity Shares held by the Eligible Equity Shareholders as on the Record Date.

## **Renunciation of Rights Entitlements**

This Issue includes a right exercisable by Eligible Equity Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and *vice versa* shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Equity Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer. For details, please see “*Procedure for Renunciation of Rights Entitlements*” on page 150.

In accordance with SEBI Rights Issue Circulars, the Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

## ***Credit of Rights Entitlements in dematerialised account***

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or the Registrar; or (e) credit of the Rights Entitlements returned/reversed/failed; (f) the ownership of the Equity Shares currently under dispute, including any court proceedings; or (g) Eligible Equity Shareholders who have not provided their Indian addresses.

In this regard, our Company has made necessary arrangements with NSDL and CDSL for the credit of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A separate ISIN for the Rights Entitlements has also been generated which is INE967B20010 . The said ISIN shall remain frozen (for debit) until the Issue Opening Date and shall become active on the Issue Opening Date and remain active for renunciation or transfer during the Renunciation Period. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Eligible Equity Shareholders, whose Rights Entitlements are credited in demat suspense escrow account opened by our Company, are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar not later than two Working Days prior to the Issue Closing Date, *i.e.*, by Wednesday, September 08, 2021 to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least one day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Equity Shareholders in this regard. Such Eligible Equity Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in

physical form can update the details of their demat accounts on the website of the Registrar (i.e., [www.linkintime.co.in](http://www.linkintime.co.in)). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Equity Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat.

### ***Trading of the Rights Entitlements***

In accordance with the SEBI Rights Issue Circulars, the Rights Entitlements credited shall be admitted for trading on the Stock Exchange under ISIN - INE967B20010. Prior to the Issue Opening Date, our Company will obtain the approval from the Stock Exchange for trading of Rights Entitlements. Investors shall be able to transfer their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The transfer through On Market Renunciation and Off Market Renunciation will be settled through the depository mechanism.

The On Market Renunciation shall take place electronically on the secondary market platform of the Stock Exchange on T+2 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlement.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from Monday, August 30, 2021 to Tuesday, September 07, 2021 (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date. For details, please see “*Procedure for Renunciation of Rights Entitlements – On Market Renunciation*” and “*Procedure for Renunciation of Rights Entitlements – Off Market Renunciation*” on page 151, respectively.

**Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.**

### **Payment Schedule of Rights Equity Shares**

The Issue Price of ₹12.50 per Rights Equity Share (including premium of ₹10.50 per Rights Equity Share) shall be payable as follows:

<b>Particular</b>	<b>Face Value (₹ per Rights Equity Share)</b>	<b>Premium (₹ per Rights Equity Share)</b>	<b>Total (₹ per Rights Equity Share)</b>
On Application	1.00	5.25	6.25 <sup>(1)</sup>
On First and Final Call <sup>#</sup>	1.00	5.25	6.25 <sup>(2)</sup>
<b>Total</b>	<b>2.00</b>	<b>10.50</b>	<b>12.50</b>

<sup>(1)</sup> Constitutes 50.00% of the Issue Price

<sup>(2)</sup> Constitutes 50.00% of the Issue Price

<sup>#</sup> To be paid at such time as may be determined by the Board at its sole discretion

Rights Equity Shares in respect of which the Call payable remains unpaid may be forfeited, at any time after the due date for payment of the balance amount due in accordance with the Companies Act, 2013 and our Articles of Association.

Where an Applicant has applied for Additional Rights Equity Shares and is Allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI ICDR Regulations and the SEBI Rights Issue Circulars. In the event that there is a delay in making refunds

beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

### **Record date for Call and suspension of trading**

Our Company would fix a Call Record Date giving notice, in advance of such period as may be prescribed under applicable law, to the Stock Exchange for the purpose of determining the list of holders of the Rights Equity Shares to whom the notice for the Call would be sent. Once the Call Record Date has been fixed, trading in the Rights Equity Shares for which the Call has been made may be suspended prior to the Call Record Date.

### **Procedure for Call for Rights Equity Shares**

Our Company would convene a meeting of our Board to pass the required resolutions for making the Call and suitable intimation would be given by our Company to the Stock Exchange. Further, advertisements for the same will be published in (i) one English national daily newspaper; (ii) one Hindi language national daily newspaper; and (iii) one Gujarati language daily newspaper (Gujarati being the regional language of Gujarat, where our Registered Office is situated), all with wide circulation.

The Call shall be deemed to have been made at the time when the resolution authorising such Call is passed at the meeting of our Board. The Call may be revoked or postponed at the discretion of our Board. Pursuant to the provisions of the Articles of Association, the Investors would be given at least 14 days' notice for the payment of the Call. The payment period for the Call Money shall be kept open for 15 (Fifteen) days from the date of making the Call or such extended period as may be approved by our Board at its discretion. Our Company, at its sole discretion and as it may deem fit, may send one or more reminders for the Call, and if it does not receive the Call Money as per the timelines stipulated, the defaulting holders of the Rights Equity Shares will be liable to pay interest as may be fixed by our Board unless waived or our Company may forfeit the Application Money.

### **Payment of Call Money**

In accordance with the SEBI circular bearing reference number SEBI/HO/CFD/DIL1/CIR/238/2020 dated December 8, 2020 regarding additional payment mechanism (i.e. ASBA, etc.) for payment of balance money in calls for partly paid specified securities issued by the listed entity, the Investor may make payment of the Call Money using ASBA Mechanism through the Designated Branch of the SCSB or through online/electronic through the website of the SCSBs (if made available by such SCSB) by authorizing the SCSB to block an amount, equivalent to the amount payable on Call Money, in the Investor's ASBA Account. The Investor may also use the facility of linked online trading, demat and bank account (3-in-1 type account), if provided by their broker, for making payment of the Call Money.

