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TRUST FINTECH LIMITED
CIN: U72100MH1998PLC117470

Prospectus
Dated: March 28, 2024
Please read Section 26 and 32 of The Companies Act, 2013
100% Book Built Issue

| REGISTERED OFFICE | | CONTACT PERSON | EMAIL ID & CONTACT NO | WEBSITE |
|---|---|---|---|--|
| Plot No. 11/4, I.T. Park, Gayatri Nagar Parsodi, Nagpur, Maharashtra, India-440022 | | Ms. Deshana Keval Joshi (Company Secretary & Compliance Officer) | Email: cs@softtrust.com Tel: +91 - 9909647348 | www.softtrust.com |
| THE PROMOTERS OF OUR COMPANY ARE MR. HEMANT PADMANABH CHAFALE, MR. SANJAY PADMANABH CHAFALE, MR. HERAMB RAMKRISHNA DAMLE, MR. ANAND SHANKER KANE AND MR. MANDAR KISHOR DEO | | | | |
| DETAILS OF THE ISSUE TO PUBLIC | | | | |
| TYPE | FRESH ISSUE | OFS SIZE | TOTAL ISSUE SIZE | ELIGIBILITY |
| Fresh Issue | 62,82,000 Equity Shares aggregating to ₹ 6344.82 Lakhs. | Nil | 62,82,000 Equity Shares aggregating to ₹ 6344.82 Lakhs. | The Issue is being made pursuant to Regulation 229(2) of SEBI ICDR Regulations, 2018. As the Company's post issue face value capital exceeds ₹1000 Lakhs but does not exceed ₹ 2500 Lakhs. |
| DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION | | | | |
| NAME | TYPE | NUMBER OF SHARES OFFERED / AMOUNT IN ₹ | WACA IN ₹ PER EQUITY SHARE | |
| NIL | | | | |
| RISKS IN RELATION TO THE FIRST ISSUE | | | | |
| This being the first public issue of the Equity Shares, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 per Equity Share. The Floor Price, the Cap Price and the Offer Price (as determined by our Company in consultation with the BRLM), on the basis of the assessment of market demand for the Equity Shares by way of the book building process, as stated in "Basis for Issue Price" beginning on page 113, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing. | | | | |
| GENERAL RISK | | | | |
| Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page 28 of this Prospectus. | | | | |
| ISSUER'S ABSOLUTE RESPONSIBILITY | | | | |
| Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. | | | | |
| LISTING | | | | |
| The Equity Shares offered through the Prospectus are proposed to be listed on the Emerge platform of National Stock Exchange of India Limited ("NSE Emerge"). In terms of the Chapter IX of the SEBI ICDR Regulations, as amended from time to time, our Company has received in-principal approval letter dated March 19, 2024 from NSE Emerge for using its name in this Offer document for listing our shares on the NSE Emerge. For the purpose of this Issue, the Designated Stock Exchange will be National Stock Exchange of India Limited. | | | | |
| BOOK RUNNING LEAD MANAGER TO THE ISSUE | | | REGISTRAR TO THE ISSUE | |
|  Corporate Capital Ventures CORPORATE CAPITALVENTURES PRIVATE LIMITED B1/E13, First Floor, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi – 110044, Tel: +91 11 - 41824066; Email: smeipo@ccvindia.com Investor Grievances Email id- investor@ccvinndia.com Website: www.ccvindia.com SEBI Registration: INM000012276 Contact Person: Mrs. Harpreet Parashar | | |  BIGSHARE SERVICES PRIVATE LIMITED Office No. S6- 2, 6th Floor, Pinnacle Business Park, next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400093, India. Tel No.: +91 – 22 – 6263 8200; Fax No.: +91 – 22 – 6263 8299 E-mail: ipo@bigshareonline.com Investor Grievances Email Id – investor@bigshareonline.com Website: www.bigshareonline.com SEBI Registration No.: INR000001385 Contact Person: Mr. Vinayak Morbale | |
| ISSUE PROGRAMME | | | | |
| ANCHOR INVESTOR PORTION OFFER OPENS/CLOSE: | | | Friday, March 22, 2024 | |
| ISSUE OPENS ON: | | | Tuesday, March 26, 2024 | |
| ISSUE CLOSES ON: | | | Thursday, March 28, 2024 | |



TRUST FINTECH LIMITED
CIN: U72100MH1998PLC117470

Our Company was originally incorporated on December 15, 1998 as a Private Limited Company as "Trust Systems and Software (India) Limited" vide Registration No. 117470 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai. Pursuant to a special resolution passed by the Shareholders at their Extra ordinary General Meeting held on September 16, 2023, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to 'Trust Systems and Software (India) Limited' and a Fresh Certificate of Incorporation consequent to Conversion was issued on September 29, 2023 by the Registrar of Companies, Mumbai. Further, pursuant to special resolution passed by the Shareholders at their Extra Ordinary General Meeting held on November 22, 2023, our company has changed its name from "Trust Systems and Software (India) Limited" to "Trust Fintech Limited" and a fresh certificate of incorporation consequent to name change was issued on December 14, 2023 by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U72100MH1998PLC117470. For further details of change in name and change in Registered Office of our Company, please refer to section titled 'Our History and Certain Other Corporate Matters' beginning on page 189 of this Prospectus.

Registered Office: Plot No. 11/4, I.T. Park, Gayatri Nagar Parsodi, Nagpur, Maharashtra, India, 440022

Tel: +91 – 9909647348; **E-mail:** cs@softtrust.com; **Website:** www.softtrust.com;

Contact Person: Ms. Deshana Keval Joshi, Company Secretary and Compliance Officer

OUR PROMOTERS: MR. HEMANT PADMANABH CHAFALE, MR. SANJAY PADMANABH CHAFALE, MR. HERAMB RAMKRISHNA DAMLE, MR. ANAND SHANKAR KANE AND MR. MANDAR KISHOR DEO

PUBLIC ISSUE OF 62,82,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF TRUST FINTECH LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 101 PER EQUITY (THE "ISSUE PRICE") AGGREGATING TO ₹ 6344.82 LAKH ("THE ISSUE") COMPRISING OF A FRESH ISSUE OF 62,82,000 EQUITY SHARES AGGREGATING TO ₹ 6344.82 LAKH (THE "FRESH ISSUE") OF WHICH 3,18,000 EQUITY SHARES AGGREGATING TO ₹ 6344.82 LAKH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF 59,64,000 EQUITY SHARES AGGREGATING TO ₹ 6023.64 LAKH (THE "NET ISSUE"). THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 26.37% AND 25.03% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

PRICE BAND: ₹ 95 to ₹ 101 PER EQUITY SHARE OF FACE VALUE OF ₹ 10/- EACH AND THE ISSUE PRICE IS 9.5 TO 10.1 TIMES OF THE FACE VALUE AT THE LOWER PRICE BAND AND THE UPPER PRICE BAND RESPECTIVELY. BID CAN BE MADE FOR MINIMUM OF 1200 EQUITY SHARES AND THE MULTIPLES OF 1200 EQUITY SHARES THEREAFTER.

IN CASE OF ANY REVISION IN THE PRICE BAND, THE BID/ISSUE PERIOD WILL BE EXTENDED BY AT LEAST THREE ADDITIONAL WORKING DAYS AFTER SUCH REVISION IN THE PRICE BAND, SUBJECT TO THE BID/ISSUE PERIOD NOT EXCEEDING 10 WORKING DAYS. IN CASES OF FORCE MAJEURE, BANKING STRIKE OR SIMILAR CIRCUMSTANCES, OUR COMPANY MAY, FOR REASONS TO BE RECORDED IN WRITING, EXTEND THE BID/ISSUE PERIOD FOR A MINIMUM OF THREE WORKING DAYS, SUBJECT TO THE BID/ISSUE PERIOD NOT EXCEEDING 10 WORKING DAYS. ANY REVISION IN THE PRICE BAND AND THE REVISED BID/ISSUE PERIOD, IF APPLICABLE, SHALL BE WIDELY DISSEMINATED BY NOTIFICATION TO THE STOCK EXCHANGE, BY ISSUING A PUBLIC NOTICE, AND ALSO BY INDICATING THE CHANGE ON THE RESPECTIVE WEBSITES OF THE BOOK RUNNING LEAD MANAGER AND AT THE TERMINALS OF THE SYNDICATE MEMBERS AND BY INTIMATION TO DESIGNATED INTERMEDIARIES AND THE SPONSOR BANK, AS APPLICABLE.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50 % of the Net Issue shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net 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 (except Anchor Investors) are required to mandatorily utilize the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the SCSBs or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" beginning on page 309 of this Prospectus.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 per Equity Share. The Floor Price, the Cap Price and the Offer Price (as determined by our Company in consultation with the BRLM), on the basis of the assessment of market demand for the Equity Shares by way of the book building process, as stated in "Basis for Issue Price" beginning on page 113, should not be considered to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 28 of this Prospectus.

ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares offered through the Prospectus are proposed to be listed on the Emerge Platform of National Stock Exchange of India Limited i.e., NSE Emerge. Our Company has received 'in-principle' approval from the NSE Emerge for using its name in the offer document for the listing of the Equity Shares, pursuant to letter dated **March 19, 2024**. For the purpose of the Issue, the Designated Stock Exchange shall be National Stock Exchange of India Limited.

BOOK RUNNING LEAD MANAGER TO THE ISSUE

REGISTRAR TO THE ISSUE



Corporate Capital Ventures



CORPORATE CAPITALVENTURES PRIVATE LIMITED

B1/E13, First Floor, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi – 110044,

Tel: +91 11 - 41824066;

Email: smeipo@ccvindia.com

Investor Grievances Email id- investor@ccvindia.com

Website: www.ccvindia.com

SEBI Registration: INM000012276

Contact Person: Mrs. Harpreet Parashar

BIGSHARE SERVICES PRIVATE LIMITED

Office No. S6- 2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400093, India.

Tel No.: +91 – 22 – 6263 8200;

Fax No.: +91 – 22 – 6263 8299

E-mail: ipo@bigshareonline.com

Investor Grievances Email Id – investor@bigshareonline.com

Website: www.bigshareonline.com

SEBI Registration No.: INR000001385

Contact Person: Mr. Vinayak Morbale

ISSUE PROGRAMME

ANCHOR INVESTOR PORTION OFFER OPENS/CLOSE:

Friday, March 22, 2024

ISSUE OPENS ON:

Tuesday, March 26, 2024

ISSUE CLOSES ON:

Thursday, March 28, 2024

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PURSUANT TO SCHEDULE VI OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE
REQUIREMENTS) REGULATIONS, 2018.**

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SECTION I – GENERAL
DEFINITIONS AND ABBREVIATIONS

This Prospectus uses certain definitions and abbreviations which, unless the context otherwise specified or indicates, requires or implies, shall have the meaning as provided below. References to any legislations, acts, regulation, rules, guidelines, circulars, notifications, policies or clarifications shall be deemed to include all amendments, supplements or re-enactments and modifications thereto notified from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under such provision.

The words and expressions used in this Prospectus but not defined herein shall have, to the extent applicable, the meanings ascribed to such terms under the Companies Act, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. If there is any inconsistency between the definitions given below and the definitions contained in the General Information Document (defined hereinafter), the following definitions shall prevail.

