



SPECTRUM TALENT MANAGEMENT LIMITED

CORPORATE IDENTITY NUMBER: U51100DL2012PLC235573

Our Company was incorporated on May 09, 2012 as a private limited company under the provisions of Companies Act, 1956 with the Registrar of Companies, Delhi in the name and style of 'Spectrum Talent Management Private Limited'. Subsequently, our Company was converted into public limited company pursuant to which the name of our Company was changed to "Spectrum Talent Management Limited" vide shareholder's approval on December 26, 2022 and fresh certificate of incorporation dated January 04, 2023. The Corporate Identification Number of our Company is U51100DL2012PLC235573.

Registered Office: B-46, Retreat Apartments, 20 I.P. Extension, Delhi-110092

Corporate Office: Block C, Plot no. C-142, Sector- 63, Noida, Gautam Buddha Nagar- 201301, Uttar Pradesh Tel. No: 0120-4258857/ +91 96503 30031; E-mail: cs@stmpl.co.in; Website: www.stmpl.co.in Contact Person: Mr. Ajit Singh, Company Secretary and Compliance Officer

OUR PROMOTERS: MR. SIDHARTH AGARWAL AND MR. VIDUR GUPTA THE OFFER

INITIAL PUBLIC OFFERING OF 60,77,600 EQUITY SHARES OF FACE VALUE OF ₹10.00 EACH ("EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹[•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹[•] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING ₹[•] LAKHS ("OFFER"). THE OFFER COMPRISES A FRESH ISSUE OF 51,85,600 EQUITY SHARES AGGREGATING ₹[•] LAKHS ("FRESH ISSUE") AND AN OFFER FOR SALE OF 8,92,000 EQUITY SHARES ("OFFERED SHARES") AGGREGATING ₹[•] LAKHS, BY MR. SIDHARTH AGARWAL AND MR. VIDUR GUPTA (SELLING SHAREHOLDERS), THE ("OFFER FOR SALE"). THIS OFFER INCLUDES A RESERVATION OF 3,04,000 EQUITY SHARES AGGREGATING ₹[•] LAKHS (CONSTITUTING 5.00% OF ISSUED PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION"). THE OFFER LESS THE MARKET MAKER RESERVATION PORTION IS HERINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE 26.32 % AND 25.00 %, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY, RESPECTIVELY. THE FACE VALUE OF THE EQUITY SHARES IS ₹10.00 EACH.

- QIB PORTION: NOT MORE THAN 10.00% OF THE NET OFFER
- NON-INSTITUTIONAL PORTION: NOT LESS THAN 45.00% OF THE NET OFFER
- RETAIL PORTION: NOT LESS THAN 45.00% OF THE NET OFFER
- MARKET MAKER PORTION: 3,04,000 EQUITY SHARES OR 5.00% OF THE OFFER

PRICE BAND: RS.169.00 TO RS.173.00 PER EQUITY SHARE OF FACE VALUE RS. 10/- EACH.

THE FLOOR PRICE IS 16.90 TIMES OF THE FACE VALUE AND

THE CAP PRICE IS 17.30 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

BIDS CAN BE MADE FOR A MINIMUM OF 800 EQUITY SHARES AND IN MULTIPLES OF 800 EQUITY SHARES THEREAFTER.

RISKS TO INVESTORS:

- Our business is not subject to seasonal volatility.
- The Merchant Banker associated with the Issue has handled 7 public issue in the past three years out of which only one Issue has closed below the Issue Price on Listing date.
- Average cost of acquisition of Equity Shares held by the Promoters i.e Mr. Sidharth Agarwal and Mr. Vidur Gupta are 0.03 per Equity Share and the Offer Price at the upper end of the Price Band is Rs.173.00 per Equity Share.
- Weighted Average Return on Net worth for Fiscals 2022, 2021 and 2020 is 42.99%
- The Weighted average cost of acquisition of all Equity Shares transacted in the last three years and one year from the date of RHP is as given below:

Period	Weighted Average Cost of Acquisition (in Rs.)*	Upper end of the Price Band (Rs. 173) is '17.30' times the weighted Average cost of Acquisition	Range of acquisition price: Lowest Price – Highest Price (in Rs.169-173)
Last 1 year/3 years	3.37	51.33	0-0

*Weighted average cost of acquisition has been calculated by adjusting for split of equity shares.