### **Separate ISIN for Rights Equity Shares**

In addition to the present ISIN for the existing Equity Shares, our Company would obtain a separate ISIN for the Rights Equity Shares for each Call, until fully paid-up. The Rights Equity Shares offered under this Issue will be traded under a separate ISIN after each Call for the period as may be applicable under the rules and regulations prior to the record date for the final Call notice. The ISIN representing the Rights Equity Shares will be terminated after the Call Record Date for the final Call. On payment of the final Call Money in respect of the Rights Equity Shares, such Rights Equity Shares would be fully paid-up and merged with the existing ISIN of our Equity Shares.

### **Fractional Entitlements**

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 40 (Forty) Rights Equity Shares for every 99 (Ninety Nine) fully paid up Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than 99 (Ninety Nine) Equity Shares or is not in the multiple of 99 (Ninety Nine) Equity Shares, the fractional entitlements of such Eligible Equity Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for Additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder holds 105 (One Hundred and Five) Equity Shares, such Equity Shareholder will be entitled to 42 (Forty Two) Rights Equity Shares and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for Additional Rights Equity Shares, over and above his/her Rights Entitlements, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than 3 (Three) Equity Shares shall have 'zero' entitlement for the Rights Equity Shares. Such Eligible Equity Shareholders are entitled to apply for Additional Rights Equity Shares and will be given preference in the Allotment of one Rights Equity Share, if such Eligible Equity Shareholders apply for Additional Rights Equity Shares, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.

### **Ranking**

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of this Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter, the Application Form and the Memorandum of Association and the Articles of Association, the provisions of the Companies Act, 2013, FEMA, the SEBI ICDR Regulations, the SEBI Listing Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment Advice. The Rights Equity Shares to be issued and Allotted under this Issue shall, upon being fully paid up, rank *pari passu* with the existing Equity Shares, in all respects including dividends. In respect of the Rights Equity Shares, Investors are entitled to dividend in proportion to the amount paid up and their voting rights exercisable on a poll shall also be proportional to their respective share of the paid-up equity capital of our Company.

### **Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue**

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI ICDR Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary formalities for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI ICDR Regulations. Our Company has received in principle approval from the BSE through letter bearing reference number DCS/RIGHT/PB/FIP/1097/2020-21 dated March 18, 2021.

Our Company will apply to the Stock Exchange for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.

For an applicable period, from the Call Record Date, the trading of the Rights Equity Shares would be suspended under the applicable law. The process of corporate action for crediting the fully paid-up Rights Equity Shares to the Investors' demat accounts, may take such time as is customary or as prescribed under applicable law from the last date of payment of the amount under the Call notice for the final Call.

The existing Equity Shares are listed and traded on BSE (Scrip Code: 526544) under the ISIN: INE967B01028. The Rights Equity Shares shall be credited to a temporary ISIN which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange. Upon receipt of such listing and trading approval, the Rights Equity Shares shall be debited from such temporary ISIN and credited to the new ISIN for the Rights Equity Shares and thereafter be available for trading and the temporary ISIN shall be permanently deactivated in the depository system of CDSL and NSDL. The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchange, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within 4 (Four) days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within said period, our Company and every director of our



Company who is an officer-in-default shall, on and from the expiry of the fourth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

### **Subscription to this Issue by our Promoter and our Promoter Group**

For details of the intent and extent of subscription by our Promoter and the Promoter Group, please see the chapter titled “*Capital Structure – Intention and extent of participation in the Issue by the Promoter and Promoter Group*” on page 39.

### **Rights of Holders of Rights Equity Shares of our Company**

Subject to applicable laws, the holders of Rights Equity Shares shall have the following rights in proportion to amount paid-up on the Rights Equity Shares:

- i. The right to receive dividend, if declared;
- ii. The right to vote in person, or by proxy;
- iii. The right to receive surplus on liquidation;
- iv. The right to free transferability of Rights Equity Shares;
- v. The right to attend general meetings of our Company and exercise voting powers in accordance with law, unless prohibited / restricted by law and
- vi. Such other rights as may be available to a shareholder of a listed public company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

**Subject to applicable law and Articles of Association, holders of Rights Equity Shares shall be entitled to the above rights in proportion to amount paid-up on such Rights Equity Shares in this Issue.**

## **GENERAL TERMS OF THE ISSUE**

### **Market Lot**

The Rights Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for Rights Equity Shares in dematerialised mode is one Equity Share.

### **Joint Holders**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for Allotment of Rights Equity Shares offered in this Issue.

### **Nomination**

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014.

Since the Allotment is in dematerialised form, there is no need to make a separate nomination for the Rights Equity Shares to be Allotted in this Issue. Nominations registered with the respective DPs of the Investors would prevail. Any Investor holding Equity Shares in dematerialised form and desirous of changing the existing nomination is requested to inform its Depository Participant.

### **Arrangements for Disposal of Odd Lots**

The Rights Equity Shares shall be traded in dematerialised form only and, therefore, the marketable lot shall be one Rights Equity Share and hence, no arrangements for disposal of odd lots are required.

## Notices

In accordance with the SEBI ICDR Regulations and SEBI Rights Issue Circulars, our Company will send/dispatch, the Abridged Letter of Offer, the Entitlement Letter, Application Form and other issue material only to such the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. The Letter of Offer will be provided by the Registrar on behalf of our Company and the Lead Manager to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Material will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Equity Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national daily newspaper with wide circulation and one Gujarati language daily newspaper with wide circulation (Gujarati being the regional language where our Registered Office is situated).

The Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their websites.

### **Offer to Non-Resident Eligible Equity Shareholders/Investors**

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue rights equity shares to non-resident shareholders including Additional rights equity shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 read with FEMA Rules, non-residents may, amongst other things, (i) subscribe for additional shares over and above their Rights Entitlements; (ii) renounce the shares offered to them either in full or part thereof in favour of a person named by them; or (iii) apply for the shares renounced in their favour. Applications received from NRIs and non-residents for Allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Entitlement Letters/ letters of Allotment/Allotment Advice. If a non-resident or NRI Investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar at [scanpoint.rights2021@linkintime.co.in](mailto:scanpoint.rights2021@linkintime.co.in).