General Terms

| Term | Description |
|--|--|
| “TFL” or “Trust Fintech” “We” or “us” or “our Company” or “the Issuer” or “Company” | Unless the context otherwise requires, refers to Trust Fintech Limited (Formerly known as Trust Systems and Software (India) Limited), a company incorporated under the Companies Act, 1956, bearing Corporate Identification Number U72100MH1998PLC117470 and having registered office at Plot No.11/4, I.T. Park, Gayatri Nagar Parsodi, Nagpur, Maharashtra-440022. |

Company Related Terms

| Terms | Description |
|--|---|
| Articles / Articles of Association | Unless the context otherwise requires, refers to the Articles of Association of Trust Fintech Limited, as amended from time to time. |
| Audit Committee | The committee of the Board of Directors constituted as the Company’s Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and rules made thereunder and disclosed as such in the chapter titled –Our Management on page 195 of this Prospectus. |
| Auditors/ Statutory Auditors | The Statutory Auditors of our Company, being M/s R B Bhusari and Company, Chartered Accountants, having FRN 101463W. |
| Board of Directors /Board/ Director(s) | The Board of Directors of Trust Fintech Limited, including all duly constituted Committees thereof. |
| Central Registration Centre (CRC) | It’s an initiative of Ministry of Corporate Affairs (MCA) in Government Process Re-engineering (GPR) with the specific objective of providing speedy incorporation related services in line with global best practices. For more details please refer http://www.mca.gov.in/MinistryV2/central+registration+centre+content+page.html |
| Companies Act | The Companies Act, 2013 including provisions of the Companies Act, 1956, to the extent not repealed. |
| Company Secretary and Compliance Officer | The Company Secretary and Compliance Officer of our Company being Ms. Deshana Keval Joshi. |
| Chief Financial Officer | The Chief Financial Officer of our Company being Mr. Anand Shankar Kane. |
| Depositories Act | The Depositories Act, 1956, as amended from time to time. |
| Equity Shares | Equity Shares of our Company of Face Value of ₹ 10/- each unless otherwise specified in the context thereof. |
| Equity Shareholders | Persons holding equity shares of our Company. |
| Group Entities | The group entities of our Company, as covered under the applicable accounting standards and other companies as considered material by our Board in terms of the Materiality Policy and as set forth in-Group Entities on page 219 of this Prospectus. |
| HUF | Hindu Undivided Family. |

| Terms | Description |
|--|--|
| Indian GAAP | Generally Accepted Accounting Principles in India. |
| Key Managerial Personnel / Key Managerial Employees | The officer vested with executive power and the officers at the level immediately below the Board of Directors as described in the chapter titled Our Management on page 195 of this Prospectus. |
| MOA / Memorandum of Association | Memorandum of Association of Trust Fintech Limited. |
| Non-Residents | A person resident outside India, as defined under FEMA. |
| NRIs / Non-Resident Indians | A person outside India, as defined under FEMA and who is a citizen of India or a Person of Indian Origin under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000. |
| Peer Review Auditor for the Issue | The Peer review auditor for the issue, being Abhijit Kelkar & Co., Chartered Accountants, having FRN 121920W and Peer review registration no. 012301 |
| Person or Persons | Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company, partnership, limited liability Company, joint venture, or trust or any other entity or organization validity constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires. |
| Promoters or Our Promoters | Mr. Hemant Padmanabh Chafale, Mr. Sanjay Padmanabh Chafale, Mr. Heramb Ramkrishna Damle, Mr. Anand Shankar Kane and Mr. Mandar Kishor Deo. |
| Promoters Group | The companies, individuals and entities (other than companies) as defined under Regulation 2(1) (pp) of the SEBI (ICDR) Regulations, 2018, which is provided in the chapter titled -Our Promoters Group. For further details refer page 215 of this Prospectus. |
| Registered Office | The Registered office of our company which is located at Plot No. 11/4, I.T. Park, Gayatri Nagar Parsodi, Nagpur, Maharashtra, India-440022. |
| Restated Financial Statements | The Restated Financial statements of our Company, which comprises the restated statement of Assets and Liabilities for the period ended as at September 30, 2023 and for the year ended on March 31, 2023, 2022 & 2021 and the restated statements of profit and loss for the period ended as at September 30, 2023 and for the year ended on March 31, 2023, 2022 & 2021 of our Company prepared in accordance with generally accepted accounting principles (Indian GAAP) and the Companies Act and restated in accordance with the SEBI (ICDR) Regulations, 2018 and the Revised Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the ICAI, together with the schedules, notes and annexure thereto. |
| ROC | Registrar of Companies, Mumbai. |
| 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 (ICDR) Regulations | SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended. |
| SEBI (LODR) Regulations | SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. |
| SEBI (Takeover) Regulations or SEBI (SAST) Regulations | SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011, as amended from time to time. |
| Stock Exchange | Unless the context requires otherwise, refers to, the Emerge Platform of National Stock Exchange of India Limited. |
| Shareholders | Equity shareholders of our Company, from time to time |

Offer Related Terms

| Terms | Description |
|----------------------------|---|
| Acknowledgement Slip | The slip or document issued by a Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form. |
| Allotment/ Allot/ Allotted | Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue to the successful Applicants. |



| Terms | Description |
|--|---|
| Allotment Advice | Note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange. |
| Allottee | The successful applicant to whom the Equity Shares are being / have been allotted. |
| Applicant | Any prospective investor who makes an application for Equity Shares of our company in terms of this Prospectus. |
| Application Amount | The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Prospectus. |
| Application Form | The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue. |
| ASBA/ Application Supported by Blocked Amount. | Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB. |
| ASBA Account | Account maintained with an SCSB and specified in the Application Form which will be blocked by such SCSB or account of the RIIs blocked upon acceptance of UPI Mandate request by RIIs using the UPI mechanism to the extent of the appropriate Bid / Application Amount in relation to a Bid / Application by an ASBA Applicant. |
| ASBA Investor/ASBA applicant | Any prospective investor(s)/applicants(s) in this Issue who apply (ies) through the ASBA process. |
| Banker(s) to the Issue/ Public Issue Bank(s). | Collectively, the Escrow Collection Banks(s), Sponsor Bank, Refund Bank(s) and Public Issue Bank, in our case being HDFC Bank Limited. |
| Basis of Allotment | The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled "Issue Procedure" beginning on page 309 of this Prospectus. |
| Bid | An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bidding Date by an Anchor Investor pursuant to submission of the Anchor Investor Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations and in terms of the Red Herring Prospectus and the relevant Bid cum Application Form. The term "Bidding" shall be construed accordingly. |
| Bidding Centres | Centres at which the Designated Intermediaries accepted the ASBA Forms, i.e., Designated Branches of SCSBs, Specified Locations for members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs. |
| Bid Lot | 1200 Equity Shares and in multiples of 1200 Equity Shares thereafter. |
| Bid/Offer Closing Date | Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being Thursday, March 28, 2024, which published in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) and all editions of Tarun Bharat (Marathi) (Marathi being the regional language of Nagpur, Maharashtra, where our Registered Office is located). Our Company, in consultation with the LM, may, 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, the extended Bid/ Offer Closing Date shall be widely disseminated by notification to the Stock Exchange, and also be notified on the websites of the BRLM and at the terminals of the Syndicate Members, if any and communicated to the Designated Intermediaries and the Sponsor Bank, which shall also be notified in an advertisement in same newspapers in which the Bid/ Offer Opening Date was published, as required under the SEBI ICDR Regulations. |
| Bid/Offer Opening Date | Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, Tuesday, March 26, 2024, which published in all editions of Financial Express (a widely circulated English national daily newspaper), all editions of Jansatta (a widely circulated Hindi national daily newspaper) and all editions of Tarun Bharat (Marathi) (Marathi being the regional language of Nagpur, Maharashtra, where our Registered Office is located). |

| Terms | Description |
|--|--|
| Bid/ Offer Period | <p>Except in relation to Anchor Investors, the period between the Bid/ Offer Opening Date and the Bid/ Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof in accordance with the SEBI ICDR Regulations and the terms of the Red Herring Prospectus. Provided, however, that the Bidding shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.</p> <p>Our Company, in consultation with the Lead Manager may consider closing the Bid/Offer Period for the QIB Portion One Working Day prior to the Bid/Offer Closing Date which shall also be notified in an advertisement in same newspapers in which the Bid/Offer Opening Date was published, in accordance with the SEBI ICDR Regulations. In cases of force majeure, banking strike or similar circumstances, our Company may, in consultation with the LM, for reasons to be recorded in writing, extend the Bid / Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days.</p> |
| Bidder | Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor |
| Book Building Process | Book building process, as provided in Part A of Schedule XIII of the SEBI ICDR Regulations, in terms of which the Offer is being made. |
| Cap Price | The higher end of the Price Band, subject to any revisions thereto, above which the Offer Price and the Anchor Investor Offer Price will not be finalized and above which no Bids will be accepted. |
| Controlling Branch | Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchange and a list of which is available at www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time. |
| Demographic Details | The demographic details of the Applicants such as their address, PAN, occupation and bank account details. |
| Depository Participant | A Depository Participant as defined under the Depositories Act, 1996. |
| Designated Branches | Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants and a list of which is available at www.sebi.gov.in , or at such other website as may be prescribed by SEBI from time to time. |
| Designated Date | The date on which funds are transferred from the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants. |
| Designated Stock Exchange | Emerge Platform of National Stock Exchange of India Limited or NSE EMERGE. |
| Draft Red Herring Prospectus | Draft Red Herring Prospectus filed with NSE EMERGE for obtaining in-principle approval. |
| Eligible NRIs | NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein. |
| Emerge Platform of NSE | The EmERGE Platform of National Stock Exchange of India Limited for listing equity shares offered under Chapter IX of the SEBI (ICDR) Regulation which was approved by SEBI as an SME Exchange. |
| First/ Sole Applicant | The applicant whose name appears first in the Application Form or Revision Form. |
| Floor Price | The lower end of the Price Band, subject to any revision(s) thereto, not being less than the face value of Equity Shares, at or above which the Offer Price and the Anchor Investor Offer Price will be Finalized and below which no Bids will be accepted. |
| Issue/ Issue Size/ Initial Public Issue/ Initial Public Offer/Initial Public Offering/ IPO | Public Issue of 62,82,000 Equity Shares of face value of ₹10/- each fully paid of our Company for cash at a price of ₹ 101 per Equity Share (including a premium of ₹ 91 per Equity Share) aggregating ₹ 6344.82 Lakhs by our Company. |



