

Register of directors and key managerial personnel

Director Identification Number (optional for key managerial personnel)	Present name and surname in full	Any former name or surname in full	Father's name, mother's name and spouse's name (if married) and surnames in full	Date of birth	Residential address (present as well as permanent)	Nationality (including the nationality of origin, if different)	Occupation	Date of the board resolution in which the appointment was made	Date of appointment and reappointment in the company	Date of cessation of office and reasons therefor	Office of director or key managerial personnel held or relinquished in any other body corporate	Membership number of the Institute of Company Secretaries of India in case of Company	Permanent Account Number (mandatory for key managerial personnel if not having DIN)
00066058	Mr. Girish Chinubhai Sharedalal	N.A.	Chinubhai Sharedalal	05.10.1932	111, Landmark, M.L. Dehanukar Road, Mumbai - 400 026	Indian	Chartered Accountant	26.09.1989	11.06.2013	13.08.2014. Due to Advanced Age.	1) FDC Limited 2) Maulik & Kaji Financial Services Ltd 3) Truetschler India Pvt. Ltd.	N.A.	N.A.
00481154	Mr. Dirk Wim Joustra	N.A.	Berend Durk Joustra	29.01.1999	Ansbalduin 58A, 5581 CX, Waalre, The Netherlands	Netherlands	Service	29.01.1999	N.A.	26.02.2021	1) SPGPrints Group B.V. 2) SPGPrints B.V. 3) Print II B.V.	N.A.	N.A.
00244957	Mr. Marco Philippus Ardeshir-Wadia	N.A.	Ardeshir Ruttonji Wadia	30.01.1956	Thakur Nivas 173, Jamsheedji Tata Road, Mumbai - 400 020	Indian	Lawyer	21.05.1999	13.05.2014	N.A.	1) Zuari Agro Chemicals Ltd 2) Chambal Fertilisers and Chemicals Limited 3) Gobind Sugar Mills Limited 4) Johnson & Johnson Pvt. Ltd. 5) Jost's Engineering Co. Ltd. 6) Paradeep Phosphates Ltd. 7) Simon India Limited 8) Zuari Global Ltd. 9) Amphinol Interconnect India Pvt. Ltd. 10) Amphinol Omniconnect India Private Ltd. 11) Indian Register of Shipping 12) Amphitronix Offset Interconnect Solutions Pvt. Ltd. 13) Crawford Bayley & Co., Advocates & Solicitors 14) Exa Thermometrics India Pvt. Ltd. 15) Mangalore Chemicals and Fertilisers Limited 16) JNTL Consumer Health (India) Private Limited	N.A.	N.A.



00201749	Mr. Khurshed Meherwanji Thanawalla	N.A.	Meharwanji Cursetji Thanawalla	24.12.1942	Khatau Bungalow, Ground Floor, 6 Manav Mandir Road, Mumbai - 400 006	Indian	Professional	28.01.2005	13.05.2014	N.A.	1) Ahura Holdings Pvt. Ltd. 2) Oerlikon Textile India Pvt. Ltd. 3) PT Mitra Bahari Raya, Indonesia 4) GMM Flaulder Ltd 5) Hilti Manufacturing India Pvt. Ltd. 6) Nysa Marine Services Pvt. Ltd. 7) Nysa LPG Logistics Pvt. Ltd. 8) Pallas Gas Carriers Pvt. Ltd. 9) Pallas Gas Logistics Pvt. Ltd. 10) Pallas Gas Shipping Pvt. Ltd. 11) Behr Bircher cellpack BBC India Private Limited 12) Capricorn Maritime Services Private Limited 13) Galaxy Ship Management Private Limited 14) Saifron Shipping and Trading Private Limited 15) Sanathan Textiles Limited 16) Standard Industries Limited	N.A.	N.A.
00356415	Mr. Aschwin N.R.M. Hollander	N.A.	Richard Hollander	19.06.1968	Plataaan 44, 3707 GG Ziest, The Netherlands	Netherlands	Service	26.04.2005	02.05.2012	16.02.2016. Due to other pre-occupations.	1) SPGPrints Group B.V. 2) SPGPrints B.V. 3) Print II B.V.	N.A.	N.A.
00356544	Mr. Joost Willem Pieter Smits	N.A.	Josephus Wilhelmus Smits	14.12.1970	Tweerjiten 23, 5673 TT Nuenen, The Netherlands.	Netherlands	Service	30.01.2006	11.06.2013	19.02.2015. Due to other pre-occupations.	1) SPGPrints B.V.	N.A.	N.A.
	Ms. Varsha Biswajit Adhikari	N.A.	Biswajit Adhikari	02.10.1980	A/82, Orchid Wood, B/h Divya Bhaskar Press, Nr. Vodafone House, Prahladnagar, Ahmedabad - 380015.	Indian	Service	28.07.2009	08.06.2009	21.01.2019. For better prospects	Nil	A17604	AKSP4635Q
06474766	Mr. Shailesh Chandrakrishna Wani	N.A.	Chandrakrishna Dhiraajal Wani	02.02.1968	A/P Roseland Residency, Row House No. 149, Pimple Saudagar, Pune 411 027.	Indian	Service	01.10.2013	01.10.2013	N.A.	Trinctura Color Private Limited	N.A.	N.A.
	Mr. Girish Mohanrao Deshpande	N.A.	Mohanrao Shankarrao Deshpande	26.10.1954	A-404, Indraprastha-3, Opp. Dhananjay Bungalows, Satellite, Ahmedabad - 380015, Gujarat.	Indian	Service	13.05.2014	01.04.2014 (Re-designated as CFO)	01.07.2015. Due to retirement from Company.	Nil	N.A.	ACKPD3500G