The Abridged Letter of Offer, the Entitlement Letter and Application Form shall be sent to the email address of non-resident Eligible Equity Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. Investors can access this Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of the Registrar, our Company, the Lead Manager and the Stock Exchange. Our Board may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Rights Equity Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Rights Equity Shares are issued on rights basis.

In case of change of status of holders, *i.e.*, from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company and the Lead Manager.

**Please note that only resident Investors can submit an Application using the R-WAP facility.**

Please also note that pursuant to Circular No. 14 dated September 16, 2003 issued by the RBI, Overseas Corporate Bodies (“OCBs”) have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of the RBI and to obtain prior approval from RBI for applying in this Issue.

The non-resident Eligible Equity Shareholders can update their Indian address in the records maintained by the Registrar and our Company by submitting their respective copies of self-attested proof of address, passport, etc. at [scanpoint.rights2021@linkintime.co.in](mailto:scanpoint.rights2021@linkintime.co.in).

## PROCEDURE FOR APPLICATION

### How to Apply

**In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process or the optional mechanism instituted only for resident Investors in this Issue, i.e., R-WAP. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA or using the R-WAP.**

For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, please see “*Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*” on page 154.

**The Lead Manager, our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.**

### Application Form

The Application Form for the Rights Equity Shares offered as part of this Issue would be sent/ dispatched only to the Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlements or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions.

The Application Form along with the Abridged Letter of Offer and the Entitlement Letter shall be sent/dispatched through email at least three days before the Issue Opening Date. In case of non-resident Eligible Equity Shareholders, the Application Form along with the Abridged Letter of Offer and the Entitlement Letter shall be sent through email if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions. The Renounees and Eligible Equity Shareholders who have not received the Application Form can download the same from the website of the Registrar, our Company, the Lead Manager or Stock Exchange.

**Please note that neither our Company nor the Registrar nor the Lead Manager shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter or the Application Form attributable to non-availability of the email addresses of Eligible Equity Shareholders or electronic transmission delays or failures, or if the Application Forms or the Entitlement Letters are delayed or misplaced in the transit or there is a delay in physical delivery (where applicable).**

To update the respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit [www.linkintime.co.in](http://www.linkintime.co.in). Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of:

- i. our Company at [www.sgligis.com](http://www.sgligis.com);
- ii. the Registrar at [www.linkintime.co.in](http://www.linkintime.co.in);
- iii. the Lead Manager at [www.vivro.net](http://www.vivro.net);
- iv. the Stock Exchange at [www.bseindia.com](http://www.bseindia.com); and
- v. the R-WAP facility at [www.linkintime.co.in](http://www.linkintime.co.in).

The Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., [www.linkintime.co.in](http://www.linkintime.co.in)) by entering their DP ID and Client ID or Folio Number (in case of resident Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., [www.sgligis.com](http://www.sgligis.com)).

The Application Form can be used by the Eligible Equity Shareholders as well as the Renounees, to make Applications in this Issue basis the Rights Entitlements credited in their respective demat accounts. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account.

In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Equity Shares by (i) submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or (ii) filling the online Application Form available on R-WAP and make online payment using the internet banking or UPI facility from their own bank account thereat. **Please note that Applications made with payment using third party bank accounts are liable to be rejected.**

Investors are also advised to ensure that the Application Form is correctly filled up stating therein, (i) the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB; or (ii) the requisite internet banking or UPI details (in case of Application through R-WAP, which is available only for resident Investors).

**Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB) and R-WAP. Incorrect depository account details or PAN could lead to rejection of the Application. For details, please see “Grounds for Technical Rejection” on page 157. Our Company, the Lead Manager, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.**

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, please see “*Application on Plain Paper under ASBA process*” on page 152.

#### **Options available to the Eligible Equity Shareholders**

The Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- i. apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- ii. apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- iii. apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- iv. apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for Additional Rights Equity Shares; or
- v. renounce its Rights Entitlements in full.

#### **Procedure for Application through the ASBA process**

An investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorisation to the SCSB, *via* the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

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

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

**Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.**

### **Procedure for Application through R-WAP facility**

**Resident Investors, making an Application through R-WAP, shall make online payment using internet banking or UPI facility. Prior to making an Application, such Investors should enable the internet banking or UPI facility of their respective bank accounts and such Investors should ensure that the respective bank accounts have sufficient funds. Our Company, the Registrar and the Lead Manager shall not be responsible if the Application is not successfully submitted or rejected during Basis of Allotment on account of failure to be in compliance with the same. R-WAP facility will be operational from the Issue Opening Date. For risks associated with the R-WAP process, please see “Risk Factors - The R-WAP payment mechanism facility proposed to be used for this issue may be exposed to risks, including risks associated with payment gateways” on page 29.**

Set out below is the procedure to be followed for using the R-WAP facility:

- i. Resident Investors should visit R-WAP (accessible at [www.linkintime.co.in](http://www.linkintime.co.in)) and fill the online Application Form available on R-WAP in electronic mode. Please ensure to provide correct DP ID, Client ID, Folio number (only for resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date), PAN details and all other details sought for while submitting the online Application Form.
- ii. Non-resident Investors are not eligible to apply in this Issue through R-WAP facility.
- iii. The Investors should ensure that Application process is verified through the email / mobile number. Post due verification, the Investors can obtain details of their respective Rights Entitlements and apply in this Issue by filling-up the online Application Form which, among others, will require details of total number of Rights Equity Shares to be applied for. Please note that the Application Money will be determined based on number of Rights Equity Shares applied for.
- iv. The Investors who are Renounees should select the category of ‘Renounee’ at the application page of R-WAP and provide DP ID, Client ID, PAN and other required demographic details for validation. The Renounees shall also be required to provide the required Application details, such as total number of Rights Equity Shares to be applied for.
- v. Investors applying in the Issue through UPI facility should accept the debit/ payment request in the relevant mobile application for which the UPI ID details were provided.
- vi. Prior to making an Application, the Investors should enable the internet banking or UPI facility of their respective bank accounts and the Investors should ensure that the respective bank accounts have sufficient funds. If the funds available in the bank account are less than total amount payable on submission of online Application Form, such Application shall be rejected. Please note that R-WAP is a non-cash mode mechanism in accordance with the SEBI Rights Issue Circulars.
- vii. The Investors shall make online payment using internet banking or UPI facility **from their own bank account only**. Such Application Money will be adjusted for either Allotment or refund. Applications made using payment from third party bank accounts will be rejected.
- viii. Verification in respect of Application through Investors’ own bank account, shall be done through the latest beneficial position data of our Company containing Investor’s bank account details, beneficiary account details provided to the depository, penny drop, cancelled cheque for joint holder verification and such other industry accepted and tested methods for online payment.
- ix. The Application Money collected through Applications made on the R-WAP will be credited to the Escrow Account, opened by our Company with the Banker(s) to the Issue.