| Terms | Description |
|--|--|
| Issue Agreement | The agreement dated January 12, 2024 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue. |
| Issue Closing Date | The date on which Issue closes for subscription is Tuesday, March 26, 2024. |
| Issue Opening Date | The date on which Issue opens for subscription is Thursday, March 28, 2024. |
| Issue Period | The period between the Issue Opening Date and the Issue Closing Date inclusive of both the days during which prospective investors may submit their application. |
| Issue Price | The price at which the Equity Shares are being issued by our Company under this Prospectus being ₹ 101 per Equity Share of face value of ₹10/- each fully paid. |
| Issue Proceeds | Proceeds from the Issue that will be available to our Company, being ₹ 6344.82. |
| LM / Lead Manager | Lead Manager to the Issue, in this case being Corporate CapitalVentures Private Limited. |
| Listing Agreement | The equity listing agreement to be signed between our Company and the National Stock Exchange of India Limited. |
| Market Maker | Market Makers appointed by our Company from time to time, in this case being S S Corporate Securities Limited having SEBI registration number INZ000219533 who have agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time. |
| Market Making Agreement | The Agreement entered into between the Book Running Lead Manager, Market Maker and our Company dated March 15, 2024. |
| Market Maker Reservation | The Reserved Portion of 318,000 Equity Shares of face value of ₹10/- each fully paid for cash at a price of ₹ 101 per Equity Share aggregating ₹ 321.18 for the Market Maker in this Issue. |
| Mutual Fund(s) | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time. |
| Net Issue/ Offer | The Issue (excluding the Market Maker Reservation Portion) of 59,64,000 Equity Shares of face value of ₹10/- each of Issuer at ₹ 101 (including share premium of ₹ 91) per equity share aggregating to ₹ 6023.64. |
| Net Proceeds | The Issue Proceeds, less the Issue related expenses, received by the Company. For information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled - 'Objects of the Issue' beginning on page 81 of this Prospectus. |
| NIF | National Investment Fund set up by resolution F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India. |
| Non-Institutional Applicants | All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have applied for Equity Shares for an amount more than ₹ 2,00,000/- |
| OCB / Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue. |
| Payment through electronic transfer of funds | Payment through ECS / NECS, Direct Credit, RTGS or NEFT, as applicable. |
| Prospectus | The Prospectus, which will be filed with the RoC containing, inter alia, the Issue opening and closing dates and other information. |
| Price Band | Price Band of a minimum price (Floor Price) of ₹ 95 and the maximum price (Cap Price) of ₹ 101 and includes revisions thereof. The Price Band will be decided by our Company in consultation with the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper, in the language where the registered office of the Company is situated, with wide circulation at least two working days prior to the Bid / Offer Opening Date. |
| Public Issue Account | Account opened with the Banker to the Issue/Public Issue Bank i.e. HDFC Bank Limited by our Company to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date. |

| Terms | Description |
|--|---|
| Qualified Institutional Buyers / QIBs | As defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FII and sub-account (other than a sub-account which is a foreign corporate or foreign individual) registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹ 2,500 Lakh, pension fund with minimum corpus of ₹ 2,500 Lakh, NIF and insurance funds set up and managed by army, navy or air force of the Union of India, Insurance funds set up and managed by the Department of Posts, India. |
| Refund Account | The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to Anchor Investors shall be made. |
| Refund Bank | The Bankers to the Offer with whom the Refund Account(s) are opened, in this case being HDFC Bank Limited. |
| Refunds through electronic transfer of funds | Refunds through electronic transfer of funds means refunds through ECS, Direct Credit or RTGS or NEFT or the ASBA process, as applicable |
| Registrar Agreement | The registrar agreement dated January 18, 2024 between our Company and Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue. |
| Registrar/ Registrar to the Offer | Registrar to the Offer being Bigshare services Private Limited. For more information please refer —General Information on page 55 of this Prospectus. |
| Regulations | Unless the context specifies something else, this means the SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2018 as amended from time to time. |
| Retail Individual Investors | Individual investors (including HUFs, in the name of Karta and Eligible NRIs) who apply for the Equity Shares of a value of not more than ₹ 2,00,000/- |
| SCSB | Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1480483399603.html or at such other website as may be prescribed by SEBI from time to time. |
| Sponsor Bank | Sponsor Bank means a Banker to the Issue registered with SEBI which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the retail investors into the UPI. In this case HDFC Bank Limited. |
| Underwriter | Underwriter to this Issue is Corporate CapitalVentures Private Limited. |
| Underwriting Agreement | The agreement dated March 15, 2024 entered into between Corporate CapitalVentures Private Limited and our Company. |
| Unified Payments Interface / UPI | The instant payment system developed by the National Payments Corporation of India. |
| Working Days | In accordance with Regulation 2(1)(mmm) of SEBI ICDR Regulations, working days means, all days on which commercial banks in the city as specified in this Prospectus are open for business: 1. However, in respect of announcement of price band and bid/ Offer period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in the city as notified in the Prospectus are open for business 2. In respect to the time period between the bid/ Offer closing date and the listing of the specified securities on the stock exchange, working day shall mean all trading days of the stock exchange, excluding Sundays and bank holidays in accordance with circular issued by SEBI. |

Conventional Terms / General Terms / Abbreviations



| Abbreviation | Full Form |
|----------------------------|---|
| A/c | Account |
| ACS | Associate Company Secretary |
| AGM | Annual General Meeting |
| AIF | Alternative Investment Fund as defined in and registered with SEBI under the SEBI AIF Regulations |
| AS | Accounting Standards as issued by the Institute of Chartered Accountants of India |
| ASBA | Applications Supported by Blocked Amount |
| AY | Assessment Year |
| BIFR | Board for Industrial and Financial Reconstruction |
| Bn | Billion |
| BRLM | Book Running Lead Manager |
| BSE | BSE Limited |
| CAGR | Compounded Annual Growth Rate |
| Carpet Area | The area of the apartment excluding the thickness of inner walls. |
| CDSL | Central Depository Services (India) Limited |
| CFO | Chief Financial Officer |
| CGST Act | Central Goods and Services Tax Act, 2017 |
| CIBIL | Credit Information Bureau (India) Limited |
| CIN | Corporate Identification Number |
| CIT | Commissioner of Income Tax |
| CSR | Corporate Social Responsibility |
| CST | Central Sales Tax |
| DIN | Director Identification Number |
| DP | Depository Participant |
| DP ID | Depository Participant's identification |
| DPIIT | Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry Government of India |
| EBITDA | Earnings before Interest, Taxes, Depreciation and Amortization |
| ECS | Electronic Clearing System |
| EGM | Extraordinary General Meeting |
| EPFO | Employees' Provident Fund Organization |
| EPS | Earnings Per Share |
| ESOP | Employee Stock Option Plan |
| ESPS | Employee Stock Purchase Scheme |
| FCNR Account | Foreign Currency Non-Resident Account |
| FDI | Foreign Direct Investment |
| FEMA | Foreign Exchange Management Act, 1999, as amended from time to time, and the regulations framed there under |
| FII | Foreign Institutional Investors (as defined under Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000) registered with SEBI under applicable laws in India |
| FIPB | Foreign Investment Promotion Board |
| F&NG | Father and Natural Guardian |
| FTP | Foreign Trade Policy |
| FVCI | Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations |
| FY / Fiscal/Financial Year | Period of twelve months ended March 31 of that particular year, unless otherwise stated |
| GDP | Gross Domestic Product |

| | |
|-----------------|---|
| GoI/Government | Government of India |
| GST | Goods & Services Tax |
| HUF | Hindu Undivided Family |
| IAS Rules | Indian Accounting Standards, Rules 2015 |
| I.T. Act | Income Tax Act, 1961, as amended from time to time |
| ICAI | The Institute of Chartered Accountants of India |
| ICSI | Institute of Company Secretaries of India |
| IFRS | International Financial Reporting Standards |
| IGST Act | Integrated Goods and Services Tax Act, 2017 |
| IMF | International Monetary Fund |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| Ind AS | Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015 |
| IPO | Initial Public Offering |
| IRDAI | Insurance Regulatory and Development Authority of India |
| ISO | International Organization for Standardization |
| IST | Indian Standard Time |
| KMP | Key Managerial Personnel |
| Ltd | Limited |
| MAPIN | Market Participants and Investors Integrated Database |
| MCA | Ministry of Corporate Affairs, Government of India |
| Merchant Banker | Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 |
| MoF | Ministry of Finance, Government of India |
| MOU | Memorandum of Understanding |
| NA | Not Applicable |
| NACH | National Automated Clearing House |
| NAV | Net Asset Value |
| NBFC | Non-Banking Financial Company |
| NDOH | Next Date of Hearing |
| NECS | National Electronic Clearing Service |
| NEFT | National Electronic Fund Transfer |
| NGT | National Green Tribunal |
| NOC | No Objection Certificate |
| NPCI | National Payments Corporation of India |
| NPV | Net Present Value |
| NRE Account | Non-Resident External Account |
| NRIs | Non-Resident Indians |
| NRO Account | Non-Resident Ordinary Account |
| NSDL | National Securities Depository Limited |
| NSE | National Stock Exchange of India Limited |
| OCB | Overseas Corporate Bodies |
| OPC | One Person Company as defined under section 2(62) of The Companies Act, 2013 |
| p.a. | per annum |
| P/E Ratio | Price/Earnings Ratio |
| PAC | Persons Acting in Concert |
| PAN | Permanent Account Number |
| PAT | Profit After Tax |
| PLR | Prime Lending Rate |



| | |
|---------------------|---|
| Plots | Parcel of land demarcated through boundary |
| PMI | Purchasing Managers' Index |
| PPP | Purchasing power parity |
| QIC | Quarterly Income Certificate |
| RBI | The Reserve Bank of India |
| RoC | Registrar of Companies |
| ROE | Return on Equity |
| RONW | Return on Net Worth |
| Rs. /₹ | Rupees, the official currency of the Republic of India |
| RTGS | Real Time Gross Settlement |
| RERA | Real Estate Regulatory Authority |
| SCRA | Securities Contract (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 |
| SEBI Act | Securities and Exchange Board of India Act, 1992 |
| Sec. | Section |
| SGST Act | State Goods and Services Tax Act, 2017 |
| STT | Securities Transaction Tax |
| Super Area | The built up area added to share of common areas which includes staircases, reception, lift shafts, lobbies, club houses and so on |
| TIN | Taxpayers Identification Number |
| TDS | Tax Deducted at Source |
| UGST Act | Union Territory Goods and Services Tax Act, 2017 |
| US/United States | United States of America |
| USD/ US\$/ \$ | United States Dollar, the official currency of the Unites States of America |
| UPI | Unified payments interface which is an instant payment mechanism, developed by NPCI. |
| UPI Circulars | The SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1,2018, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019, SEBI circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 8, 2019, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020, SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021, SEBI/HO/CFD/DIL2/CIR/P/2021/47 dated March 31, 2021, SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022, SEBI circular no. SEBI/HO/CFD/DIL2/CIR/2022/75 dated May 30, 2022 and any subsequent circulars or notifications issued by SEBI in this regard. |
| UPI ID | ID created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the National Payments Corporation of India (NPCI). |
| UPI Mandate Request | The request initiated by the Sponsor Bank and received by an RII using the UPI Mechanism to authorise blocking of funds on the UPI mobile or other application equivalent to the Bid Amount and subsequent debit of funds in case of Allotment |
| UPI Mechanism | The bidding mechanism that may be used by a RIB to make an application in the Issue in accordance with SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2018/138) dated November 1, 2018 |
| UPI PIN | Password to authenticate UPI transaction |
| VAT | Value Added Tax |
| VC | Venture Capital |

| | |
|----------------------------|--|
| VCF / Venture Capital Fund | Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India. |
| WIP | Work in process |
| WHO | World Health Organization |
| WEO | World Economic Outlook |
| YoY | Year on Year |