06997013	Ms. Everdina Herma Sijkhuis	N.A.	Hendrik Evert Sijkhuis	16.05.1968	Eispeterweg 32, 8171 ET Vaassen, The Netherlands	Netherlands	Service	19.02.2015	19.02.2015	02.05.2018 Due to other pre-occupations	Nil	N.A.	N.A.
-	Mr. Paras Mehta	N.A.	Vasantlal Mehta	07.07.1973	H-35-186, Happy Home Apartment, Shastrinagar, Naranpura, Ahmedabad - 380 013.	Indian	Service	27.06.2015	01.07.2015	N.A.	1. Karta of Paras Mehta (HUF) 2. Tinctura Colour Private Limited	N.A.	ACEPM6178K
07428696	Mr. Eiko Ris	N.A.	Henri Ferdinand Ris	17.10.1958	Adriaan Pauwlaan 20, 2101AK, Heemstede, The Netherlands	Netherlands	Service	16.02.2016	16.02.2016	03.11.2017. Due to other pre-occupations.	1) SPGPrints Group B.V. 2) SPGPrints B.V. 3) Print II B.V.	N.A.	N.A.
07973914	Mr. Guillaume Cornelis Gerardus Roncken	NA	Gerardus Johannes Roncken	02.01.1968	Zesmorgen 116, 6666HT, Heteren, The Netherlands	Netherlands	Service	03.11.2017	03.11.2017	12.03.2019. Due to other pre-occupations	SPGPrints B.V.	NA	NA
08118379	Sangeeta Puneet Singh Sechdev	NA	LABH SINGH	30-04-1969	1225, Boulevard, westfields, new Jersey 0790	Indian	professional	02.05.2018	05.05.2018	16.07.2020 Due to other Pre-occupation	SPGPrints America INC	NA	DGFPS2254N
07428696	Mr. Eiko Ris	N.A.	Henri Ferdinand Ris	17.10.1958	Adriaan Pauwlaan 20, 2101AK, Heemstede, The Netherlands	Netherlands	Service	11.03.2019	12.03.2019	NA	SPGPrints B.V.	N.A.	N.A.
-	Mr. Sanjeev Singh Sengar	NA	Ganesh Prasad Sengar	11.07.1971	D/103, Gaurav Residency, Phase-II, Beverly Park, Mira Road East, Thane - 401107, Maharashtra.	Indian	Service	05.04.2019	05.04.2019	N.A.	Nil	F7835	AWOP57431F
00425602	Ms. Kiran Dhingra	NA	Desh Raj Batura	12.01.1953	85-C Gancim, Batam, Goa Velha Goa-403106, India	Indian	Retd IAS Officer	25.02.2020	01.04.2020	N.A.	1) Goa Carbon Limited 2) Astra Micro Wave Products Limited 3) Paradeep Phosphates Limited 4) Indian Register of Shipping 5) L&T Shipbuilding Limited 6) Zuari Agro Chemicals Limited 7) Mangalore Chemicals & Fertilizers	N.A.	AAGFD8412K
09040078	Mr. Garrett Forde	NA	Garrett James Davitt	24.01.1963	Binnenweg 15, Twello 7391JA, Netherlands	Dutch	Professional	26.02.2021	26.02.2021	N.A.	SPGPrints B.V.	N.A.	N.A.

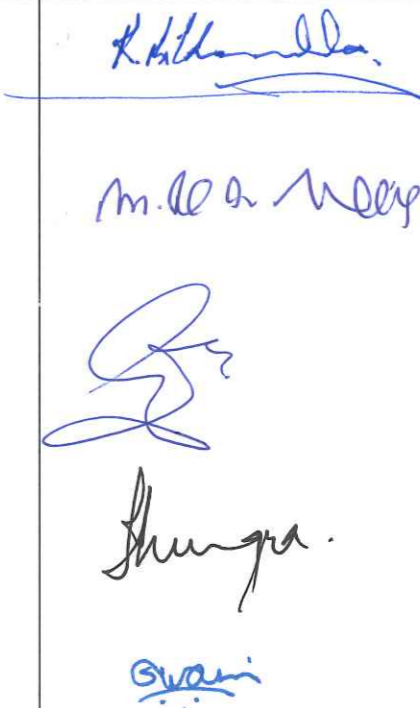




Form MBP - 4						
Register of contracts with related party and contracts and Bodies etc. in which directors are interested						
[Pursuant to section 189(1) and rule 16(1)]						
Name of the bodies corporate, firms or other association of individuals as mentioned under sub-section (1) of section 184, in which any director is having any concern or interest						
Names of Corporate/Firms/Association of Individuals	the Companies/Bodies	Name of the Interested Director	Nature of interest or concern/Change in Interest or concern	Shareholding (if any)	(if interest concern arose/changed)	Date on which
Ahura Holdings Pvt. Ltd.		Mr. K.M. Thanawalla	Director	4,998.00		24.08.1984
Behr Bircher Cellpack BBC India Private Limited		Mr. K.M. Thanawalla	Director	5,000.00		09.11.2018
Bircher Sensors India Private Limited		Mr. K.M. Thanawalla	Director	Nil		04.02.2022
Gaslite Advisory Private Limited (Formerly Known as Capricorn Maritime Services Private Limited)		Mr. K.M. Thanawalla	Director	47,500.00		30.09.2019
Gaslite Ship Management Private Limited (Formerly Known as Galaxy Ship Management Private Limited)		Mr. K.M. Thanawalla	Managing Director	47,000.00		03.06.2022
Hilti Manufacturing India Private Limited		Mr. K.M. Thanawalla	Director	Nil		30.03.2016
Nysa LPG Logistics Private Limited		Mr. K.M. Thanawalla	Director	1		18.08.2018
Nysa Marine Services Private Limited		Mr. K.M. Thanawalla	Director	90,000.00		03.06.2022
Gaslite Shipping Private Limited (Formerly Known as Pallas Gas Carriers Private Limited)		Mr. K.M. Thanawalla	Managing Director	90,000.00		01.03.2019
Gaslite Exim Trade Private Limited (Formerly Known as Saffron Shipping and Trading Private Limited)		Mr. K.M. Thanawalla	Director	Nil		30.09.2019
Stovec Industries Ltd		Mr. K.M. Thanawalla	Chairman	Nil		28.01.2005
Standard Industries Limited		Mr. K.M. Thanawalla	Independent Director	Nil		18.08.2022
Sanathan Textiles Limited		Mr. K.M. Thanawalla	Independent Director	Nil		25.11.2021
Amphenol Interconnect India Private Limited		Mr. Marco Wadia	Alternate Director	Nil		21.02.2020
Amphenol Omnicom India Private Limited		Mr. Marco Wadia	Alternate Director	Nil		21.02.2020
Amphetronix Offset Interconnect Solutions Private Limited		Mr. Marco Wadia	Director	Nil		29.09.2014
Crawford Bayley & Co., Advocates & Solicitors		Mr. Marco Wadia	Salaried Partner	Nil		01.01.2001
Exa Thermometrics India Private Limited		Mr. Marco Wadia	Alternate Director	Nil		21.02.2020
Indian Register of Shipping		Mr. Marco Wadia	Director	Nil		24.12.2014
Johnson & Johnson Private Limited		Mr. Marco Wadia	Director	61		28.11.2003
Josts Engineering Company Limited		Mr. Marco Wadia	Director	61		02.06.1968
Mangalore Chemicals and Fertilisers Limited		Mr. Marco Wadia	Independent Director	Nil		31.07.2022
Simon India Limited		Mr. Marco Wadia	Independent Director	Nil		07.08.2019
Stovec Industries Limited		Mr. Marco Wadia	Independent Director	4,160.00		27.08.2021
JNTL Consumer Health (India) Private Limited			Additional Director	Nil		01.08.2023
SPGPrints B.V.		Mr. Garrett Forde	CEO	Nil		01.10.2020
Stovec Industries Limited		Mr. Garrett Forde	Director	Nil		26.02.2021
SPGPrints B.V.		Mr. Eiko Ris	Director	Nil		01.12.2015
Stovec Industries Limited		Mr. Eiko Ris	Director	Nil		12.03.2019
Ticntura Colour Private Limited		Mr. Shailesh Wani	Director	Nil		23.04.2021
Stovec Industries Limited		Mr. Shailesh Wani	Managing Director	Nil		01.10.2013
Astra Micro Wave Products Limited		Mrs. Kiran Dhingra	Independent Director	Nil		24.06.2019
Goa Carbon Limited		Mrs. Kiran Dhingra	Independent Director	Nil		16.03.2015
Indian Register of Shipping		Mrs. Kiran Dhingra	Director	Nil		27.04.2006
Paradeep Phosphates Limited		Mrs. Kiran Dhingra	Independent Director	Nil		27.07.2017
Stovec Industries Limited		Mrs. Kiran Dhingra	Independent Director	Nil		01.04.2020
Mangalore Chemicals & Fertilizers Limited		Mrs. Kiran Dhingra	Independent Director	Nil		10.07.2023