## **Acceptance of this Issue**

Investors may accept this Issue and apply for the Rights Equity Shares by (i) submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or (ii) filling the online Application Form available on R-WAP and make online payment using their internet banking or UPI facility from their own bank account thereat.

Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange, and (ii) the R-WAP facility will be available until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

**Applications submitted to anyone other than the Designated Branches of the SCSB or using R-WAP are liable to be rejected.**

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the heading “*Application on Plain Paper under ASBA process*” on page 152.

## **Additional Rights Equity Shares**

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of Additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner prescribed under the heading “*Basis of Allotment*” on page 161.

**Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Rights Equity Shares.**

Non-resident Renounees who are not Eligible Equity Shareholders cannot apply for Additional Rights Equity Shares.

Pursuant to the SEBI Rights Issue Circulars, resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for Additional Rights Equity Shares while submitting the Application through ASBA process or using the R-WAP facility.

## **Procedure for Renunciation of Rights Entitlements**

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange; or (b) through an off-market transfer, during the Renunciation Period. The Investors should have the Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements. The Lead Manager and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.

**Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date. The Lead Manager and our Company accept no responsibility to bear or pay any cost, applicable taxes, charges and expenses (including brokerage), and such costs will be incurred solely by the Investors.**

***(a) On Market Renunciation***

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the Stock Exchange through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI ICDR Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Equity Shareholders shall be admitted for trading on the Stock Exchange under the ISIN - INE967B20010 subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the Stock Exchange from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is one Rights Entitlements.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, *i.e.*, from Monday, August 30, 2021 to Tuesday, September 07, 2021 (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN - INE967B20010 and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The On Market Renunciation shall take place electronically on secondary market platform of the Stock Exchange under automatic order matching mechanism and on 'T+2 rolling settlement basis', where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

***(b) Off Market Renunciation***

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialised form only.

Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renounees on or prior to the Issue Closing Date.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN - INE967B20010, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants.

The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

### **Application on Plain Paper under ASBA process**

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper in case of non-receipt of Application Form through e-mail or physical delivery (where applicable) and the Eligible Equity Shareholder not being in a position to obtain it from any other source. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorising such SCSB to block Application Money in the said bank account maintained with the same SCSB. **Applications on plain paper will not be accepted from any address outside India.**

Please note that the Eligible Equity Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

### **PLEASE NOTE THAT APPLICATION ON PLAIN PAPER CANNOT BE SUBMITTED THROUGH R-WAP FACILITY.**

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

1. Name of our Company, being Scanpoint Geomatics Limited;
2. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
3. Registered Folio Number/DP and Client ID No.;
4. Number of Equity Shares held as on Record Date;
5. Allotment option – only dematerialised form;
6. Number of Rights Equity Shares entitled to;
7. Number of Rights Equity Shares applied for within the Rights Entitlements;
8. Number of Additional Rights Equity Shares applied for, if any;
9. Total number of Rights Equity Shares applied for;
10. Total application amount paid at the rate of ₹6.25 per Rights Equity Share;
11. Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
12. In case of Non Resident Eligible Equity Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address and branch of the SCSB with which the account is maintained;
13. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;
14. Authorisation to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
15. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
16. Additionally, all such Applicants are deemed to have accepted the following:

*“I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the “US Securities Act”) or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the “United States”) except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand that this application should not be forwarded to or transmitted in or to the United States at any time. I/ we understand that none of the Company, the Registrar, the Lead Manager or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar, the Lead Manager or any other person acting on behalf of the Company has reason to believe is in the United States, or if such person is outside India and the United States, such person is not a corporate shareholder, or is ineligible to participate in the Issue under the securities laws of their jurisdiction.*”



*I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.*

*I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S under the US Securities Act ("Regulation S"), or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act.*

*I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights Entitlement, and/or the Equity Shares, is/are outside the United States, and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.*

*I/ We acknowledge that the Company, the Lead Manager, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements."*

In cases where Multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected.

Investors are requested to strictly adhere to these instructions. Failure to do so could result in an Application being rejected, with our Company, the Lead Manager and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at [www.linkintime.co.in](http://www.linkintime.co.in).

Our Company, the Lead Manager and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date.

### **Mode of payment**

All payments against the Application Forms shall be made only through ASBA facility or internet banking or UPI facility if applying through R-WAP facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility or internet banking or UPI facility if applying through R-WAP facility.

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account.

After verifying that sufficient funds are available in the ASBA Account details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, of the receipt of minimum subscription and pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

The balance amount remaining after the finalisation of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their Application at the time of the submission of the Application Form.

The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. Subsequent to the acceptance of the

Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

For details of mode of payment in case of Application through R-WAP facility, please see “*Procedure for Application through R-WAP*” on page 149.

#### **Application by Eligible Equity Shareholders holding Equity Shares in physical form**

Please note that in accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

To update respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit [www.linkintime.co.in](http://www.linkintime.co.in).

#### **Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form**

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- (a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar not later than two Working Days prior to the Issue Closing Date.
- (b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- (c) The Eligible Equity Shareholders can access the Application Form from:
  - i. R-WAP, the website of the Registrar at [www.linkintime.co.in](http://www.linkintime.co.in);
  - ii. Our Company at [www.sgligis.com](http://www.sgligis.com);
  - iii. the Lead Manager at [www.vivro.net](http://www.vivro.net); and
  - iv. the Stock Exchange at [www.bseindia.com](http://www.bseindia.com).