Industry Related Terms

| Term | Description |
|--------|--|
| ADF | Automatic Document Feeder |
| API | Application programming interface |
| AML | Anti Money Laundering |
| BFSI | Banking, Financial Services and Insurance |
| CIBIL | Credit Information Bureau (India) Limited |
| CRM | Customer relationship management |
| ERP | Enterprise Resource Planning |
| ECS | Electronic Clearance Service |
| GSTN | Goods and Services Tax Network |
| GRPO | Goods Receipt PO |
| HSN | Harmonized System of Nomenclature |
| IMEI | International Mobile Equipment Identity |
| IMPS | Immediate Payment Service |
| IRN | Invoice Reference Number |
| IAAS | Infrastructure As a Service |
| ITC | Input Tax Credit |
| MIS | Management Information System |
| NPA | Non-Performing Assets |
| NeGD | National E-Governance Division |
| NAFCUB | The National Federation of Urban Cooperative Banks and Credit Societies Ltd. |
| NPCI | National Payments Corporation of India |
| PACS | Primary Agricultural Credit Society |
| PMJJBY | Pradhan Mantri Jeevan Jyoti Bima Yojana |
| PMSBY | Pradhan Mantri Suraksha Bima Yojana |
| SAP | Systems, Applications & Products in Data Processing |
| SACCOS | Savings and Credit Cooperative Societies |
| SaaS | Software as a Service |
| SEZ | Special Economic Zone |
| STP | Straight Through Process |
| VAPT | Vulnerability Assessment and Penetration Testing |
| XBRL | eXtensible Business Reporting Language |

Notwithstanding the foregoing:

- In the section titled "Main Provisions of the Articles of Association" beginning on page number 342 of the Prospectus, defined terms shall have the meaning given to such terms in that section;*
- In the chapters titled "Summary of Offer Documents" and "Our Business" beginning on page numbers 19 and 141 respectively, of the Prospectus, defined terms shall have the meaning given to such terms in that section;*



3. *In the section titled "Risk Factors" beginning on page number 28 of the Prospectus, defined terms shall have the meaning given to such terms in that section;*
4. *In the chapter titled "Statement of Tax Benefits" beginning on page number 122 of the Prospectus, defined terms shall have the meaning given to such terms in that section;*
5. *In the chapter titled "Management's Discussion and Analysis of Financial Conditions and Results of Operations" beginning on page number 259 of the Prospectus, defined terms shall have the meaning given to such terms in that section.*

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Financial Data

Unless stated otherwise, the financial data included in this Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled "Financial Statements", as Restated "beginning on page 225 of this Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on 1st April of each year and ends on 31st March of the next year. All references to a particular fiscal year are to the 12 months period ended 31st March of that year. In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points. There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company's financial data. Accordingly, to what extent, the financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited. Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with the applicable provisions of the Companies Act and Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled "Financial Statements", as Restated beginning on page 225 of this Prospectus.

Currency and units of presentation

In this Prospectus, references to Rupees or INR or ₹ are to Indian Rupees, the official currency of the Republic of India. All references to \$, US\$, USD, U.S. \$ or U.S. Dollars are to United States Dollars, the official currency of the United States of America. All references to million / Million / Mn refer to one million, which is equivalent to ten lacs or ten lakhs, the word Lacs / Lakhs / Lac means onehundred thousand and Crore means ten million and billion / bn./ Billions means one hundred crores.

Industry and Market Data

Unless stated otherwise, industry data used throughout the Prospectus has been obtained or derived from industry and government publications, publicly available information and sources. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although our Company believes that industry data used in the Prospectus is reliable, it has not been independently verified. Further, the extent to which the industry and market data presented in the Prospectus is meaningful depends on the reader's familiarity with and understanding of, the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.

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FORWARD LOOKING STATEMENTS

All statements contained in the Prospectus that are not statements of historical facts constitute “forward-looking statements”. All statements regarding our expected financial condition and results of operations, business, objectives, strategies, plans, goals and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability, and other matters discussed in the Prospectus regarding matters that are not historical facts. These forward-looking statements and any other projections contained in the Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections.

These forward-looking statements can generally be identified by words or phrases such as “will”, “aim”, “will likely result”, “believe”, “expect”, “will continue”, “anticipate”, “estimate”, “intend”, “plan”, “contemplate”, “seek to”, “future”, “objective”, “goal”, “project”, “should”, “will pursue” and similar expressions or variations of such expressions. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

- loss of consumers;
- impact of Covid 19 pandemic or any future pandemic;
- general economic and business conditions in the markets in which we operate and in the local, regional and national and international economies;
- Adverse natural calamities having significant impact on regions where we are having projects under implementation;
- our ability to successfully implement strategy, growth and expansion plans and technological initiatives;
- our ability to respond to technological changes;
- our ability to attract and retain qualified personnel;
- the effect of wage pressures, seasonal hiring patterns and the time required to train and productively utilize new employees;
- general social and political conditions in India which have an impact on our business activities or investments;
- potential mergers, acquisitions restructurings and increased competition;
- occurrences of natural disasters or calamities affecting the areas in which we have operations;
- market fluctuations and industry dynamics beyond our control;
- changes in the competition landscape;
- our ability to finance our business growth and obtain financing on favourable terms;
- our ability to manage our growth effectively;
- our ability to compete effectively, particularly in new markets and businesses;
- changes in laws and regulations relating to the industry in which we operate changes in government policies and regulatory actions that apply to or affect our business; and
- developments affecting the Indian economy;
- Any adverse outcome in the legal proceedings in which we are involved.
- Our ability to attract and retain qualified personnel;
- Volatility of loan interest rates and inflation;
- Inability to protect our IP or any third-party claims in relation to infringement of our existing intellectual property rights or in future
- Inability to cater to the evolving consumer preferences, in India and abroad, in the information technology
- The occurrence of natural disasters or calamities; and
- Failure to successfully upgrade our service portfolio, from time to time.

For a further discussion of factors that could cause our current plans and expectations and actual results to differ, please refer to the chapters titled “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page numbers 28, 141 and 259 respectively of this Prospectus.

Forward looking statements reflects views as of the date of the Prospectus and not a guarantee of future performance. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company / our Directors nor the Lead Manager, nor any of its affiliates have any obligation to update or otherwise revise any

statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company and the Lead Manager will ensure that investors in India are informed of material developments until such time as the listing and trading permission is granted by the Stock Exchange(s).

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SECTION II - SUMMARY OF OFFER DOCUMENTS

A. SUMMARY OF OUR BUSINESS OVERVIEW

OUR COMPANY

Our Company was originally incorporated on December 15, 1998 as a Private Limited Company as “Trust Systems and Software (India) Private Limited” vide Registration No. 117470 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai. Pursuant to a special resolution passed by the shareholders at their Extra Ordinary General Meeting held on September 16, 2023, our company was converted from a Private Limited Company to Public Limited Company. Consequently, the name of our Company was changed to ‘Trust Systems and Software (India) Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on October 4, 2023 by the Registrar of Companies, Mumbai. Subsequently, special resolution passed by the shareholders at their Extra Ordinary General Meeting held on November 22, 2023, the name of our company has changed from “Trust Systems and Software (India) Limited” to “Trust Fintech Limited” and a fresh certificate of incorporation was issued on December 14, 2023 by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U72100MH1998PLC117470.

For further details of change in name, change in object and change in registered office of our company, please refer to section titled ‘History and Certain Corporate Matters’ beginning on page 189 of this Prospectus.

OUR BUSINESS

Trust Fintech Limited is a Nagpur based SaaS Product focused company which has carved a niche in providing Core Banking Software, IT Solutions, ERP Implementation and Customized Software Solutions Development, SAP B1 and Offshore IT services for the BFSI sector. TFL was founded by Mr. Hemant Chafale, Mr. Heramb Ramkrishna, Mr. Mandar Kishor Deo with a focus on delivering secured core banking solutions & world-class technology solutions to a virtually integrated banking and financial eco-system. The company has evolved in the last 25 years and adapted to the technological and market shifts to reach the current business model and product version. Trust Fintech is consistently expanding its business footprints in India and Globally by adapting to ever-changing regulatory compliances for the global BFSI sector.

We have invested in developing more than 10+ (ten) banking related products for Commercial and Cooperative Banks and Financial Institutions, which comprise Core Banking Software, Loan Origination software, GST compliance software, Financial Accounting & Billing Software, GST Suvidha provider, SAP B1 Services (for Implementation, Support and Add-on Development), Various add-on modules for Statutory Report Generation, ATM Reconciliation, Anti-Money Laundering, Agency Banking, Mobile Banking leveraging end to end solutions to address the evolving needs of banking Solutions. Since we provide banking solutions, therefore all the product solutions are built by keeping in mind the RBI compliance requirements, which the banks have to follow and also the product is designed in configurable architect, which gives the flexibility to incorporate the changes which may be required to be complied by the banks, pursuant to the change in the policy and compliances as notified by the RBI. Also, our Core Banking Product (TrustBankCBS) is flexible enough to customize for the Central Bank requirements, by customizing this software, we have served this software in India Shri Lanka, Nepal, California, Gambia, Tanzania, Ghana, Liberia, Nigeria, Zimbabwe, and few more countries.

Our company is majorly involved in the Implementation, and deployment of Core banking Software i.e. TrustBankCBS or MicroFinS. TrustBankCBS mainly serves the needs of medium to large banks & financial institutions and MicroFinS serves the needs of Small & growing Co-operative Societies, SACCOS & similar banking institutions. Our flagship product, TrustBankCBS, is a web-based software. It is available “on-premises with infrastructure” i.e. it offers the flexibility to the customer to deploy TrustBankCBS on their own premises with customized infrastructure. Alternatively, it is also available as off-the-shelf banking software solution in a 'Software as a Service' (SaaS) model. This covers bundled solutions of software and hosting infrastructure on a rental basis for those preferring a hassle-free.

Our company proudly holds several quality certifications including ISO 27001:2013, ISO 9001:2015, and CMMI Level 5 reaffirming our commitment to management of information security, comprehensive IT solutions, and advanced software services. Also, TrustBankCBS Software is tested for “VAPT” by CERT-IN certified auditors which demonstrates security and robustness of the software. With 25+ years of operational excellence and a dedicated team of 250+, we provide advanced software services to Public Sector Banks, Co-Operative Banks, District Co-Operative Banks, Regional Rural Banks, Large Credit Societies, NBFC, Large commercial Banks (Add-on Business), PACS, Credit Unions in USA and South American countries that

meet international quality. Currently, we are serving customers in more than 15 States of India and in more than 10 countries including California, Nepal, Gambia, Ghana, Liberia, Nigeria, Sri Lanka, Tanzania, Zimbabwe, Siberia, Central Africa Republic.

Our organization currently operates through its offices located in Nagpur, Pune, and Mumbai spread across total area of 1064.42 sq. mtr. accommodating a workforce of over 250+ employees. The Nagpur property is currently over utilized and lacks the capacity to accommodate additional personnel.

For details on the description of Our Company's activity, business model, marketing strategy, strength, completion of business, please see "Our Business", "Management Discussion and Analysis of Financial Conditions" and "Basis for Issue Price" on page 141, 259 and 113 of this Prospectus respectively.