Form MBP - 4
Register of contracts with related party and contracts and
Bodies etc. in which directors are interested
 [Pursuant to section 189(1) and rule 16(1)]

A: Contracts or agreements with any related party under section 188 or in which any
director is concerned or interested under sub-section (2) of section 184

Date of contract / arrangement	Name of the party with which contract is entered into	Name of the interested Director	Relation with Director/Company/Nature of Concern or Interest	Principal terms and conditions	Whether the transaction is at arm's length basis	Date of approval at the meeting of the Board	No. of Directors present in the meeting	Details of voting on such resolution			Date of the next meeting at which register was placed for signature	Reference of specific items (a) to (g) under sub section (1) of Section 188	Amount of contract or arrangement	Date of shareholders approval if any	Signature	Remarks, if any
								Directors voting in favour	Director's voting against	Directors remaining neutral						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
06.06.2023 _Leave and License Agreement	Tinctura Colour Private Limited	Shailesh Wani, Director Paras Mehta (CFO)	Fellow Subsidiary Company	1. Part of the premises admeasuring 386 sq. mtrs. given on monthly rental of Rs. 75,000/-. 2. The Agreement is for a period of 11 months and 29 days commencing from 10th June 2023.	Yes	09.05.2023 Approved in Audit Committee 09.05.2023- Board noted such transaction.	3	2	0	1#	10.08.2023	Section 188 (1)(C) read with forth proviso of said section.	Approx. Rs. 9,00,000/- (Rupees Nine Lac Only)	NA		

As per first proviso to regulation 23(2) of the SEBI Listing Regulations, 2015, only independent directors who are the members of Audit Committee can approve related party transactions, therefore, Mr. Shailesh Wani being Managing Director can not participate in the voting process.

Signature  MD/Director/Secretary/Whole time Director

Place: Ahmedabad
 Date: 10/08/2023

Stovec Industries Limited

Contract
Manufacturing
Benchmarking

23 March 2023

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1. Executive Summary

Stovec Industries Limited (“SIL” or “the Company”) incorporated in 1973 is a subsidiary of SPGPrints B.V. (“SPGPrints”). SIL is primarily in the business of manufacturing and selling textile machinery and consumables, graphic consumables and galvanic screens. The manufacturing plant and corporate office of SIL is situated at Lambha Village, Ahmedabad, Gujarat¹.

SIL has additional capacity for manufacturing of textile screens. Hence, SIL has entered into a 'Contract Manufacturing Agreement' with SPGPrints for supply of textile screens. The company supplies the products on cost plus mark-up basis. The costs include direct and indirect manufacturing costs, general and administrative expenses.

The objective of this report is to identify mark-up for contract manufacturing activity undertaken by SIL which meets the arm's length principle, contained in the Indian Transfer Pricing Regulations (“Indian Regulations”) and in addition refers to the Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations 2022 (“OECD Guidelines”) published by the Organisation for Economic Cooperation and Development (“OECD”) for further guidance in applying the arm's length standard.

The search was undertaken on Capitaline database to identify comparable companies engaged in the provision of contract manufacturing in India region, providing similar services as being rendered by SIL. Further, SIL when selling to SPGPrints caters to an export market and accordingly, we also identified manufacturers catering to export market.

In this regard, weighted average Operating Profit/Total Cost (“OP/TC”) earned by the comparable companies was considered as the reliable profit level indicator for the purpose of this analysis. The summary showing the outcome of the aforesaid economic analysis is provided in the below table.

Table 1: Weighted average OP/TC results of comparable for April 2019 to March 2022

Scenario	No. of comparable companies	35 th Percentile	Median	65 th Percentile
Contract Manufacturers	11	4.85%	6.34%	11.26%
Export oriented manufactures	6	6.42%	8.15%	9.89%

It is important to note that due to COVID-19 outbreak and country wide lock-down during FY 2019 to FY 2022, companies across a variety of industries faced disruption to their supply chains, including the curtailment of their operations and this would have impacted the profitability of the comparable companies. The above table includes margins retained by comparables in such period.

Looking forward, the industry and businesses are now reviving from the effects of COVID-19 and there has been some revival for India manufacturers. This is on account of various measures taken by the Indian Government and the realignment of supply chain being considered by many multinational organisation i.e. shifting/reallocating manufacturing requirements to Indian manufacturers.

Factoring the above, India TP environment and our experience with the India revenue authorities, it may be appropriate to consider a mark-up on or above the median identified for the export oriented manufacturers.

¹ Stovec Industries Limited Annual Report FY 2021-22

Further it would be helpful to keep the following points into consideration while crystallising this arrangement :

- (a) **Group Policy** - The pricing policy that gets crystallised for SIL, should be aligned to any other contract manufacturing arrangements within the Group. In case of any variation, rationale for the same to be maintained.
- (b) **Working Capital** - Limiting the working capital blockage of SIL i.e. offering limited credit period on sale made under this arrangement. This would help in justifying the change in TP policy and also showcase limited risk for SIL in this contract manufacturing arrangement. Further, in case of any delay, interest for excess credit period may be warranted at the prevailing market interest rates.
- (c) **Termination** – In case SIL incurs any capex specifically for this arrangement, based on the direction of the Principal entity, depreciation for such capital expenditure should be added to the cost base and in case of termination the balance capex (i.e. undepreciated value of such assets) should be recovered from the Principal entity.
- (d) **Advance Pricing Agreement** – This arrangement, we understand would substantially increase the quantum of international transactions entered by SIL.

In view of the above and factoring India TP litigation environment (diverse views on selection of comparables and consequentially the margin expectations between the tax authorities and Taxpayers), it may be worth considering adopting of Advance Pricing Agreement (unilateral/bilateral) route to gain certainty for such significant portions of SIL's business operations.

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2. About SPGPrints Group

2.1. SPGPrints Group

SPGPrints Group (formerly known as Stork Group) owned by Investcorp is headquartered in Boxmeer, Netherlands. It was founded in 1947 by Gaitjan Bilderbeek and Henk Edens by venturing into the business of supplying equipment for the dairy industry. Subsequently, the Group entered textile industry in 1953, sugar industry in 1975 and later into graphic industry in 1981.