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar (i.e., at [www.linkintime.co.in](http://www.linkintime.co.in)) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e., [www.sgligis.com](http://www.sgligis.com));

- (d) The Eligible Equity Shareholders shall, on or before the Issue Closing Date, (i) submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or (ii) fill the online Application Form available on R-WAP and make online payment using their internet banking or UPI facility from their own bank account thereat.

**PLEASE NOTE THAT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.**

## Allotment of the Rights Equity Shares in Dematerialized Form

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE OR THE RIGHTS ENTITLEMENTS ARE HELD BY SUCH INVESTOR ON THE ISSUE CLOSING DATE, AS THE CASE MAY BE.**

**FOR DETAILS, PLEASE SEE “ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS” ON PAGE 162.**

### General instructions for Investors

- (a) Please read the Letter of Offer carefully to understand the Application process and applicable settlement process.
- (b) Please read the instructions on the Application Form sent to you.
- (c) The Application Form can be used by both the Eligible Equity Shareholders and the Renounees.
- (d) Application should be made only through the ASBA facility or using R-WAP facility.
- (e) Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English.
- (f) In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section “*Application on Plain Paper under ASBA process*” on page 152.
- (g) In accordance with Regulation 76 of the SEBI ICDR Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use either the ASBA process or the optional mechanism instituted only for resident Investors in this Issue, *i.e.*, R-WAP. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA or using the R-WAP facility.
- (h) An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.
- (i) In case of Application through R-WAP, the Investors should enable the internet banking or UPI facility of their respective bank accounts.
- (j) Applications should be (i) submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or (ii) filled on the R-WAP. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange, and (ii) the R-WAP facility will be available until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.
- (k) Applications should not be submitted to the Bankers to the Issue (assuming that such Banker(s) to the Issue is not an SCSB), our Company or the Registrar or the Lead Manager.
- (l) In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form.
- (m) All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, **Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be “suspended for credit” and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors.**
- (n) In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Furthermore, in case of Applications submitted using the R-WAP facility, payments shall be made using internet banking or UPI facility. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon.
- (o) For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in

English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB.

- (p) In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant.
- (q) All communication in connection with Application for the Rights Equity Shares, including any change in address of the Eligible Equity Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Application Form number, as applicable. In case of any change in address of the Eligible Equity Shareholders, the Eligible Equity Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar in case of Eligible Equity Shareholders holding Equity Shares in physical form.
- (r) Please note that subject to SCSBs complying with the requirements of SEBI Circular No. CIR/CFD/DIL/13/2012 dated September 25, 2012 within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.
- (s) In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications.
- (t) Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law.
- (u) An Applicant being an OCB is required not to be under the adverse notice of the RBI and must submit approval from RBI for applying in this Issue.

***Do's:***

- (a) Ensure that the Application Form and necessary details are filled in.
- (b) Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act.
- (c) Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation ("**Demographic Details**") are updated, true and correct, in all respects.
- (d) Investors should provide correct DP ID and client ID/ folio number while submitting the Application. Such DP ID and Client ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, the Lead Manager, SCSBs or the Registrar will not be liable for any such rejections.

***Don'ts:***

- (a) Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction.
- (b) Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground.
- (c) Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application.
- (d) Do not pay the Application Money in cash, by money order, pay order or postal order.
- (e) Do not submit multiple Applications.

***Do's for Investors applying through ASBA:***

- (a) Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only.
- (b) Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application.

- (c) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB.
- (d) Ensure that you have authorised the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same.
- (e) Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location.
- (f) Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form in physical form or plain paper Application.
- (g) Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Entitlement Letter.

*Do's for Investors applying through R-WAP facility:*

- (a) Ensure that the details of the correct bank account have been provided while making payment along with submission of the Application.
- (b) Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including Additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in the bank account through which payment is made using the R-WAP.
- (c) Ensure that you make the payment towards your application through your bank account only and not use any third party bank account for making the payment.
- (d) Ensure that you receive a confirmation email on successful transfer of funds.
- (e) Ensure you have filled in correct details of PAN, folio number, DP ID and Client ID, as applicable, and all such other details as may be required.
- (f) Ensure that you receive an acknowledgement from the R-WAP for your submission of the Application.

*Don'ts for Investors applying through ASBA:*

- (a) Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or *vice versa*.
- (b) Do not send your physical Application to the Lead Manager, the Registrar, the Banker(s) to the Issue (assuming that such Banker(s) to the Issue is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only.
- (c) Do not instruct the SCSBs to unblock the funds blocked under the ASBA process.

*Don'ts for Investors applying through R-WAP facility:*

- (a) Do not apply from bank account of third parties.
- (b) Do not apply if you are a non-resident Investor.
- (c) Do not apply from non-resident account.

### **Grounds for Technical Rejection**

Applications made in this Issue are liable to be rejected on the following grounds:

- (a) DP ID and Client ID mentioned in Application not matching with the DP ID and Client ID records available with the Registrar.
- (b) Sending an Application to the Lead Manager, Registrar, Banker(s) to the Issue (assuming that such Banker(s) to the Issue is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company.
- (c) Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money.
- (d) Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders.
- (e) Account holder not signing the Application or declaration mentioned therein.
- (f) Submission of more than one Application Forms for Rights Entitlements available in a particular demat account.

- (g) Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application.
- (h) Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts).
- (i) Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories.
- (j) Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB.
- (k) Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and the Letter of Offer.
- (l) Physical Application Forms not duly signed by the sole or joint Investors.
- (m) Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, money order, postal order or outstation demand drafts.
- (n) If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements.
- (o) Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States or other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is not in the United States and eligible to subscribe for the Rights Equity Shares under applicable securities laws or; or (iii) where either a registered Indian address is not provided or (iv) where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form.
- (p) Applications which have evidence of being executed or made in contravention of applicable securities laws.
- (q) Application from Investors that are residing in USA address as per the depository records.
- (r) Applications under the R-WAP process are liable to be rejected on the following grounds (in addition to above applicable grounds including in relation to insufficient funds available in the opted bank account):
  - i. Applications by non-resident Investors.
  - ii. Payment from third party bank accounts.