SUMMARY OF OUR INDUSTRY

Global IT Market outlook

The global Information Technology market size grew from USD 8179.48 billion in 2022 to USD 8853.41 billion in 2023 at a compound annual growth rate of 8.2%. The information technology service market is comparatively concentrated, with a number of big, global players. Around 30% of the total market share in 2019 is made top five competitors in the market. IBM is the largest competitor, followed by Accenture, HPE, Microsoft, and SAP.

The global core banking software market size was valued at USD 12.51 billion in 2022. The market is projected to grow from USD 14.54 billion in 2023 to USD 47.37 billion by 2030, exhibiting a CAGR of 18.4% during the forecast period. One of the significant market drivers is the rising adoption of SaaS-based or cloud-based banking platforms provided by software specialists such as Finastra, FIS global, and Temenos AG. Cloud-based platforms allow banking organizations to monitor payments, transactions, and other banking activities. Thus, the rising demand for productivity and improvement in enterprises will encourage the growth of the market. Key players are focusing on launching new products to gain a competitive edge in the market.

According to Enterprise Cloud Index (ECI) 2022, cloud adoption in BFSI industries is expected to double in three years, boosting the market from 26% to 56%. Therefore, the rising adoption of cloud-based solutions and banking platforms by various banks is expected to drive the market growth in the forthcoming years. Also, the rising usage of Big Data, Payment as a Service (PaaS), cyber security, and remote banking solutions is expected to boost the market expansion during the forecast period.

(Source: <https://www.fortunebusinessinsights.com/core-banking-software-market-104392>)

Indian IT Market Outlook

According to National Association of Software and Service Companies (Nasscom), the Indian IT industry's revenue touched US\$ 227 billion in FY22, a 15.5% YoY growth and was estimated to have touched US\$ 245 billion in FY23. IT spending in India is expected to increase to US\$ 110.3 billion in 2023 from an estimated US\$ 81.89 billion in 2021.

Indian software product industry is expected to reach US\$ 100 billion by 2025. Indian companies are focusing on investing internationally to expand their global footprint and enhance their global delivery centres. The data annotation market in India stood at US\$ 250 million in FY20, of which the US market contributed 60% to the overall value. The market is expected to reach US\$ 7 billion by 2030 due to accelerated domestic demand for AI. India's IT industry is likely to hit the US\$ 350 billion mark by 2026 and contribute 10% towards the country's gross domestic product (GDP), Infomeric Ratings said in a report.

(Source: <https://www.ibef.org/industry/information-technology-india>)

For detailed information on the industry please refer to "Our Industry" beginning on page number 125 of this Prospectus.

B. PROMOTERS

The promoters of our Company are Mr. Hemant Padmanabh Chafale, Mr. Sanjay Padmanabh Chafale, Mr. Heramb Ramkrishna Damle, Mr. Ananad Shankar Kane and Mr. Mandar Kishor Deo. For detailed information please refer chapter



titled Our Promoters and Our Promoter Group on page number 215 respectively of this Prospectus.

C. ISSUE SIZE

The Issue size comprises of fresh issuance of up to 62,82,000 Equity Shares of face value of ₹ 10/- each fully paid-up of the Company for cash at price of ₹ 101 per Equity Share (including premium of ₹ 91 per Equity Share) aggregating ₹ 6344.82.

D. OBJECTS OF THE ISSUE

Our Company intends to utilize the Net Proceeds for the following objects:

| S. N. | Particulars | Amount (In ₹ Lakh) |
|--------------|---|--------------------|
| 1. | To set up additional Development facility, instalments of fit outs and interior design works in Nagpur, Maharashtra | 1518.63 |
| 2. | Investment in Procuring Hardware and upgrading IT infra | 300.00 |
| 3. | Funding of expenditure related to enhancement and upgrading existing product | 1500.40 |
| 4. | To meet out the Global & Domestic Business Development, sales and marketing expenses for the company | 902.60 |
| 5. | General Corporate Purposes* | 1,398.01 |
| Total | | 5,619.64 |

*The amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the Issue.

E. PRE-ISSUE SHAREHOLDING

| S. No. | Name of shareholders | Pre-issue | | Post-issue | |
|----------------------------|--------------------------|----------------------|--------------------------|----------------------|--------------------------|
| | | No. of equity Shares | As a % of Issued Capital | No. of Equity shares | As a % of Issued Capital |
| Promoters | | | | | |
| 1 | Hemant Padmanabh Chafale | 1,12,63,852 | 64.21 | 1,12,63,852 | 47.28 |
| 2 | Sanjay Padmanabh Chafale | 21,12,012 | 12.04 | 21,12,012 | 8.86 |
| 3 | Heramb Ramkrishna Damle | 11,44,304 | 6.52 | 11,44,304 | 4.80 |
| 4 | Anand Shankar Kane | 9,59,577 | 5.47 | 9,59,577 | 4.03 |
| 5 | Mandar Kishor Deo | 8,31,747 | 4.74 | 8,31,747 | 3.49 |
| Total – A | | 1,63,11,492 | 92.98 | 1,63,11,492 | 68.46 |
| Promoter Group | | | | | |
| 6 | Jay Hemant Chafale | 32,000 | 0.18 | 32,000 | 0.13 |
| 7 | Anagha Damle | 43,225 | 0.25 | 43,225 | 0.18 |
| 8 | Neha Kane | 18,000 | 0.10 | 18,000 | 0.08 |
| Total – B | | 93,225 | 0.53 | 93,225 | 0.39 |
| Public | | | | | |
| 9 | Existing Shareholders | 11,38,483 | 6.49 | 11,38,483 | 4.78 |
| 10 | IPO | | | 62,82,000 | 26.37 |
| Total – C | | 11,38,483 | 6.49 | 74,20,483 | 31.15 |
| Grand Total (A+B+C) | | 1,75,43,200 | 100% | 2,38,25,200 | 100% |

F. SUMMARY OF FINANCIAL INFORMATION

(Amount in Lakhs)

| Particulars | For Period ended on September 30 th , 2023 | For the year ended March 31 | | |
|---|---|-----------------------------|----------|----------|
| | | 2023 | 2022 | 2021 |
| Share Capital | 518.49 | 518.49 | 518.49 | 518.49 |
| Net Worth | 3,446.55 | 2,718.60 | 1,516.39 | 1,382.73 |
| Revenue (total income) | 1,883.13 | 2,270.19 | 1,800.00 | 2,417.94 |
| Profit after Tax | 727.95 | 402.21 | 133.66 | 219.66 |
| Earnings per share Basic and Diluted (in ₹)* ¹ | 14.04 | 7.76 | 2.58 | 4.21 |
| Net Asset Value per Equity Share (in ₹)* ¹ | 51.04 | 37.00 | 29.24 | 26.66 |

| | | | | |
|------------------------|---------|--------|---------|---------|
| Total Borrowing | | | | |
| - Long Term | 0.00 | 0.00 | 135.30 | 4.03 |
| - Short Term | (34.32) | (3.80) | (16.61) | (48.37) |

***Note: -**

- For EPS (Basic and Diluted) and NAV are calculated on the basis of No. of Equity Shares outstanding at September 30, 2023, F.Y ended 2023, F.Y ended 2022 and F.Y ended 2021. The No. of Equity Shares outstanding are Consistent in all the three years and Stub period i.e 51,84,868 Equity Shares.
- EPS (Basic and Diluted) and NAV is calculated after considering effect of allotments which was made after September 30, 2023 i.e. Bonus issue of 1,14,06,707 equity shares allotted on January 24,2024 and Private placement of 9,51,625 equity shares allotted on January 25,2024. Hence, issued Equity shares as of January 25,2024 is 1,75,43,200 Equity Shares. Accordingly, EPS (Basic and Diluted) and NAV after considering Bonus issue and Private Placement shares is Rs. 4.15 and Rs. 18.18 respectively.

| Formula | Rs. In Lakhs | Ratio |
|--|---------------------------|--------------|
| For EPS: Profit after Tax / No. of outstanding equity shares | 7,27,94,644 / 1,75,43,200 | 4.15 |
| For NAV: Net Worth/ No. of outstanding equity shares | 31,88,97,910/ 1,75,43,200 | 18.18 |

G. QUALIFICATIONS OF AUDITORS

The Restated Financial Statements do not contain any qualification requiring adjustments by the Statutory Auditors.

H. SUMMARY OF OUTSTANDING LITIGATIONS & MATERIAL DEVELOPEMENTS

A summary of pending legal proceedings and other material litigations involving our Company is provided Below:-

| Name | By/Against | Civil Proceedings | Criminal Proceedings | Tax Proceedings & GST Demands/Proceedings | Actions by regulatory authorities | Other Pending Litigations | Amount Involved (in lakhs) |
|---------------------------------------|-------------------|--------------------------|-----------------------------|--|--|----------------------------------|-----------------------------------|
| Company | By | - | - | - | - | - | - |
| | Against | - | - | 4 | - | - | 92.25 |
| Promoter | By | - | - | - | - | - | - |
| | Against | - | - | 3 | - | - | 1.97 |
| Promoter Group | By | - | - | - | - | - | - |
| | Against | - | - | - | - | - | - |
| Group Companies/Entities | By | - | - | - | - | - | - |
| | Against | - | - | - | - | - | - |
| Directors other than promoters | By | - | - | - | - | - | - |
| | Against | - | - | - | - | - | - |

For further details, please refer chapter titled "Outstanding Litigations & Material Developments" beginning on page 271 of this Prospectus.

I. RISK FACTORS

For details relating to risk factors, please refer section titled "Risk Factors" beginning on page no. 28 of this Prospectus.

J. SUMMARY OF CONTINGENT LIABILITIES OF OUR COMPANY

As per the Restated financial statements of the Company, following are the contingent liabilities: -

(Amount in Lakhs)

| Nature of Borrowing Amount | Amount as on September 30, 2023 | Amount as on March 31, 2023 | Amount as on March 31, 2022 | Amount as on March 31, 2021 |
|-----------------------------------|--|------------------------------------|------------------------------------|------------------------------------|
| *Tax Litigation | 45.30 | - | - | - |



| | | | | |
|--|--|--|--|--|
| (Excluding interest calculated at actuals) | | | | |
|--|--|--|--|--|

*The above litigation is related to GST for the tax period 01/07/2017 to 31/03/2018. The assesses has file appeal against such notice.

In respect of the above matters, the expected outflow will be determined at the time of final resolution of dispute.