The Group has the following three major segments:

- Textile
- Graphics
- Metal Precision²

SPGPrints Group's technical innovations was the first one to offer high-speed printing of designs. It also has its footprints in digital printing. The Group has its global presence in the Netherlands, Austria, Brazil, China, India, USA, Mexico, UK, Pakistan and Turkey. Currently, it has 10 worldwide operating companies with approximately 215 million euros of revenue and over 1000 employees worldwide.³

2.2. Stovec Industries Limited

SIL was incorporated in 1973 and is a part of SPG Prints Group⁴. The manufacturing plant and corporate office of SIL is situated at Lambha Village, Ahmedabad, Gujarat. It is a listed company listed on Bombay Stock Exchange ('BSE').

SIL is mainly engaged in the production of machineries and consumables for textile and graphic printing industry. Its products include rotary printing machines for textiles, rotary screens and inks for textile printing, other products and consumables for graphic and textile printing⁵. During FY 2021-22, SIL had a revenue of INR 2,346 million⁶.

Apart from India, SIL has clients in Europe, the US, Turkey, Brazil, Mexico, Korea, Taiwan, Colombia, Bangladesh, Uzbekistan, China & African countries.⁷

Brief description of the various products dealt by SIL is given below.

- **Textile Machinery and Consumable**

SIL is involved in manufacturing of rotary screens, printing machinery and trading of consumables.

² <https://www.spgprints.com/spgprints-group/history>

³ <https://www.spgprints.com/spgprints-group>

⁴ <https://www.spgprints.com/spgprints-group>

⁵ <https://www.spgprints.com/spgprints-group/companies-agents/stovec-industries-ltd>

⁶ https://www.spgprints.com/uploads/documents/Stovec/Stovec-Profile/stovec_profile-2014.pdf

⁷ Annual report of FY 2021-22, page 2

Annual report of 2021, page 13

– **Printing Machinery**

SIL manufactures standard printing machinery for textile industry. These machines can be used to print 8-12-16 colours. The various types of machines are listed below⁸:

- Multi Pass & Single Pass Textile Digital Printing Machines (Javelin, DART, PIKE)
- Textile Rotary Printing Machines (Pegasus EVO, RD8 ID/RD8 MD, RD6 Gold)
- Laser Engraving Machines (BestLen, EcoLen, SmartLex)

– **Rotary Screens**

Rotary screens are used in textile printing machines. These screens are made up of nickel. The screens are manufactured using electroform technology.

– **Nova Screens**

Nova screens are known for its high-resolution, open area and paste flow. The screens are manufactured using electroform technology received from SPGPrints Group. With the usage of such screens, a controlled amount of paste is transferred to the substrate to boost print quality and productivity. Nova screens ensure versatility, consistency and better performance, while cutting production costs.

– **Digital Ink and Perforated Rotary Screens**

SIL trades in inks for digital printing and perforated rotary screens. The trading activity supports the main business by providing customers a variety of products for which it purchases digital ink and perforated rotary screens from its AEs.

- Other consumables such as lacquers and auxiliary chemicals.⁹

• **Graphic products**

Company deals in following graphical products/solutions.

- **Rotamesh / Rotaplate:** These are the screens used for printing labels used in various industries such as pharmaceuticals, FMCG etc. SIL procures these screens from its Group companies and then customizes them as per the requirements of the customers.
- **Anilox Rollers:** These are rollers made of stainless steel with a coating of copper and nickel. These are used for transferring colours to printing plates/ substances.
- Printing solutions for Printed Electronics and Bio-sensors.
- Rotary screen integration modules.

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⁸ Annual report of 2021, page 13

⁹ Annual report of 2021, page 13

3. Contract Manufacturing

3.1. Contract Manufacturing Agreement

SIL has additional capacity for manufacturing of textile screens. Hence, it has entered into a 'Contract Manufacturing Agreement' with SPGPrints for supply of textile screens.

SIL has not made any additional capital investments to improve or expand its existing manufacturing facility beyond its current state for supplying the products under the said agreement. SIL manufactures the products as per the specification provided by SPGPrints and any manufacturing defect in product is borne by SIL. However, SPGPrints has the product defect risk if it is due to defect in product specification.

SIL also sells similar goods to third parties. However, for the said transaction SIL bears the product liability risk, direct market risk and higher credit risk. Further, it is also having different regions. Hence, such sale of SIL cannot be compared with the transaction of SIL with SPGPrints.

The company supplies the aforesaid products on cost plus mark-up basis. The costs include direct and indirect manufacturing costs, general and administrative expenses.

The company wants to identify the arm's length mark-up for the aforesaid contract manufacturing activity. A detailed economic analysis for identifying an appropriate arm's length mark-up as per the India TP regulations has been provided in the below section.

3.2. Economic Analysis

3.2.1. Selection of the tested party

The choice of the tested party should be consistent with the functional analysis of the transaction. As a general rule, the tested party is the one to which a transfer pricing method can be applied in the most reliable manner and for which the most reliable comparables can be found i.e. it will most often be the one that has the less complex functional analysis.¹⁰

For the contract manufacturing undertaken by SIL for SPGPrints, it is easier to identify the costs incurred by the contract manufacturing entity and the Operating Profit (mark-up) earned thereon. Also, as these services are availed by a Group company only, there are limited risks in providing such services.

Accordingly, SIL was selected as the tested party for economic analysis.

3.2.2. Selection of most appropriate method

The Transactional Net Margin Method ("TNMM") assesses the arm's length character of transfer prices in a controlled transaction by testing the profit results of one participant in the transaction. The TNMM examines the net profit¹¹ relative to an appropriate base (e.g. costs, sales, assets) that a taxpayer realises from a controlled transaction (or transactions that are appropriate to aggregate....)¹².

¹⁰ OECD Guidelines 3.18

¹¹ The expression 'net profit' has not been defined in the Indian Regulations. However, OECD Guidelines permit the use of operating margins for the purpose of benchmarking under the TNMM. We have adopted the same interpretation for this transfer pricing analysis.

¹² OECD Guidelines 2.64

Under the TNMM, comparable transactions need to be broadly similar. Significant product diversity and some functional diversity between the controlled and uncontrolled parties are acceptable.

One strength of the TNMM is that profit level indicators (“PLI”) (e.g. return on assets, operating income to sales, and possibly other measures of net profit) are less affected by transactional differences than is the case with price, as used in the Comparable Uncontrollable Price Method. PLIs also may be more tolerant to some functional differences between the controlled and uncontrolled transactions than gross profit margins. Differences in the functions performed between enterprises are often reflected in variations in operating expenses. Consequently, enterprises may have a wide range of gross profit margins but still earn broadly similar levels of net operating profit Indicators.¹³

Accordingly, TNMM was selected as the most appropriate method for the economic analysis.