BASIS FOR OFFER PRICE

The Price Band is Rs 169 to Rs. 173 as determined by our Company and Selling Shareholders in consultation with the Book Running Lead Manager, on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is Rs.10.00 each. Investors should refer to "Risk Factors", "Our Business", "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages, 22, 94, 145 and 189 respectively, to have an informed view before making an investment decision.

QUALITATIVE FACTORS

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

- We have diversified business across multiple end user industries and clients
- Established and proven track record;
- Leveraging the experience of our Promoter;
- Experienced management team and motivated Employees;
- Cordial relations with our client.

For further details, refer to heading 'Our Strengths' under chapter titled 'Our Business' beginning on page 91 of the Red Herring Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated consolidated financial statements of the Company for nine months ended December 31, 2022 and Financial Year 2019-20, 2020-21 and 2021-22 prepared in accordance with AS. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1) Basic Earnings per Share (EPS) as per Accounting Standard 20:

Year Ended	EPS (₹)	Weight
March 31, 2020	14.23	1
March 31, 2021	10.03	2
March 31, 2022	9.07	3
Weighted Average	10.25	
Nine months ended December 31, 2022	11.15	

Note: The EPS has been computed by dividing net profit as restated in financials, attributable to equity shareholders by weighted average number of equity shares outstanding during the year.

Earnings Per Share calculation are in accordance with Accounting Standard 20- Earnings Per Share, notified under the Companies (Accounting Standards) Rules 2006, as amended. The number of equity shares outstanding increases as a result of a bonus issue and the calculation of basic and diluted earnings per share has been adjusted only Dec'22 period and previous year FY 2022.

2) Price to Earnings (P/E) ratio in relation to Issue Price of Rs. [•] per Equity Share of face value of Rs. 10 each.

Particulars	P/E at Floor Price	P/E at Cap Price
P/E ratio based on Basic EPS for FY 2021-22	18.63	19.07
P/E ratio based on Weighted Average EPS	16.49	16.88

3) Average Return on Net worth (RoNW) for the preceding three years.

Year ended	RoNW (%)	Weight
March 31, 2020	45.05	1
March 31, 2021	24.11	2
March 31, 2022	54.89	3
Weighted Average	42.99	
Nine months ended December 31, 2022	41.23	

Note: The RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year excluding miscellaneous expenditure to the extent not written off.

4) Net Asset Value (NAV)

(Amount in Rs.)

Particulars	Amount (₹)
As at December 31, 2022	27.05
After the Offer	
-At the Floor Price	58.93
-At the Cap Price	59.83
-At Offer Price	[•]

*NAV per Equity Share has been calculated as Net Worth as divided by number of Equity Shares.

5) Comparison with other listed company's/Industry peers

Companies	Face Value	Sales (₹ in Lakhs)	PAT (₹ in Lakhs)	EPS (In ₹)	P/E Ratio	CMP (In ₹)
Spectrum Talent Management Limited	10.00	48,372.17	1,552.71	9.07	-	-
Peer Groups:*						
Quess Corp Limited	10.00	1,371,157.90	25,097.70	16.32	21.80	377.40
Team Lease Services Limited	10.00	649,954.94	3,945.06	22.48	98.58	2231.35

*Source for Peer Group information: www.nseindia.com

- The figures of Our Company are based on the restated consolidated results for the year ended March 31, 2022.
- The figures for the Peer group are based on consolidated audited results for the Financial Year ended March 31, 2022.
- Current Market Price (CMP) is the closing prices of respective scrips as on May 23, 2023.