K. SUMMARY OF RELATED PARTY TRANSACTIONS

Related Party Transactions

In accordance with the requirements of Accounting Standard- 18 on Related Party Disclosures, the names of the related parties where control exists and with whom transaction have taken place during the year and description of relationships as identified and certified by the management are given below: -

| Related Party Transaction | | | |
|---------------------------|--|--------|--|
| Sr. No | (i) Key Management Personnel & their relative: | Sr. No | (ii) Enterprises over which parties listed in (i) have significant influence and transactions are carried out during the year: |
| 1 | Mr. Hemant Padmanabh Chafale (Director) | 1 | Softshell Systems (India) Pvt. Ltd |
| 2 | Mr. Hemant Padmanabh Chafale (Partner) | 2 | Shri Renuka Roadlines Prop firm |
| 3 | Mr. Hemant Padmanabh Chafale (Director) | 3 | Lextech Consultants Pvt. Ltd (Director Ujwala Borikar) |
| 4 | Mr. Unmesh Chafale (Relative of director) | 4 | Softshell Systems (India) Pvt. Ltd |
| 5 | Mr. Unmesh Chafale (Relative of director) | 5 | Shri Renuka Roadlines Prop firm |
| 6 | Mrs. Ujwala Borikar (Relative of director) | 6 | Lextech Consultants Pvt. Ltd |
| 7 | Mr. Mandar Deo (Director) | | |
| 8 | Mr. Herambh Damle (Director) | | |
| 9 | Mr. Anand Kane (Director) | | |

The following transactions were carried out with the related parties in the ordinary course of business:

| Sr. No | RELATIONSHIP | Key Management Personnel & their relatives: | | | | Enterprises over which parties listed in (i) have significant influence and transactions are carried out during the year: | | | | GRAND TOTAL | | | |
|--------|--|---|---------|---------|---------|---|---------|---------|---------|-------------------|---------|---------|---------|
| | NATURE OF TRANSACTIONS | Apr'23 to Sept'23 | 2022-23 | 2021-22 | 2020-21 | Apr'23 to Sept'23 | 2022-23 | 2021-22 | 2020-21 | Apr'23 to Sept'23 | 2022-23 | 2021-22 | 2020-21 |
| (A) | Income | | | | | | | | | | | | |
| | 1) Rent Received | | | | | | | | | | | | |
| | Softshell Systems & Software (I) Pvt. Ltd. | - | - | - | - | - | 14.16 | 16.28 | 7.08 | - | 14.16 | 16.28 | 7.08 |
| (B) | Expense | | | | | | | | | | | | |
| | 1) Rent Paid | | | | | | | | | | | | |
| | Lexotech Consultants Pvt. Ltd. | - | - | - | - | - | - | 24.00 | 21.24 | - | - | 24.00 | 21.24 |
| | 2) Taxi Hiring Charges | | | | | | | | | | | | |
| | Shri Renuka Roadlines | - | - | - | - | 0.69 | 1.11 | 0.73 | 0.80 | 0.69 | 1.11 | 0.73 | 0.80 |
| | 3) Manpower Supply | | | | | | | | | | | | |
| | Softshell Systems & Software (I) Pvt. Ltd. | - | - | - | - | - | 52.33 | 59.00 | 84.96 | - | 52.33 | 59.00 | 84.96 |
| | 4) Purchase of Hardware | | | | | | | | | | | | |
| | Softshell Systems & Software (I) Pvt. Ltd. | - | - | - | - | - | 27.42 | 17.39 | 18.29 | - | 27.42 | 17.39 | 18.29 |
| (C) | Finance | | | | | | | | | | | | |
| | 1) Loan from Director | | | | | | | | | | | | |
| | Mr. Hemant Chafale | - | - | 13.00 | 13.00 | - | - | - | - | - | - | 13.00 | 13.00 |
| (D) | Remuneration | | | | | | | | | | | | |
| | Mr. Hemant Chafale | 18.91 | 26.90 | 30.00 | 23.24 | 23.64 | - | - | - | 42.55 | - | - | - |



| | | | | | | | | | | | | |
|------------------|--------------|---------------|---------------|---------------|--------------|--------------|---------------|---------------|---------------|--------------|---------------|---------------|
| Mr. Heramb Damle | 15.91 | 26.90 | 30.00 | 23.24 | 23.64 | - | - | - | 39.55 | - | - | - |
| Mr. Mandar Deo | 15.91 | 26.90 | 30.00 | 23.24 | 23.64 | - | - | - | 39.55 | - | - | - |
| Mr. Anand Kane | 15.91 | 26.90 | 28.58 | 21.24 | 20.66 | - | - | - | 36.57 | - | - | - |
| Total | 66.65 | 107.60 | 131.58 | 103.96 | 92.26 | 95.01 | 117.40 | 132.37 | 158.90 | 95.01 | 130.40 | 145.37 |

L. FINANCING ARRANGEMENTS

There have been no financing arrangements whereby our Promoters, members of the Promoter Group, our directors and their relatives have financed the purchase by any other person of securities of our Company during a period of six (6) months immediately preceding the date of this Prospectus.

M. WEIGHTED AVERAGE PRICE AT WHICH THE EQUITY SHARES WERE ACQUIRED BY EACH OF OUR PROMOTERS IN LAST ONE YEAR

| Name of the Promoter | No. of Shares held | Average cost of Acquisition (in ₹)* |
|--------------------------|--------------------|-------------------------------------|
| Hemant Padmanabh Chafale | 77,43,898 | 0.00 |
| Sanjay Padmanabh Chafale | 14,52,008 | 0.00 |
| Heramb Ramkrishna Damle | 7,86,709 | 0.00 |
| Anand Shanker Kane | 6,59,709 | 0.00 |
| Mandar Kishor Deo | 5,71,826 | 0.00 |

* Only the shares acquired through Bonus Issue are considered.

N. AVERAGE COST OF ACQUISITION

The average cost of acquisition per Equity Share to our Promoters as at the date of this Prospectus is:

| Name of the Promoter | No. of Shares held* | Average cost of Acquisition (in ₹) |
|--------------------------|---------------------|------------------------------------|
| Hemant Padmanabh Chafale | 1,12,63,852 | 0.42 |
| Sanjay Padmanabh Chafale | 21,12,012 | 0.31 |
| Heramb Ramkrishna Damle | 11,44,304 | 0.31 |
| Anand Shanker Kane | 9,59,577 | 18.57 |
| Mandar Kishor Deo | 8,31,747 | 0.31 |

* Only the shares acquired are considered.

O. DETAILS OF PRE-ISSUE PLACEMENT

Our Company does not contemplate any issuance or placement of Equity Shares from the date of this Prospectus until the listing of the Equity Shares.

P. ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

Except as stated below our Company has not issued any equity shares for Consideration other than Cash during last one year:

| Sr. No. | Name of shareholders | No. of Shares Allotted | Face Value (Rs.) | Issue Price (Rs.) | Date of Allotment | Reason for Allotment |
|---------|--------------------------|------------------------|------------------|-------------------|-------------------|----------------------|
| 1. | Hemant Padmanabh Chafale | 77,43,898 | 10 | - | January 24, 2024 | Bonus Allotment |
| 2. | Sanjay Padmanabh Chafale | 14,52,008 | 10 | - | January 24, 2024 | Bonus Allotment |
| 3. | Heramb Ramkrishna Damle | 7,86,709 | 10 | - | January 24, 2024 | Bonus Allotment |
| 4. | Anand Shankar Kane | 6,59,709 | 10 | - | January 24, 2024 | Bonus Allotment |
| 5. | Mandar Kishor Deo | 5,71,826 | 10 | - | January 24, 2024 | Bonus Allotment |
| 6. | Niranjan Padhye | 1,70,557 | 10 | - | January 24, 2024 | Bonus Allotment |
| 7. | Jay Hemant Chafale | 22,000 | 10 | - | January 24, 2024 | Bonus Allotment |
| | Total | 1,14,06,707 | | | | |

For more details, refer - Capital Structure on page number 63 of this Prospectus.



Q. SPLIT / CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

The Company has not consolidated its equity shares in the last one (1) year.

R. EXEMPTION FROM COMPLYING SECURITIES LAWS

No, our company has not been granted any such exemption.

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SECTION III- RISK FACTORS

An investment in the Equity Shares involves a high degree of risk. You should carefully consider all the information in this Prospectus, including the risks and uncertainties summarized below, before making an investment in our Equity Shares. The risks described below are relevant to the industries our Company is engaged in, our Company and our Equity Shares. To obtain a complete understanding of our Company, you should read this section in conjunction with the chapters titled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page numbers 141 and 259, respectively, of this Prospectus as well as the other financial and statistical information contained in this Prospectus. Prior to making an investment decision, prospective investors should carefully consider all of the information contained in the section titled "Financial Information, as Restated" beginning on page number 225 of this Prospectus.

If any one or more of the following risks as well as other risks and uncertainties discussed in the Prospectus were to occur, our business, financial condition and results of our operation could suffer material adverse effects and could cause the trading price of our Equity Shares and the value of investment in the Equity Shares to materially decline which could result in the loss of all or part of investment. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India, and is therefore subject to a legal and regulatory environment that may differ in certain respects from that of other countries.

This Prospectus also contains forward looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of many factors, including the considerations described below and elsewhere in the Prospectus. These risks are not the only ones that our Company face. Our business operations could also be affected by additional factors that are not presently known to us or that we currently consider to be immaterial to our operations. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify financial or other implication of any risks mentioned herein.

Materiality

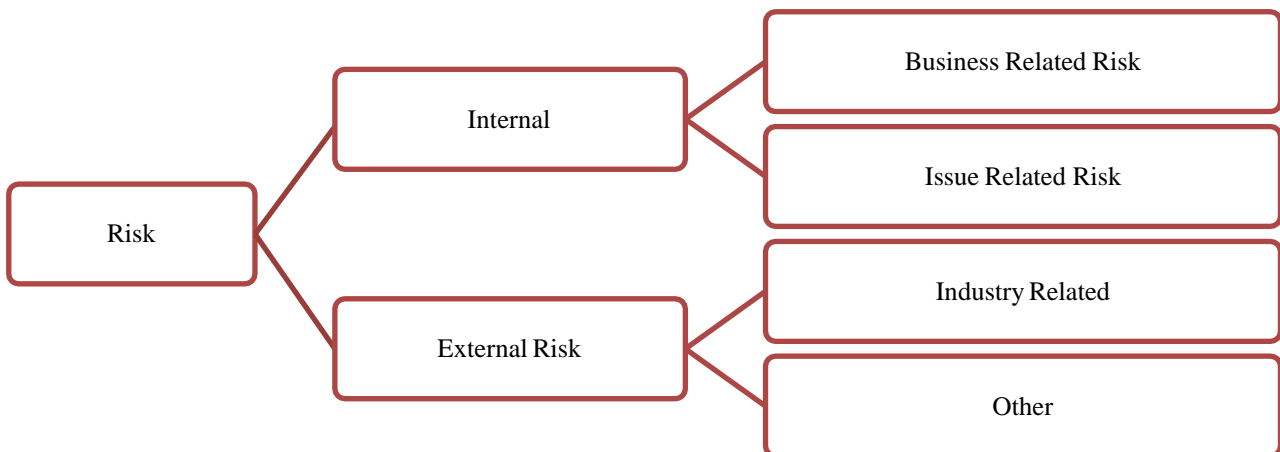
The Risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality.

Some events may not be material individually but may be material when considered collectively.

Some events may have an impact which is qualitative though not quantitative.

Some events may not be material at present but may have a material impact in the future.


Classification of Risk Factors



Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from the Restated Financial Information. The risk factors are classified as under for the sake of better clarity and increased understanding.

INTERNAL RISK FACTORS



1. **We have applied for registration of logo  under the Class 42 and We do not own the trademark legally as on date. We may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging breach of third-party intellectual property rights.**

Our company have applied for registration of our logo  under the class 42, we have applied for registration of our logo under the provisions of the Trademarks Act, 1999 and do not own the trademark as on date. As such we do not enjoy the statutory protections accorded to a registered trademark as on date. We are in the process for registration of our logo under the provisions of the Trade Marks Act, 1999. Although our company own the logo  in the Past which was valid from 15/12/1998 to 23/06/2016.