3.2.3. Choice of Profit level indicator

The application of TNMM requires the selection of an appropriate PLI. The PLI measures the relationship between (i) profits and (ii) either costs incurred, revenue earned, or assets employed. A variety of PLI can be used. TNMM aims at arriving at the arm's length operating profit (i.e. profit before financial and non-operating expenses).

Full-cost mark-up was selected to reliably measure the income of the tested party that it would have earned had it dealt with uncontrolled parties at arm's length.

The return on total cost or full-cost mark-up (“Operating Profit/ Total Cost”) is similar to an operating margin indicator except that the denominator is cost-based rather than revenue based. This ratio is also easy to calculate and because the denominator includes both operating expenses and cost of goods sold, it is less susceptible (than the use of gross margins) to accounting and functional differences. As service providers usually have functional differences because of the varied nature of services, the return on total cost is generally considered an acceptable PLI.

3.3. External Benchmarking

3.3.1. Search Process

The search for comparables was undertaken, keeping in mind, that SIL is engaged in contract manufacturing of metal based products and is supplying to the AEs in the foreign market.

Accordingly, our comparable search strategy covered the following:

- A broad segment of manufacturers engaged in provision of contract manufacturing services; and
- Companies engaged in manufacturing of metal products catering to export market were considered.

The selection may include certain companies having changed their financial year during the period under consideration.

To perform this analysis, a proprietary transfer pricing application, Transfer Pricing Intelligence (TPI), which sources data from Capitaline TP was used. For details about this application and its limitations and selection of time period, please refer **Appendix B** and **C** respectively.

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¹³ OECD Guidelines 2.68

3.3.2. Search from Capitaline TP through TPI-TNMM

The source of data for the search was Capitaline TP database. Companies have been extracted only if they had relevant financial data for FY 2021-22 or FY 2020-21. For details regarding selection of time period please refer **Appendix D**.

Table 3: Summary¹⁴ of Search Process¹⁵ – Entity and Segment¹⁶ Level

Search Summary	Criteria	Total	Entity	Segment
Tested Party FYE	03/31/2022			
Timeframe (years)	3			
Alignment Rule	12 & 0			
Aligned Dates	FY22:4/1/2021 - 3/31/2022;FY21:4/1/2020 - 3/31/2021;FY20:4/1/2019 - 3/31/2020;			
Financial Values	shown in ₹ 10,000,000			
Mode	India (Capitaline)			
IQR Method	India_CBDT			
Currency	INR			
Data Vendors (in priority order)	Capitaline TP Entity, Capitaline TP Segment			
Forex	Non-Operating			
Related Party Transaction Analysis	On			
Data Set	2022-11 Capitaline	61,390	57,581	3,809
Company Type (no finance, bank, insurance or trading services)	Yes	42,445	38,636	3,809
Turnover greater than 0 for L or L-1	Yes	12,519	8,710	3,809
Total After Removing Duplicates and Before Quantitative Screening:		12,519	8,710	3,809
Turnover >= INR 1 crore for L or L-1	Keeping companies and segments that have Turnover greater than or equal to INR 1 crore for L or L-1.	-968	-644	-324
Net Worth >= 0 for L or L-1	Keeping companies and segments that have Net Worth greater than or equal to 0 for L or L-1.	-728	-575	-153
R&D to Turnover	Keeping companies that have R&D to Turnover less than or equal to 3.00%	-100	-100	0
Advertising & Marketing Expenses to Turnover	Keeping companies that have Advertising &	-408	-408	0

¹⁴ The 'Data Set' and 'Companies Type' in case of segments comprises 3809 segments having financial data for L or L-1.

¹⁵ Price Waterhouse & Co LLP has not relied upon the Ownership, Function, Industry classifications provided by Capitaline TP and has independently analysed and classified the same accordingly.

¹⁶ In case of Segment analysis, the only applicable quantitative screens are Turnover and Net worth. For further analysis please refer Appendix E

Search Summary	Criteria	Total	Entity	Segment
	Marketing Expenses to Turnover less than or equal to 5.00%			
Ownership	Keeping only companies and segments with Ownership equal to "Private owned"	-406	-166	-240
Function	Keeping only companies and segments with Function equal to "Manufacturer" or "Manufacturer/Distributor"	-4,067	-2,936	-1,131
Industry	Keeping only companies and segments with Industry equal to "Machinery (Combination of Electrical Machinery other than electronics, Non electrical machinery and electronics)", "Diversified", "Base Metals" or "Textiles"	-3,080	-2,033	-1,047
Segment Type	Keeping only segments with Segment equal to "Business Segment"	-471	0	-471
Total Before Qualitative Screening:		2,291	1,848	443
Qualitative Review		-2,270	-1,828	-442
RPT < 25% for L or L-1 ¹⁷		-4	-4	0
Total Accepted:		17	16	1

Table 4: Companies and Segments accepted

S. No.	Names of the companies and segments	Data Source ¹⁸
(A)	Contract Manufactures	
1	Calcom Vision Ltd	CPL
2	Contemporary Targett Pvt Ltd	CPL
3	Ginni Filaments Ltd – Others	CPLS
4	Hindustan Foods Ltd	CPL
5	Integra Engineering India Ltd	CPL
6	Lipi Data Systems Ltd	CPL
7	Loxim Industries Ltd - Plastic Granules	Annual Report (AR) ¹⁹
8	Prima Automation India Pvt Ltd	CPL
9	Shree Pacetronix Ltd	CPL
10	Spectrum Electrical Industries Ltd	CPL

¹⁷ The basis of determining the RPT threshold limit would be the ratio of all operating level (operating expenses and revenue) RPT to Total Sales of the entity.

¹⁸ Legend: CPL – Capitaline TP Entity; CPLS – Capitaline TP Segment

¹⁹ The company was appearing at entity level in the database. However, segment business was relevant for comparison and hence the data was taken at segment level from the AR.

S. No.	Names of the companies and segments	Data Source ¹⁸
11	Stericon Pharma Pvt Ltd	CPL
(B)	Manufacturers Catering to Export Market	
12	Jash Engineering Ltd	CPL
13	Man Industries (India) Ltd	CPL
14	National Fittings Ltd	CPL
15	Pitti Engineering Ltd	CPL
16	Shivalik Bimetal Controls Ltd	CPL
17	Suraj Ltd	CPL

The companies and segments accepted above, have been further analysed to see if they have data for FY 2021-22. In case the companies and segments have updated data from annual reports, the various quantitative filters applied above have been re-applied to see whether the companies are clearing the filters based on such updated data.

As a result of the analysis a final set of 17 comparable companies and/or segments were identified. The business description of the comparable companies has been provided in **Appendix G**.

3.4. Arm's Length Result

The Indian Regulations²⁰ require that the ALP in relation to an international transaction shall be determined by any of the prescribed methods (CUP, RPM, CPM, TNMM, PSM and Other Method), being the most appropriate method.