Our Company may, in consultation with the Lead Manager and Designated Stock Exchange, decide to relax any of the grounds of technical rejection mentioned hereinabove.

**Depository account and bank details for Investors holding Equity Shares in demat accounts and applying in this Issue**

**IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS OR THROUGH THE R-WAP PROCESS (AVAILABLE ONLY FOR RESIDENT INVESTORS), TO RECEIVE THEIR RIGHTS EQUITY SHARES IN DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR AS ON THE RECORD DATE OR THE RIGHTS ENTITLEMENTS ARE HELD BY THE INVESTOR AS ON THE ISSUE CLOSING DATE, AS THE CASE MAY BE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.**

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants. By signing the Application Forms, the Investors would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

**The Allotment Advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not Allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, Registrar or Lead Manager shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.**

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

### **Modes of Payment**

All payments against the Application Forms shall be made only through ASBA facility or internet banking or UPI facility if applying through R-WAP. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility or internet banking or UPI facility if applying through R-WAP.

#### *Mode of payment for Resident Investors*

All payments on the Application Forms shall be made only through ASBA facility or internet banking or UPI facility if applying through R-WAP. Applicants are requested to strictly adhere to these instructions.

#### *Mode of payment for Non-Resident Investors*

As regards the Application by non-resident Investors, the following conditions shall apply:

1. Non-Resident Applicants who are permitted to subscribe to Rights Equity Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar, our Company and the Lead Manager.

*Note: In case of non-resident Eligible Equity Shareholders, the Abridged Letter of Offer, the Entitlements Letter and the Application Form shall be sent to their e-mail addresses or their Indian address, as applicable, if they have provided their Indian address to our Company. The Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company or the Lead Manager to the Eligible Equity Shareholders who have provided their Indian addresses to our Company and in each case who make a request in this regard. In the event that the e-mail addresses of the Eligible Equity Shareholders are not available with the Company or the Eligible Equity Shareholders have not provided the valid e-mail address to the Company, our Company will make reasonable efforts to dispatch the Letter of Offer, Abridged Letter of Offer, Application Form and Entitlements Letter by way of physical delivery as per the applicable laws to those Eligible Equity Shareholders who have provided their Indian address.*

2. Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws.
3. Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI.

### **Notes:**

1. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-

tax Act.

2. In case Rights Equity Shares are Allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India.
3. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals.
4. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment.
5. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account.
6. Non-resident Renounees who are not Eligible Equity Shareholders must submit regulatory approval for applying for Additional Rights Equity Shares.

### **Multiple Applications**

In case where multiple Applications are made in respect of the same Rights Entitlements using same demat account, such Applications shall be liable to be rejected. However, additional applications in relation to Additional Rights Equity Shares with/without using additional Rights Entitlements will not be treated as multiple Applications. Similarly, a separate Application can be made against Equity Shares held in dematerialized form and Equity Shares held in physical form, and such Applications shall not be treated as multiple applications. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. For details, please see “*Procedure for Applications by Mutual Funds*” below.

In cases where multiple Application Forms are submitted including cases where (a) Investor submits Application Form along with a plain paper Application, or (b) multiple plain paper Applications, or (c) multiple application on R-WAP as well as through ASBA, such Applications shall be treated as multiple applications and are liable to be rejected.

### **Last date for Application**

The last date for submission of the duly filled in the Application Form or a plain paper Application is Monday, September 13, 2021 *i.e.*, Issue Closing Date. Our Board or any committee thereof may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB or if the Application Form is not accepted at the R-WAP, on or before the Issue Closing Date or such date as may be extended by our Board or any committee thereof, the invitation to offer contained in the Letter of Offer shall be deemed to have been declined and our Board or any committee thereof shall be at liberty to dispose of the Rights Equity Shares hereby offered, as provided under the heading, “*Basis of Allotment*” on page 161.

Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange, and (ii) the R-WAP facility will be available until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.



## Withdrawal of Application

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted or sending the email withdrawal request to [scanpoint.rights2021@linkintime.co.in](mailto:scanpoint.rights2021@linkintime.co.in) in case of Application through R-WAP facility. **However, the Application, whether made through ASBA Process or R-WAP facility, cannot be withdrawn after the Issue Closing Date.**

## Issue Schedule

<b>Issue Opening Date</b>	Monday, August 30, 2021
<b>Last date for On Market Renunciation*</b>	Tuesday, September 07, 2021
<b>Issue Closing Date</b>	Monday, September 13, 2021
<b>Finalisation of Basis of Allotment (on or about)</b>	Monday, September 20, 2021
<b>Date of Allotment (on or about)</b>	Monday, September 20, 2021
<b>Date of Credit (on or about)</b>	Tuesday, September 21, 2021
<b>Date of Listing (on or about)</b>	Thursday, September 23, 2021

*\*Eligible Equity Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncee(s) on or prior to the Issue Closing Date.*

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., Wednesday, September 08, 2021 to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date.

Our Board or a duly authorised committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date).

## Basis of Allotment

Subject to the provisions contained in this Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter, the Application Form, the Articles of Association and the approval of the Designated Stock Exchange, our Board will proceed to Allot the Rights Equity Shares in the following order of priority:

- (a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part.
- (b) Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Equity Shareholders with zero entitlement, would be given preference in allotment of one additional Rights Equity Share each if they apply for Additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares required for Allotment under this head are more than the number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- (c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- (d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for Additional Rights Equity Shares provided there is surplus available after making full Allotment

under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.

- (e) Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding.

After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

- i. The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
- ii. The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- iii. The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

For Applications through R-WAP facility, instruction will be sent to Banker(s) to the Issue with list of Allottees and corresponding amount to be transferred to the Allotment Account. Further, the list of Applicants eligible for refund with corresponding amount will also be shared with Banker(s) to the Issue to refund such Applicants.