6) The Offer Price of Rs. [•] has been determined by our Company and Selling Shareholders in consultation with the Book Running Lead Manager, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters.

For further details, see "Risk Factors" beginning on page 22 of the Red Herring Prospectus and the financials of the Company including profitability and return ratios, as set out in the "Financial Statements" beginning on page 145 of the Red Herring Prospectus for a more informed view.

For further details, please see the chapter titled "Basis for Offer Price" beginning on page 72 of the RHP

BID/OFFER PROGRAMME

BID/OFFER OPENS ON : FRIDAY, JUNE 09, 2023 | BID/OFFER CLOSES ON ⁽¹⁾ : WEDNESDAY, JUNE 14, 2023

⁽¹⁾Our Company may, in consultation with the BRLM, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations.

In case of any revision in the Price Band, the Bid/Offer Period shall be extended for at least three (3) additional Working Days after such revision of the Price Band, subject to the Bid/Offer Period not exceeding a total of ten (10) Working Days. Any revision in the Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchange by issuing a press release and also by indicating the change on the websites of the BRLM and by intimation to Self-Certified Syndicate Banks ("SCSBs"), the Sponsor Banks and other Designated Intermediaries, as applicable. In case of force majeure, banking strike or similar circumstances, the Company may for reasons recorded in writing, extend the Bid/Offer Period by at least three (3) additional working days subject to the total Bid/Offer Period not exceeding ten (10) Working Days.

The Offer is being made in terms of Rule 19(2)(b)(1) of the Securities Contract (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, the Offer is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Offer is being made through the Book Building Process wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs" and such portion the "QIB Portion") Further, 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations subject to valid Bids being received at or above the Issue Price. All potential Bidders, are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective bank account (including UPI ID in case of RIBs) which will be blocked by the SCSBs, or the bank accounts linked with the UPI ID, as applicable, to participate in the Issue. For details, please see the section entitled "Offer Procedure" on page 236 of the Red Herring Prospectus.

RISK IN RELATION TO THE FIRST OFFER.

Bidders / Applicants should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidders/Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidders/Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for or unblocking of ASBA Account or for other correspondence(s) related to an Offer. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk. Bidders / Applicants should ensure that PAN, DP ID and the Client ID are correctly filled in the Bid cum Application Form. The PAN, DP ID and Client ID provided in the Bid cum Application Form should match with the PAN, DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active.

ASBA*

Simple, Safe, Smart way of Application- Make use of it !!!

*Applications Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, investors can avail the same. For details, check section on ASBA below.
Mandatory in Public Issues from January 01, 2016. No Cheque will be accepted

UPI-Now available in ASBA for Retail Individual Investors (RII)**

Investors are required to ensure that the bank account used for bidding is linked to their PAN. UPI – Now available in ASBA for RIIs applying through Registered Brokers, DPs & RTAs. RIIs also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account.

Investors have to apply through the ASBA process. "ASBA has to be availed by all the investors except anchor investor. UPI may be availed by Retail Individual Investors. For details on the ASBA and the UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section "Offer Procedure" beginning on page 236 of the RHP. The process is also available on the website of Association of Investment Bankers of India ("AIBI"), the Stock Exchange and in the General Information Document.

*ASBA forms can be downloaded from the website of NSE

**List of banks supporting UPI is also available on the website of SEBI at www.sebi.gov.in. Axis Bank Limited has been appointed as Sponsor Bank for the Offer, in accordance with the requirements of the SEBI circular dated November 1, 2018, as amended. For UPI related queries, investors can contact NPCI at the toll free number-18001201740 and Mail ID- ipo.upi@npci.org.in. For the list of UPI Apps and Banks live on IPO, please refer to the link www.sebi.gov.in. For offer related grievance investors may contact: Sarthi Capital Advisors Private Limited -Mr. Deepak Sharma (+91 22-26528671/72) (Email Id: compliance@sarthiwm.in).