All methods other than CUP and Other Method are methods that enable determination of ALP on the basis of respective margins earned by comparable uncontrolled companies. The relevant Rules envisage determination of ALP by applying margins of each comparable company / segment to the appropriate base of the enterprise. The Regulations further provide that, where more than one price is determined by the most appropriate method, the ALP shall be taken to be the arithmetical mean of such prices.²¹

An alternative practical approach to arrive at such ALP could be to compute the range ²² of margins of comparable companies / segments and apply the same to the appropriate base of SIL to determine the ALP.

We have accordingly determined the range ²³ of the margins of the comparable companies / segments as seen in the table below:

Table 5: Arm's length result of contract manufacturing companies

Sr. No.	Name of the Company	Data Sources ²⁴	Weighted Average OP/TC
1	Calcom Vision Ltd	CPL	3.96%

²⁰ Section 92C(1)

²¹ To illustrate, say where the TNMM is applied using Operating Profit / Total Cost (OP / TC) as a Profit level indicator and there are 6 or more comparable companies, the OP / TC of the comparable companies are arranged in ascending order and the arm's length range would be data points lying between the 35th and 65th percentile of the data set. This is as per the CBDT Notification No. 83 dated 19th October 2015.

²² Rule 10CA(4)

²³ Rule 10CA(4)

²⁴ Legend: CPL – Capitaline TP Entity; CPLS – Capitaline TP Segment

Sr. No.	Name of the Company	Data Sources²⁴	Weighted Average OP/TC
2	Contemporary Targett Pvt Ltd	CPL	2.76%
3	Ginni Filaments Ltd – Others	CPLS	16.00%
4	Hindustan Foods Ltd	CPL	5.27%
5	Integra Engineering India Ltd	CPL	13.98%
6	Lipi Data Systems Ltd	CPL	4.85%
7	Loxim Industries Ltd - Plastic Granules	AR	9.82%
8	Prima Automation India Pvt Ltd	CPL	4.62%
9	Shree Pacetronix Ltd	CPL	11.26%
10	Spectrum Electrical Industries Ltd	CPL	6.34%
11	Stericon Pharma Pvt Ltd	CPL	12.10%
	Count		11
	35th Percentile		4.85%
	Median		6.34%
	65th Percentile		11.26%

Table 6: Arm's length result of manufacturing companies catering to export market

Sr. No.	Name of the Company	Data Sources²⁵	Weighted Average OP/TC
1	Jash Engineering Ltd	CPL	16.99%
2	Man Industries (India) Ltd	CPL	6.42%
3	National Fittings Ltd	CPL	3.26%
4	Pitti Engineering Ltd	CPL	9.89%
5	Shivalik Bimetal Controls Ltd	CPL	22.91%
6	Suraj Ltd	CPL	2.76%
	Count		6
	35th Percentile		6.42%
	Median		8.15%
	65th Percentile		9.89%

It is important to note that due to COVID-19 outbreak and country wide lock-down during FY 2019 to FY 2022, companies across a variety of industries faced disruption to their supply chains, including the curtailment of their operations and this would have impacted the profitability of the comparable companies. The above table includes margins retained by comparables in such period.

²⁵ Legend: CPL – Capitaline TP Entity;

Looking forward, the industry and businesses are now reviving from the effects of COVID-19 and there has been some revival for India manufacturers. This is on account of various measures taken by the Indian Government and the realignment of supply chain being considered by many multinational organisation i.e. shifting/reallocating manufacturing requirements to Indian manufacturers.

Factoring the above, India TP environment and our experience with the India revenue authorities, it may be appropriate to consider a mark-up on or above the median identified for the export oriented manufacturers.

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Appendices

Appendices

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Appendix A. Abbreviations

Table 7: Abbreviations

AEs	Associated Enterprises
ALP	Arm's Length Price
Annual Report	AR
Capitaline TP	Capitaline Transfer Pricer
CBDT	Central Board of Direct Taxes
Indian Regulations	Indian Transfer Pricing Regulations
L	FY 2021-22
L-1	FY 2020-21
OECD	Organization for Economic Co-operation and Development
OECD Guidelines – January 2022	Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations
OP/TC	Operating Profit/Total Cost
PLI	Profit level indicator
SIL	Stovec Industries Limited
SPGPrints	SPGPrints B.V.
TPI	Transfer Pricing Intelligence
TNMM	Transactional Net Margin Method

Appendix B. Scope and limitations

Price Waterhouse & Co LLP has been engaged by Stovec India Limited (“SIL” or “the Company”) to review the transfer pricing arrangement for international transaction that the Company is going to enter with its associated enterprise (“AE”) on the terms set out in our engagement letter read with the scope and limitations as provided below.

This document was prepared by Price Waterhouse & Co LLP in connection with the provision of an analysis of functions and comparable data to assist SIL to identify arm’s length mark-up for the international transaction. Price Waterhouse & Co LLP has not examined any of SIL’s other tax obligations arising separately or in conjunction with our transfer pricing analysis.

The maintenance of the information and documents as envisaged under the Indian Regulations is the responsibility of the management of the Company. The Company’s management is responsible for properly recording all transactions in the accounting records and for establishing and maintaining internal control sufficient to permit the appropriate documentation in conformity with the requirements of the Indian Regulations.

The results of our transfer pricing analysis and our recommendations in this document are based on facts and financial data as of March 31, 2022 and are pertinent to the financial year ended March 31, 2022. On a going forward basis, the results would need to be altered so as to incorporate latest financial results and any changes in the functions performed, risks assumed and the level of tangible and intangible assets owned and employed by SIL and its AE. Also, we recommend that SIL reviews and updates its transfer pricing arrangements to reflect changes in the market or changes in the nature of its intra-group transactions.

This document is based upon information and explanations provided by personnel of SIL. Price Waterhouse & Co LLP disclaims any liability for the analysis based on incorrect or inaccurate information provided to us relating to the operations of SIL and its international transaction under review.

In addition, in preparing this document, Price Waterhouse & Co LLP has relied upon the accuracy of information generated from databases (which are licensed from third parties) and does not assume any responsibility in respect of any inaccuracies, omissions or errors, which may subsequently be discovered in information contained in the databases.

While we believe our results reflect reasonable interpretations of the Indian Transfer Pricing Regulations, these results are not binding on any regulatory/tax authority. As a consequence, this document should not be taken as assurance that any regulatory/tax authority will agree with our conclusions or that the same would prevail against a proposed transfer pricing adjustment.

If there are any changes in the tax laws or regulations or market conditions in India, or in the business practices of SIL, our opinions and results would necessarily have to be re-evaluated.

Neither Price Waterhouse & Co LLP nor any individuals associated with this document shall be required, by reason of this document, to provide testimony to appear in Court or at other legal proceedings, unless specific arrangements to do so have been made.