#### **Allotment Advice or Refund/ Unblocking of ASBA Accounts**

Our Company will email Allotment Advice, refund intimations (including in respect of Applications made through R-WAP facility) or demat credit of securities and/or letters of regret, along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for unblocking the funds in the respective ASBA Accounts, if any, within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 15 days' period.

In case of Applications through R-WAP, refunds, if any, will be made to the same bank account from which Application Money was received. Therefore, the Investors should ensure that such bank accounts remain valid and active.

In accordance with the SEBI Circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021, in case of Applications made through the R-WAP facility, refunds, if any for un-allotted or partially allotted applications shall be completed on or before T+1 day (T being the date of finalisation of Basis of Allotment).

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment Advice shall be sent, through email, to the email address provided to our Company or at the address recorded with the Depository.

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, refunds and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

#### **Payment of Refund**

##### ***Mode of making refunds***

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes. Please note that payment of refund in case of Applications made through R-WAP, shall be through modes under (b) to (g) below.

- (a) Unblocking amounts blocked using ASBA facility.

- (b) **NACH** – National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- (c) **National Electronic Fund Transfer (“NEFT”)** – Payment of refund shall be undertaken through NEFT wherever the Investors’ bank has been assigned the Indian Financial System Code (“**IFSC Code**”), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- (d) **Direct Credit** – Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- (e) **RTGS** – If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor’s bank receiving the credit would be borne by the Investor.
- (f) For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favor of the sole/first Investor and payable at par.
- (g) Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

**In case of Application through R-WAP, refunds, if any, will be made to the same bank account from which Application Money was received. Therefore, the Investors should ensure that such bank accounts remain valid and active.** In accordance with the SEBI Circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2021/552 dated April 22, 2021, in case of Applications made through the RWAP facility, refunds, if any for un-allotted or partially allotted applications shall be completed on or before T+1 day (T being the date of finalisation of Basis of Allotment).

#### ***Refund payment to non-residents***

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

#### **Allotment Advice or Demat Credit of Securities**

The demat credit of securities to the respective beneficiary accounts or the demat suspense account (in case of credit of the Rights Equity Shares returned/reversed/failed) will be credited within 15 (Fifteen) days from the Issue Closing Date or such other timeline in accordance with applicable laws.

#### ***Receipt of the Rights Equity Shares in Dematerialized Form***

**PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO (A) THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE OR THE RIGHTS ENTITLEMENTS ARE HELD BY SUCH**

**INVESTOR ON THE ISSUE CLOSING DATE, AS THE CASE MAY BE OR (B) THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR (C) DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE EQUITY SHAREHOLDERS WHERE THE CREDIT OF THE RIGHTS EQUITY SHARES RETURNED/REVERSED/FAILED.**

Investors shall be allotted the Rights Equity Shares in dematerialized (electronic) form only. Our Company has signed an agreement with NSDL and CDSL on September 28, 2016 and September 15, 2016 respectively, which enables the Investors to hold and trade in the Equity Shares issued by our Company in a dematerialized form, instead of holding the Equity Shares in the form of physical certificates.

**INVESTORS MAY PLEASE NOTE THAT THE EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM.**

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialised form is as under:

1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.
3. The responsibility for correctness of information filled in the Application Form *vis-a-vis* such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Equity Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, *etc.*). Allotment Advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
6. Non-transferable Allotment Advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.
7. Renounees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

#### **Procedure for Applications 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 and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post-Issue Equity Share capital. 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 or 10% or more of the paid-up value of any series of debentures or preference shares or share

warrants that may be issued by our Company, 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 also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates (*i.e.*, 100%).

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Issue are advised to use the Application Form for non-residents. Subject to compliance with all applicable laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to *inter alia* the following conditions:

- i. such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and
- ii. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

#### **Procedure for Applications by AIFs, FVCIs and VCFs**

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue.

Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility or using R-WAP (available only for residents). Otherwise, applications of such AIFs are liable for rejection.

#### **Procedure for Applications by NRIs**

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (“OCI”) may purchase or sell capital instruments of a listed Indian company on repatriation basis, on a recognised stock exchange in India, subject to the conditions, *inter alia*, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid-up equity capital on a fully diluted basis or should 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 will 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 warrants. 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.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporated in a country which shares land border with India or where beneficial owner of an investment into India is situated in or is a citizen of any such country (“**Restricted Investors**”), will require prior approval of the Government of India. It is not clear from the press note whether or not an issue of the Rights Equity Shares to Restricted Investors will also require prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

### **Procedure for Applications by Mutual Funds**

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.

### **Procedure for Applications by Systemically Important Non-Banking Financial Companies (“NBFC-SI”)**

In case of an application made by NBFC-SI registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45IA of the RBI Act, 1934 and (b) net worth certificate from its statutory auditors or any independent chartered accountant based on the last audited financial statements is required to be attached to the application.

### **Impersonation**

**As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:**

*“Any person who makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least ₹10 Lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 (Ten) years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹10 Lakhs or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50 Lakhs or with both.

### **Payment by stockinvest**

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stockinvest scheme has been withdrawn. Hence, payment through stockinvest would not be accepted in this Issue.

### **Disposal of Application and Application Money**

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form and the R-WAP platform would generate an electronic acknowledgment to the Eligible Equity Shareholders upon submission of the Application.

Our Board reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA or refunded to the Investors in the same bank account

through which Application Money was received, in case of an application using the R-WAP facility. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 15 (Fifteen) days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.