BOOK RUNNING LEAD MANAGER TO THE OFFER



Sarthi Capital Advisors Private Limited
CIN: U65190DL2012PTC238100
401, 4th Floor, Manek Plaza, 167, Vidyanagari Marg, Kalina, Santacruz (E),
Mumbai – 400 098 Tel No.: +91 22 2652 8671/ 72
Email Id: compliance@sarthiwm.in Website: www.sarthiwm.in
Contact Person: Mr. Deepak Sharma
SEBI Registration No.: INM000012011

REGISTRAR TO THE OFFER



Skyline Financial Services Private Limited
CIN: U74899DL1995PTC071324
D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi-110020
Tel. No.: +91-11-40450193-197 Email: ipo@skylinert.com
Investor Grievance E-Mail: grievances@skylinert.com
Contact Person: Mr. Anuj Kumar Website: www.skylinert.com
SEBI Registration No.: INR00003241

COMPANY SECRETARY AND COMPLIANCE OFFICER



SPECTRUM TALENT MANAGEMENT LIMITED
Block C, Plot no. C-142, Sector- 63, Noida,
Gautam Buddha Nagar- 201301, Uttar Pradesh
Tel. No: 0120-4258857/ +91 96503 30031
E-mail: cs@stmpl.co.in
Website: www.stmpl.co.in
Contact Person: Mr. Ajit Singh

AVAILABILITY OF RED HERRING PROSPECTUS: Investors are advised to refer to the Red Herring Prospectus and the Risk Factors contained therein before applying in the Offer. Full copy of the Red Herring Prospectus is available on the website of the SEBI at www.sebi.gov.in, website of the Company at www.stmpl.co.in, the website of the BRLM to the Offer at www.sarthiwm.in, the website of NSE at www.nseindia.com and is available on the websites of the BRLM at www.sarthiwm.in. Any potential investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, please refer to the RHP including the section titled "Risk Factors" beginning on page 22 of the Red Herring Prospectus.

AVAILABILITY OF BID-CUM-APPLICATION FORMS: Bid-Cum-Application forms can be obtained from the Corporate Office of the Company: Spectrum Talent Management Limited, Telephone: 0120-4258857/ +91 96503 30031; BRLM: Sarthi Capital Advisors Private Limited, Telephone: +91 22 2652 8671/ 72 and Registered Brokers, RTAs and CDPs participating in the Offer. Bid-cum-application Forms will also be available on the websites of NSE and the designated branches of SCSBs, the list of which is available at websites of the stock exchange and SEBI.

ESCROW COLLECTION BANK/ REFUND BANK/ PUBLIC OFFER ACCOUNT BANK/ SPONSOR BANK: Axis Bank Limited.

LINK TO DOWNLOAD ABRIDGED PROSPECTUS: www.nseindia.com

UPI: Retail Individual Bidders can also Bid through UPI Mechanism.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the Red Herring Prospectus.

On behalf of Board of Directors
For Spectrum Talent Management Limited
Sd/-
Mr. Vidur Gupta
Managing Director

Place: Delhi
Date: June 06, 2023

Disclaimer: Spectrum Talent Management Limited is proposing, subject to applicable statutory and regulatory requirements, market conditions and other considerations, to make an initial public offer of its Equity Shares and has filed the RHP with the Registrar of Companies, Delhi on June 03, 2023 and thereafter with SEBI and the Stock Exchange. The RHP is available on the website of NSE at www.nseindia.com and is available on the websites of the BRLM at www.sarthiwm.in. Any potential investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, please refer to the RHP including the section titled "Risk Factors" beginning on page 22 of the Red Herring Prospectus.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or any state securities laws in the United States, and may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable U.S. state securities laws. The Equity Shares are being issued and sold outside the United States in "offshore transactions" in reliance on Regulation "S" under the Securities Act and the applicable laws of each jurisdiction where such issues and sales are made. There will be no public offering in the United States.