Appendix C. Databases and Application used and their limitations

Capitaline TP Database

The search for comparable uncontrolled companies relied on the financial information extracted from Capitaline TP database, a widely recognised electronic corporate database developed and maintained by Capital Markets Publishers India Pvt. Ltd. It contains financial information on companies that include public, private, cooperative and joint sector companies, listed or otherwise.

During the year, the compilers of this database standardised and normalised the data through the reclassification of certain heads of income, expenses, assets and liabilities.

Financial data is updated in Capitaline TP as and when the data is made available with the database provider. Information updated in this database till December 2022 was used for this analysis. The economic analysis has focused on the financial results of companies having financial years ending during the period April 1, 2019 and March 31, 2022.

Our work using database was subject to the following limitations:

We have not tested the validity of the search engine employed by the database.

- a. We have not in general, examined the published financial statements of the companies in our comparable set, nor have we otherwise enquired into the nature of their circumstances, activities or results.
- b. The financial data provided in the database is not complete in all respects for all companies and the data is classified and treated in a manner that is unique to Capitaline TP. Accordingly the data fields provided by Capitaline TP have been used by us to define various financial terms. The Indian Accounting Standards and Generally Accepted Accounting Practices / Principles followed in India do not specifically define certain financial terms and those coined by us for the purposes of this benchmarking exercise (e.g. gross profit, direct and indirect costs of production, operating profit, net profit, value adding expenses etc.)²⁶ Also, they are typically not represented in the annual accounts of companies nor is the level of disaggregated information required to define such financial terms typically available in annual accounts. We believe that our definitions are reasonable and appropriate in view of general accounting and cost accounting concepts.
- c. In the cases of most of the companies, Capitaline TP does not provide financial data such as break-up of sales into sales from manufacturing, trading and / or service income. Accordingly, the classification of companies into these categories was undertaken on the basis of qualitative analysis.
- d. Capitaline TP does not reclassify company defined segments i.e. it reports the segments as defined by the company.

²⁶ The pre-defined financial terms have been specifically used while querying on company level data. These pre-defined definitions could not be used for the purpose of segmental analysis and therefore, we have relied on the segmental data as provided by these databases.

- e. Disaggregated financial information is not available as part of the segmental information i.e. no break-down of the various items of income and expenditure and the segregation of manufacturing and traded sales is available. Furthermore, in the segmental information reported by the companies, not all items of income and expenditure are allocated to the various segments. This results in 'net unallocable income / expenditure'. Accordingly, in using segmental database we adopted the following approach:
- Identification of a segment as a manufacturing, trading or services segment is based on the qualitative analysis of information available in the database.
 - Due to the limited availability of financial information in respect of individual segments, we can use segmental information where TNMM is applied and where return on sales or return on total cost is used as the PLI. The calculation of alternative PLIs e.g. return on value added expenses, return on capital employed or gross margin is not possible where segmental information is used, neither is it possible to identify or evaluate the segment specific data pertaining to related party transactions.
 - Consequently, to use the TNMM, operating profit has been computed by allocating the 'net unallocable expenses' (as provided in the database as on the cut-off date) in the ratio of gross segmental sales mentioned in the database.

TPI Application

TPI is a global transfer pricing practice application that combines information from multiple databases and repositories allowing practitioners to gain insight into projects, people, specialties, and other project related concepts. Using TPI, practitioners can create profiles, add global transfer pricing projects, and even see what other work practitioners have done. More modules are constantly being added to add value to the database dimensions and give further intelligence to the tool.

TPI- TNMM

TPI-TNMM is a next generation comparable tool that is available inside of TPI. Data used in TPI-TNMM is sourced directly from several sources including:

- Standard & Poor's Xpressfeed data feed management solution, specifically **Compustat**
- Standard & Poor's Xpressfeed data feed management solution, specifically the **Capital IQ** platform
- Refinitiv **Fundamentals** Global
- Bureau van Dijk (BvD) **OSIRIS**
- BvD TP Catalyst
- Capital Market **Capitaline TP**

Appendix D. Selection of time period

As per the Indian Regulations²⁷, the data to be used in analysing the comparability of an uncontrolled transaction with an international transaction shall be the data relating to the current financial year in which the controlled transaction has been entered into or the year immediately preceding the current financial year. However, data relating to two years prior to such financial year shall be considered for computation of arm's length price.

It may be noted that current year company accounts may not have been filed and entered on the database before the comparable company has filed their accounts with regulatory authorities. However, as far as possible, depending upon availability, companies having their year ending anytime during the current financial year are also considered. Further, quarterly financial data, where available, would be in an abridged form and may be unaudited, and also would not provide all the necessary information required for analysing the comparability. Accordingly, the said data, if used may distort comparability.

Further, the regulations²⁸ require that the comparable data, as far as possible, should be contemporaneous and should exist latest by the specified date for the year under consideration.

Use of multiple year data for the purpose of computation of ALP is permitted under the Indian Regulations, with the possibility of a look back of up to two financial years prior to the current financial year. Through use of multiple year data, differences due to factors such as business or product cycles can be effectively taken into account and comparability can be reliably determined. Also, there are various differences in accounting standards and practices adopted by the enterprises. Some are permanent differences, while others are timing differences that reverse over time and are generally adequately overcome by the use of multiple year data, or when the period under examination is long enough.

Under a realistic situation, the arm's length nature of the transaction undertaken should be assessed at the point of undertaking the transaction itself or at such further point when the commercial actions needed to align the transaction with the arm's length standard are taken. The maximum limit to which the time of such analysis can be stretched is the time when the profits could be realistically adjusted (through book adjustments or otherwise) to take into account any change required to align the profit level to the arm's length profit level. This limit of time would be the point when the financial year ends, i.e. on 31 March of the financial year. Beyond this point the Company would not realistically be in a position to take commercial steps to adhere to the arm's length principle, since any possibility of compensation adjustments would be exhausted.

To comply with the requirements of contemporaneous documentation to exist by the specified date as per the Indian Regulations, the Company has conducted a benchmarking analysis using information in database updated till April 2022 focusing on the financial results of companies having financial years ended during the period 1 April 2019 and 31 March 2022 (hereinafter, individually, also referred to as 'financial year ended 2020' or '2020', 'financial year ended 2021' or '2021' and 'financial year ended 2022' or '2022'), thereby capturing, to the maximum extent possible, financial data for comparables having year end falling within 2022.

Throughout the analysis, companies from databases have been extracted only if:

²⁷ Rule 10B(5)

²⁸ Rule 10D (4)

-
- They had relevant financial data for FY 2021-22 ('L'); or
 - They had relevant financial data for FY 2020-21 ('L-1').

Companies have been selected as comparable companies if:

- They cleared all the quantitative and qualitative filters in FY 2021-22; or
- Relevant financial data was not available for FY 2021-22, relevant financial data for FY 2020-21 was available and they cleared all the quantitative and qualitative filters in FY 2020-21.

Companies failing quantitative or qualitative filters in FY 2021-22 were rejected even if they cleared quantitative and qualitative filters in FY 2020-21.