There can be no assurance that we will be able to register the trademark under class 42 in future or that, third parties will not infringe our intellectual property, causing damage to our business prospects, reputation and goodwill. Further, we cannot assure you that any application for registration of our trademark in future by our Company will be granted by the relevant authorities in a timely manner or at all. We may need to litigate in order to determine the validity of such claims and the scope of the proprietary rights of others. Any such litigation could be time consuming and costly and the outcome cannot be guaranteed. We may not be able to detect any unauthorized use or take appropriate and timely steps to enforce or protect our intellectual property.

2. **Significant disruptions in our information technology systems or breaches of data security could affect our business and reputation.**

We may also face cyber threats such as: (i) Phishing and Trojans - targeting our customers, wherein fraudsters send unsolicited codes or mails to our customers seeking account sensitive information or to infect custom machines to search and attempt ex-filtration of account sensitive information; (ii) Hacking – wherein expert attackers seek to hack into our infrastructure with the primary intention of causing reputational damage to us by disrupting services; (iii) Data theft – This can be internal i.e., by someone who has access to data of our Company or external wherein unconnected expert cyber criminals may attempt to intrude into our network with the intention of stealing our data or information; and (iv) Advanced persistent threat – a network attack in which an unauthorized person gains access to our network and remains undetected for a long period of time in the event of a significant decline in the demand for our products, our business, results of operations and financial condition may be materially and adversely affected.

Our systems are may be vulnerable to data security breaches, whether by our employees, or others that may expose sensitive data to unauthorized persons. We process and transfer data, including personal information, financial information and other confidential data provided to us by our clients. Although we maintain systems and procedures to prevent unauthorized access and other security breaches, it is possible that unauthorized individuals could improperly access our systems, or improperly obtain or disclose sensitive data that we process or handle. Data security breaches could lead to the loss of intellectual property or could lead to the public exposure of personal information (including sensitive financial and personal information) of our clients’ investors or our employees. Any such security breaches or compromises of technology systems could result in institution of legal proceedings against us and potential imposition of penalties, which may have an effect on our business and reputation. However, as of now, we have not encountered any significant disruptions in our information technology systems or data security breaches that have had a detrimental impact on our business or reputation. Also, our company has obtained quality certifications such as ISO 27001:2013, ISO 9001:2015, CMMI Level 5, VAPT, depicting that we have secured system, yet we are exposed to the above explained risk(s).

3. **Substantial portion of our revenues has been dependent upon our Core Banking software i.e. TrustBankCBS. The loss of any one or more of our major clients would have a material effect on our business operations and profitability.**

A significant portion of our revenues is reliant on our Core Banking software, TrustBankCBS. Potential loss of any major client utilizing TrustBankCBS could have a material impact on our business operations and profitability. The loss of a significant clients would have a material effect on our financial results. The given below table set forth details of product wise revenue contribution for the fiscals 2021, 2022 and 2023 and for the period ended September 30, 2023:

| Fiscal Period | Year/ | From TrustBankCBS | | From other IT Solutions | | From all the solutions | |
|-----------------|-------|-------------------|-----------------------------------|-------------------------|-----------------------------------|------------------------|-----------------------------------|
| | | Revenue | As a % of revenue from operations | Revenue | As a % of revenue from operations | Revenue | As a % of revenue from operations |
| As on March 31, | | 2,073.53 | 86.59 | 321.14 | 13.41 | 2,394.67 | 100.00 |

| | | | | | | |
|---------------------------------|----------|-------|--------|-------|----------|--------|
| 2021 | | | | | | |
| As on March 31, 2022 | 1576.33 | 89.40 | 186.92 | 10.60 | 1,763.25 | 100.00 |
| As on March 31, 2023 | 2079.97 | 92.26 | 174.38 | 7.74 | 2,254.35 | 100.00 |
| As on September 30, 2023 | 1,764.58 | 93.75 | 117.56 | 6.25 | 1,882.14 | 100.00 |

We cannot assure you that we can maintain the historical levels of business from these clients or that we will be able to replace these clients in case we lose any of them. Furthermore, major events affecting our clients such as bankruptcy, change of management, mergers and acquisitions could impact our business. If any of our major clients becomes bankrupt or insolvent, we may lose some or all of our business from that client and our receivable from that client would increase and may have to be written off, impacting our income and financial condition.

4. Substantial portion of our revenues has been dependent upon our few clients (Top 10). The loss of any one or more of our major clients would have a material effect on our business operations and profitability.

Our Company is engaged in providing Core Banking Software, IT Solutions, ERP Implementation and Customized Software Solutions Development, SAP B1 and Offshore IT services for the BFSI sector. Our top Ten (10) clients contributed approximately 80.05 %, 82.10%, 78.78% and 86.87% of our revenue from operations based on Restated Financial Statements for the period ended September 30, 2023 and the Fiscals 2023, 2022 and 2021 respectively. The loss of a significant clients would have a material effect on our financial results. We cannot assure you that we can maintain the historical levels of business from these clients or that we will be able to replace these clients in case we lose any of them. Furthermore, major events affecting our clients such as bankruptcy, change of management, mergers and acquisitions could impact our business. If any of our major clients becomes bankrupt or insolvent, we may lose some or all of our business from that client and our receivable from that client would increase and may have to be written off, impacting our income and financial condition.

5. Majority of our domestic sales for the last 3 years and stub period is dependent majorly on Top 2 States. Any loss of business from may adversely affect our revenues and profitability.

Our domestic Sales are dependent on the Top 2 States including Maharashtra and Karnataka. We generate almost i.e 73.52%, 87.06%, 85.71% and 88.63% of the Total Domestic Sales generated for the period ended September 30, 2023 and the Fiscals 2023, 2022 and 2021 respectively. Such concentration of revenue in only two states may have an adverse effect. Further, drastic change in Taxes and other levies imposed by State Government as well as other financial policies and regulations, Political and deregulation policies, if changed, could harm business and economic conditions. However, the composition and revenue generated from various states might change as we continue to add new customers in the different parts of India. For Further information, refer Geographical wise distribution of our revenue bifurcated on page no. 173 of the Prospectus.

6. Our business is completely dependent on our ability to customize our software products as per requirements of the customer based on latest technology and statutory requirements. If we are not able to update our existing products in response to evolving industry requirements, our operating results may be negatively affected.

Changing customer needs, evolving standards in software development and constant changes in Government and RBI policies for BFSI sector, digitization in software market compels us to continually respond to the industry requirement. Our success depends upon our ability to anticipate, design, develop, test, market and support new software products and enhancements of current products in response to evolving industry requirements.

To effectively meet customer demand, it is important that we continue to enhance our products offerings. We are committed to ongoing investment in software product development and exploring related opportunity. The markets for our offerings are rapidly evolving with the changing regulatory compliances for the BFSI sector due to which the level of acceptance of such products is not certain. If we are unable enhance our product offerings with updated industry regulatory requirements and support services in a timely manner or position and price our products to meet demand including in response to new industry standards, customers may not purchase our software products or renew software support. Renewals of these contracts are important to the growth of our business. If the markets for our software solutions do not grow, grow at a slower than expected, or face competition, it could impact our business. Consequently, we might face challenges in effectively promoting our current software solutions, creating and successfully introducing new software solutions and improvements to existing ones, ensuring timely customer implementations.



7. Non-availability of secretarial records of the company filed with ROC since incorporation and non-updating of recent records at MCA

Since the company was incorporated in 1993, it is not possible to trace all secretarial records since incorporation. We are unable to trace copies of certain records. Below mentioned are the details of secretarial records which are not traceable since incorporation:

Details of increase in Authorized Share Capital:

Since December 15, 1998, the authorized share capital of our Company has been altered in the manner set forth below:

| S. No. | Date | No. of Equity Shares | Face Value (in ₹) | Cumulative No. of Shares | Cumulative Authorised Share Capital (in ₹) | Whether AGM/EGM |
|--------|---------------|----------------------|-------------------|--------------------------|--|-----------------|
| 1. | On Inception* | [•] | [•] | [•] | [•] | N.A. |
| 2. | [•]* | [•] | 10 | 2,00,000 | 20,00,000 | [•] |
| 3. | 14/03/2005* | 3,00,000 | 10 | 5,00,000 | 50,00,000 | EGM |

***Note:**

- We are not able to trace the MOA and other related documents for the time of inception of the company.
- The form filled with ROC for the increase in authorised share capital is not available with the company, thus the detail, w.r.t change in authorized share capital and exact date of meeting cannot be traced.

History of Equity Share Capital of our Company

| Note | Date of Allotment | No. of Equity Shares allotted | Face value (Rs.) | Issue Price (Rs.) | Nature of consideration | Nature of Allotment | Cumulative number of Equity Shares | Cumulative Equity Paid - up Capital (Rs.) | Cumulative Securities premium (Rs.) |
|------|-------------------|-------------------------------|------------------|-------------------|-------------------------|---------------------|------------------------------------|---|-------------------------------------|
| 1. | On Incorporation* | 50 | 10 | 10 | Cash | Subscription to MOA | 50 | 500 | - |
| 2. | 23/12/1998* | 20 | 10 | 10 | Cash | Further Issue | 70 | 700 | - |
| 3. | 31/03/1999* | 38,202 | 10 | 10 | Cash | Further Issue | 38,272 | 3,82,720 | - |
| 4. | 31/03/2001* | 13,641 | 10 | 10 | Cash | Further Issue | 51,913 | 5,19,130 | - |
| 5. | 31/03/2003* | 1,02,800 | 10 | 10 | Cash | Further Issue | 1,54,713 | 15,47,130 | - |
| 6. | 03/04/2003* | 45,000 | 10 | 10 | Cash | Further Issue | 1,99,713 | 19,97,130 | - |
| 7. | 30/03/2005* | 53,925 | 10 | 10 | Cash | Further Issue | 2,53,638 | 25,36,380 | - |
| 8. | 15/07/2005* | 64,700 | 10 | 10 | Cash | Further Issue | 3,18,338 | 31,83,380 | - |
| 9. | 31/03/2011* | 1,60,535 | 10 | 10 | Cash | Further Issue | 4,78,873 | 47,88,730 | - |
| 10. | 31/03/2012* | 9,46,459 | 10 | Nil | Other than cash | Bonus Issue | 14,25,332 | 1,42,53,320 | - |

*We are unable to trace the complete documents of the board resolutions, shareholders resolution and relevant forms filled with ROC for the allotment of shares and therefore details mentioned above are extracted from available minutes, share certificates and shareholder register maintained by the company.

We cannot assure you that the filings were made. Although we have received the search report from PCS Firm i.e Kaustubh Moghe and Associates having certificate of practice no. 12486 dated January 25, 2024 for ascertainment of information and reconciliation of secretarial data and records of the company.

8. *Our Restated Financial Statements are Prepared and Signed by the Peer Review Chartered Accountants who is not Statutory Auditors of our Company.*

The Restated Financial Statements have been provided by Peer Reviewed Chartered Accountants M/s Abhijit Kelkar and Company having peer reviewed registration no. 012301 who is not Statutory Auditor of our Company. The Restated Financial Statements of our Company for the period ended September 30,2023 and for the financial years ended March 31 2023, March 31 2022 and March 31, 2021 has been provided by a Peer Reviewed Chartered Accountant who is not Statutory Auditor of our Company. Our Statutory Auditor does not hold peer review certificate.