### **Utilisation of Issue Proceeds**

Our Board declares that:

1. All monies received out of this Issue shall be transferred to a separate bank account;
2. Details of all monies utilized out of this Issue referred to under (1) above shall be disclosed, and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
3. Details of all unutilized monies out of this Issue referred to under (1) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

### **Undertakings by our Company**

Our Company undertakes the following:

1. The complaints received in respect of this Issue shall be attended to by our Company expeditiously and satisfactorily;
2. All steps for completion of the necessary formalities for listing and commencement of trading at all Stock Exchange where the Equity Shares are to be listed will be taken by our Board within seven Working Days of finalization of Basis of Allotment;
3. The funds required for making refunds / unblocking to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company;
4. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the Investor within 15 (Fifteen) days of the Issue Closing Date, giving details of the banks where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. In case of refund / unblocking of the Application Money for unsuccessful Applicants or part of the Application Money in case of proportionate Allotment, a suitable communication shall be sent to the Applicants;
6. Adequate arrangements shall be made to collect all ASBA Applications and record all Applications made under the R-WAP process;
7. Our Company shall comply with such disclosure and accounting norms specified by SEBI from time to time.

### **Important**

1. Please read the Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Entitlement Letter are an integral part of the conditions of the Letter of Offer and must be carefully followed; otherwise the Application is liable to be rejected.
2. All enquiries in connection with the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed “**Scanpoint Geomatics Limited – Rights Issue**” on the envelope

and postmarked in India or in the email) to the Registrar at the following address:

**Link Intime (India) Private Limited**

C 101, 1<sup>st</sup> Floor, 247 Park, LBS Marg,  
Vikhroli (West), Mumbai – 400083, Maharashtra, India.

**Telephone:** + 91-22-4918 6200

**Email:** [scanpoint.rights2021@linkintime.co.in](mailto:scanpoint.rights2021@linkintime.co.in)

**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)

**Investor Grievance Email:** [scanpoint.rights2021@linkintime.co.in](mailto:scanpoint.rights2021@linkintime.co.in)

**Contact Person:** Mr. Sumeet Deshpande

**SEBI Registration Number:** INR000004058

**CIN:** U67190MH1999PTC118368

3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar (*i.e.* at [www.linkintime.co.in](http://www.linkintime.co.in)). Further, helpline number provided by the Registrar for guidance on the Application process and resolution of difficulties are 022 - 4918 6200.

This Issue will remain open for a minimum 15 (Fifteen) days. However, our Board or a duly authorised committee thereof will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date).



## SECTION IX – OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

*The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, will be available for inspection on the website of the Company at [www.sgligis.com](http://www.sgligis.com) from the date of the Letter of Offer until the Issue Closing Date.*

#### **A. Material contracts for inspection:**

1. Issue agreement dated November 10, 2020 between our Company and Vivro Financial Services Private Limited;
2. Registrar Agreement dated November 11, 2020 between our Company and Link Intime India Private Limited;
3. Banker to the Issue dated July 16, 2021 amongst our Company, the Lead Manager, the Registrar to the Issue and the Banker to the Issue.

#### **B. Material documents for inspection:**

1. Certified true copy of the Memorandum of Association and Articles of Association of our Company, as amended;
2. Certificate of Incorporation dated February 7, 1992 issued by Registrar of Companies, Ahmedabad, Gujarat;
3. Certificate of Commencement of business dated March 6, 1992 issued by Registrar of Companies, Ahmedabad, Gujarat;
4. Fresh Certificate of Incorporation dated April 22, 2008 consequent upon change of name issued by Registrar of Companies, Ahmedabad, Gujarat;
5. Tripartite agreement dated September 15, 2016 between our Company, CDSL and Link Intime India Private Limited;
6. Tripartite agreement dated September 28, 2016 between our Company, NSDL and Link Intime India Private Limited;
7. Resolution of the Board of Directors passed in its meeting dated August 25, 2020 approving this Issue;
8. Resolution of the Rights Issue Committee dated August 6, 2021, finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio;
9. Consents of our Directors, our Company Secretary and Compliance Officer, Statutory Auditor, Lead Manager, Legal Advisor to the Issue, the Registrar to the Issue, Bankers to our Company and Banker to the Issue to include their names in this Letter of Offer and to act in their respective capacities;
10. Annual Reports of our Company for FY 2019-20, 2018-19, 2017-18, 2016-17 and 2015-16;
11. A Statement of special tax benefits dated July 10, 2021 received from M/s. Jayamal Thakore & Co., Chartered Accountants, Statutory Auditors regarding special tax benefits available to our Company and its shareholders;
12. Audited standalone and consolidated financial statements for the FY 2020-21;
13. Certificate obtained from M/s Jayamal Thakore & Co., Chartered Accountants dated July 12, 2021 for utilization of borrowings for the purposes for which they were availed;
14. The copy of letter of offer dated May 15, 2019 issued in connection with the previous rights issue of our

Company;

15. In-principle listing approval dated March 18, 2021 from BSE.

*Any of the contracts or documents mentioned in this Letter of Offer 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 Equity Shareholders, subject to compliance with applicable law.*

## DECLARATION

We hereby certify that no statement made in this Letter of Offer contravenes any of the provisions of the Companies Act and the rules made thereunder. We further certify that all the legal requirements connected with the Issue as also the regulations, guidelines, instructions, etc., issued by SEBI, the Government of India and any other competent authority in this behalf, have been duly complied with. We further certify that all disclosures made in this Letter of Offer are true and correct.

### SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-  
**Rameshchandra K. Sojitra**  
*(Managing Director)*

Sd/-  
**Chirag J. Soni**  
*(Whole time Director)*

Sd/-  
**Kantilal V. Ladani**  
*(Executive Director)*

Sd/-  
**Dinesh J. Shah**  
*(Independent Director)*

Sd/-  
**Mitesh K. Sanghvi**  
*(Non-Executive Director)*

Sd/-  
**Pooja S. Shah**  
*(Independent Director)*

Sd/-  
**Kalpesh P. Rachhh**  
*(Independent Director)*

Sd/-  
**Suresh Tejwani**  
*(Independent Director)*

Sd/-  
**Varixkumar Patel**  
*(Additional (Independent) Director)*

### SIGNED BY THE CHIEF FINANCIAL OFFICER

Sd/-  
**Kantilal V. Ladani**  
*(Chief Financial Officer)*

**Date:** August 6, 2021

**Place:** Ahmedabad