For computation of arm's length price, data for FY 2019-20 has also been considered. Data for the years (FY 2020-21, FY 2019-20) in which companies have failed quantitative or qualitative filters has not been considered for computing the arm's length price.

Given the above, the mechanism of using single / multiple year data applied by the Company for setting prices for its international transactions is in accordance with the Indian regulations.

Appendix E. Segmental analysis

Accounting Standard 17 ("AS-17") on 'Segment reporting' came into effect in respect of accounting periods commencing on or after 01 April, 2001 and is mandatory for enterprises listed on recognised stock exchanges or for those enterprises whose turnover for the accounting period exceeds INR 50 crores.

IND AS came into effect in respect of accounting periods commencing on or after 01 April, 2016 and is applicable to following companies

- a) Companies whose Equity or Debt Securities are listed or are in the process of being listed on any stock exchange in India or outside India and having net worth of less than INR 500 crore.
- b) Unlisted Companies having net worth of INR 250 crore or more but less than INR 500 crore.
- c) Holding, Subsidiary, Joint Venture / Associate Companies of Companies covered in (a) and (b) above.

IND AS 108 relates to 'Segment reporting'. The objective of AS-17/IND AS 108 is to establish principles for reporting financial information about the different types of products and services of an enterprise and the different geographical areas in which it operates. Segmental financial data, where available and as applicable, was also considered in this analysis.

The segments considered for our analysis were based on common segments disclosed in latest or one year immediately preceding the current year (when current year data is not available). The segmental data of companies appearing in the database was exhaustively considered. We extracted segmental financial data from Capitaline TP using the segment query module as given in the database.

It may be noted that due to the unavailability of disaggregated financial information as part of segmental financial data, i.e., the limitation of information on the various items of income, expenditure, assets, and liabilities, we primarily relied on qualitative information for the purposes of the comparable search. However, we quantitatively screened²⁹ to select those segments (of companies) with a positive net worth and excluded segments (of companies) whose net worth had eroded.

Further, where segmental financial data was available and provided a closer comparison than the company level financial data, the segmental financial data were considered for the purposes of this analysis.

²⁹ It may be noted that since this data is not available on a segmental basis the filter was applied by using the information provided for the company as a whole.

Appendix F. Accept-Reject Matrix

Refer Annexure A.

Appendix G. Business description of comparable companies

Contract Manufacturers

- 1. Calcom Vision Ltd:** The company is involved in manufacturing lightening electronics, all-inclusive range of LED products, traditional luminaires and electronic ballasts. It is involved in R&D activities. Its products include emergency bulb, PLL lamp, specialty lighting, LED bulb and panel, etc. As an EMS provider/contract manufacturer it, designs, assembles, tests, distributes and provides personalized end to end services.
- 2. Contemporary Targett Pvt Ltd:** The company is involved in the manufacturing of toothbrushes on a contract basis for oral care and private label brands. The products are manufactured entirely in-house, from moulding of the toothbrush handles to bristling the handles and packaging the final product.
- 3. Ginni Filaments Ltd - Others:** The segment is involved in contract manufacturing of wet wipes. The company under this segment has established itself as a wet wipe converter with forte in contract manufacturing.
- 4. Hindustan Foods Ltd:** The Company is primarily engaged in the business of contract manufacturing of FMCG products comprising primarily of home care, personal care, foods & refreshments including fruit juice and aerated juice, packing of tea and job working of shoes.
- 5. Integra Engineering India Ltd:** The company is involved in the manufacturing of machineries and components. It caters to power and transportation sector. It is involved in manufacturing of railway control systems and contract engineering activity. The Company generates majority of its revenue from contract manufacturing business as an OEM supplier.
- 6. Lipi Data Systems Ltd:** The Company manufactures printers, ribbons and refills, cash recycler and kiosk-scanners, self-service terminals, and toner cartridges. The company derives part of its revenue from job work income.
- 7. Loxim Industries Ltd - Plastic Granules:** The segment is engaged in licensed contract manufacturing of resin products under the brand name of third party producers.
- 8. Prima Automation India Pvt Ltd:** The company provides contract manufacturing services in the field of wind turbine control panels, hydro turbine control panels, steam turbine control panels and inverter control panels to its clients.
- 9. Shree Pacetronix Ltd:** The company is involved in manufacturing of implantable cardiac pacemakers, pacing leads and pacing system analyzer. Its contract manufacturing activities include P C Board Assemblies, Design and Testing, Turn-Key Projects for New Inventions, CAD work and Software Development.
- 10. Spectrum Electrical Industries Ltd:** The company is involved in designing and manufacturing of electrical, automobile and irrigation components as contract manufacturers and as component suppliers to leading industry players on Business-to-Business (B2B) model.

Its products are mini MCB base and cover, distribution board, AC box, modular electric board panels, lamp angle holders and surface coating services.

- 11. Stericon Pharma Pvt Ltd:** The company is a private label manufacturer of contact lens solution & eye drops internationally. It also offers private labelling and manufactures Sterile multipurpose contact lens cleaning solution and Sterile eye & Nasal formulations under the brand's private label such as Aqualens, Varilux, etc. It offers dedicated contract manufacturing / packaging to manufacture AYUSH products including Ayurveda, Yoga + Naturopathy, Unani, Siddha & Homoeopathy.

Manufactures catering to export market

- 1. Jash Engineering Ltd:** The company is involved in manufacturing of valves and gates components used in basic infrastructural activities. Its product offerings include gates, screening components, valves and valve components and process equipments, castings, hydro screw, etc.
- 2. Man Industries (India) Ltd:** The company is involved in the manufacturing and export of carbon steel line pipes for various high pressure transmission applications for gas, crude oil, petrochemical products and potable water. It has state-of-the-art manufacturing facilities for LSAW & HSAW Line Pipes and also for various types of Anti-Corrosion Coating Systems.
- 3. National Fittings Ltd:** The Company manufactures and sells SG Iron Grooved and Screwed Pipe Fittings, Stainless Pipe Fittings and Ball Valves for industrial and non-industrial applications.
- 4. Pitti Engineering Ltd:** The Company is engaged in the manufacturing of engineering products of iron and steel including electrical steel laminations stator & rotor core assemblies subassemblies pole assemblies die-cast rotors press tools and high precision machining of various metal components.
- 5. Shivalik Bimetal Controls Ltd:** The company is involved in the manufacturing of thermostatic bimetal, clad metal, electron beam welded material with multi-gauge and multi-materials strips and thermostatic edge-welded strips. Its products include thermostatic bimetal parts/strips, shunt resistors, reflow solder/pre soldered strips, thermostatic bimetal coils & spring and snap action disc.
- 6. Suraj Ltd:** The company is involved in the manufacturing and export of stainless steel seamless pipes, tubes and 'U' tubes for heat exchangers, LP/HP heater, condensers, heating elements and duly annealed, pickled, stainless steel flanges, seamless butt weld fitting, etc.