9. *Our revenues are dependent on clients concentrated in the BFSI segment. An economic slowdown or factors affecting this segment may have an adverse effect on our business, financial condition and results of operations.*

We provide Core Banking Software, IT Solutions, ERP Implementation and Customized Software Solutions Development, SAP B1 and Offshore IT services to BFSI industry. Our revenues are dependent on clients concentrated in the BFSI industry. The performance of the BFSI industry depends on macroeconomic factors, and any downturn in the global economy could negatively affect our business, financial condition and results of operations. Further, due to the concentration of our clients in the BFSI sector, the success of our business also depends on our ability to innovate and develop relevant skills and capabilities to address the rapid technological developments in the BFSI sector and integrating new technologies in our products. Additionally, we may be vulnerable to shifts in laws, global trade, tariffs, duties and economic policies and outlook.

10. *Our company yet to place orders for Rs. 430.32 of the hardware, server, Microsoft license, Antivirus, computer, Networking accessories, UPS, Generator and Legal software to support the product development work and for our proposed facility at Mihan SEZ, Nagpur. Any delay in placing orders or procurement of such hardware or Microsoft license may delay the schedule of implementation and possibly increase the cost of commencing operations.*

Our Company has received third party quotations for the cost of Hardware, server, Microsoft license, computer, networking accessories, UPS, Generator and legal software to support the product development work and for our proposed facility at Mihan SEZ, Nagpur. Although, we have identified the servers, computers, Microsoft licenses proposed to be purchased from Net Proceeds and Internal accruals company. We propose to utilize Rs. 486.57 Lakhs in the procurement of Hardware from Net Proceeds and Internal accruals company. Out of that Rs. 186.57 Lakhs will be funded from internal accruals, of which Rs. 56.25 Lakhs has been already deployed from internal accruals as of December 31, 2023. We are yet to place orders for 100.00% of the total proposed servers, computers, Microsoft licenses amounting to approximately Rs. 430.32 lakhs. The amount spent by the company is only 11.56% of the total amount to be spent on the hardware procurement for the proposed expansion of the company. For details, please refer to the chapter titled "Objects of the Issue" on page 81 of this Prospectus.

The projected capital expenditure is based on the quotations received from external vendors and such quotations are subject to change due to various factors such as, change in supplier of hardware, change in the government regulation and policies, change in management's view of desirability of the current plans, possible cost overruns, etc. The company cannot guarantee that we will be able to procure the servers, computers, Microsoft licenses in a timely manner and at the same price at which the quotations have been received. Delay in procurement of the same can cause time and cost overrun in the implementation and can also compel us to buy such hardware at a higher price, thus causing the budgeted cost to vary. Subsequently, such delay in the procurement process could materially affect our business, financial condition, results of operations and overall prospects.

11. *We have not applied for registration of brand names "MicroFinS", "SoftGST", "TrustLOS" and "TrustFAB", our company may be unable to adequately protect our intellectual property. Furthermore, we may be subject to claims alleging breach of third-party intellectual property rights.*

Our company has not applied for the registration of brand name "MicroFinS", "SoftGST", "TrustLOS" and "TrustFAB" under the provisions of the Trademarks Act, 1999. There can be no assurance that we will be able to register our tradename in future or that, third parties will not infringe our intellectual property, causing damage to our business prospects, reputation



and goodwill. Further, we cannot assure you that any application for registration of our brand name in future by our Company will be made to the relevant authorities and even if such applications are made, there is no assurance that they will be approved by the relevant authorities.

12. If we fail to attract and retain highly skilled IT professionals, our promoters, directors and senior management we may not have the necessary resources to properly staff projects and failure to successfully compete for such IT professionals could adversely affect our business, financial condition and results of operations.

Our success depends largely on the work of our IT professionals, our promoters, directors and senior management, our ability to attract and retain qualified IT professionals. We may face high attrition rates in the future. A significant increase in the attrition rate among skilled IT professionals with specialised skills could decrease our operating efficiency and productivity and could lead to a decline in demand for our software products. The competition for highly-skilled IT professionals may require us to increase salaries, and we may be unable to pass on these increased costs to our customers. This would increase our operational costs which may adversely affect our business, results of operations and financial condition.

We incur various employee benefits expense, including salaries and bonus, contribution to provident and other funds and staff welfare expenses. For the period ended September 30, 2023 and financial years ended March 31, 2023, March 31, 2022 and March 31, 2021, our employee benefits expense accounted to ₹598.09 Lakhs, ₹1055.48 Lakhs, ₹861.04 Lakhs and ₹845.21 Lakhs, respectively, representing for 65.69%, 61.04%, 53.10% and 39.79%, respectively, of our total expense for the respective year/period. For further details, kindly refer section titled “Restated Financial Statements” beginning on page 225 of this Prospectus. However, as on date, our company has high retention ratio for our highly skilled professionals, promoters, directors and senior management.

13. The nature of our software product exposes us to a range of risks, including conflicting legal and regulatory requirements. Non-compliance of which may negatively impact our business and operational outcomes.

We have our operations in countries outside India also, such as California USA, Gambia, Ghana, West Africa, South Africa, East Africa, Russia, Central African Republic. As we continue to expand internationally, we are subject to compliance of numerous laws and regulations in these countries. For the period ended September 30, 2023, and for the Fiscal year 2023, 2022 and 2021 are ₹430.14 Lakhs, ₹212.02 Lakhs, ₹136.66 Lakhs and ₹178.38 Lakhs which accounts for 22.85%, 9.40%, 7.75% and 7.45% of our revenue from operations as per Restated Financial Statements, respectively, was derived from sales outside of India.

Non-compliance with these regulations in the conduct of our business could result in termination of client contracts, fines, penalties and may have an adverse impact on our reputation. Numerous nations aim to govern the activities of companies beyond their own borders, exposing us to several, at times conflicting, legal frameworks alongside the regulations in our home country. Due to the varying degree of development of the legal systems of the countries in which we operate, local laws might be insufficient to defend us and preserve our rights. In addition, changes in regulations could increase our costs and could potentially prevent us from delivering our software products and solutions in a cost-efficient manner.

14. There are certain discrepancies and non-compliances noticed in some of our corporate records relating to forms filed with the Registrar of Companies, taxation authorities and other public authorities.

There are certain discrepancies and non-compliances noticed in some of our corporate records relating to forms filed with the Registrar of Companies, taxation authorities and other public authorities. In the past, there have been some instances of delays in filing statutory forms with the RoC which includes the annual filling forms AOC-4, MGT-7 with the additional fees. Also, we have delayed in filing delay in the payment of Employee Provident Fund, GST with the concerned offices on several instances and have accordingly been subjected to penalty and charged with interest for delayed deposit of tax on various instances as well.

The details of delayed GST filings and EFP have been encapsulated as under:

Employee Provident Fund

| Financial Year | Month | Due Date | Date of Credit | No of Delay | Reason |
|----------------|--------|------------|----------------|-------------|---------------|
| 2021-22 | May-21 | 15-06-2021 | 19-06-2021 | -4 | Website error |
| | Jun-21 | 15-07-2021 | 18-07-2021 | -3 | |

Delay GST – 3B

| Financial Year | Month | Return Type | Due Date | Actual date of Filing | Delay Days | Reason |
|----------------|--------|-------------|------------|-----------------------|------------|---|
| 2020-21 | Apr-20 | GSTR 3B | 20-05-2020 | 24-06-2020 | -35 | Covid-19 Period, Extension has been granted |
| | May-20 | GSTR 3B | 20-06-2020 | 24-06-2020 | -4 | |
| 2021-22 | Apr-21 | GSTR 3B | 20-05-2021 | 04-06-2021 | -15 | |
| | May-21 | GSTR 3B | 20-06-2021 | 05-07-2021 | -15 | |
| | Sep-21 | GSTR 3B | 20-10-2021 | 22-10-2021 | -2 | |
| 2022-23 | Jun-22 | GSTR 3B | 20-07-2022 | 21-07-2022 | -1 | |
| | Feb-23 | GSTR 3B | 20-03-2023 | 24-03-2023 | -4 | |

Delay GSTR - 9

| Financial Year | Return Type | Due Date | Actual date of Filing | Delay Days | Reason |
|----------------|-------------|------------|-----------------------|------------|---|
| 2021-22 | GSTR -9 | 31-12-2022 | 30-06-2023 | -181 | Covid-19 Period, Extension has been granted |

Delay GSTR – 1

| Financial Year | Month | Return Type | Due Date | Actual date of Filing | Delay Days | Reason |
|----------------|--------|-------------|------------|-----------------------|------------|---|
| 2021-22 | Apr-21 | GSTR -1 | 11-05-2021 | 03-06-2021 | -23 | Covid-19 Period, Extension has been granted |
| | May-21 | GSTR -1 | 11-06-2021 | 28-06-2021 | -17 | |
| | Jun-21 | GSTR -1 | 11-07-2021 | 12-07-2021 | -1 | |
| | Sep-21 | GSTR -1 | 11-10-2021 | 12-10-2021 | -1 | |

Further with the expansion of our operations there can be no assurance that deficiencies in our internal controls and compliances will not arise, or that we will be able to implement, and continue to maintain, adequate measures to rectify or mitigate any such deficiencies in our internal controls, in a timely manner or at all.

- 15. We have relied on certain suppliers for our operations. Furthermore, we have not entered into any long-term agreement or contract with the suppliers. The potential loss of any one or more of our major suppliers would have a material effect on our business operations and profitability.**

We are dependent on very limited number of suppliers for our business operations and the success of our business is accordingly significantly dependent on us maintaining good relationships with our suppliers. The following table represent the contribution of our top 5 Suppliers in term of amount during the last 3 years and for the period ended on September 30, 2023 are as follows:

| Fiscal Year | Contribution of Top 5 Suppliers in the year (Rs. In Lakhs) | % of the Total Contribution of Suppliers* |
|--|--|---|
| For stub period i.e. September 30, 2023 | 178.88 | 100.00% |
| Financial Year 2023 | 421.1 | 96.66% |
| Financial Year 2022 | 348.57 | 93.77% |
| Financial Year 2021 | 462.64 | 80.52% |

*The % has been derived by dividing the contribution of Top 5 suppliers with the total contribution of our suppliers in cost of material consumed in relevant years as mentioned in the Restated Financials of the company.

Since we have no formal arrangements with our suppliers, they are not contractually obligated to continue their relation with us. The loss of a significant supplier would have a material effect on our business operations. We cannot assure you that we can maintain the historical levels of business from these suppliers or that we will be able to replace these suppliers in case we lose any of them. Furthermore, major events affecting our suppliers such as bankruptcy, change of management, mergers and acquisitions could impact our business operations. If any of our major supplier becomes bankrupt or insolvent, we may lose



some or all of our business operations from that suppliers which ultimately can affect our business operations and profitability.

16. Risk of Attrition Rates Variability and Its Impact on Operations and Revenue

Over the past three years, our company has experienced a decline in attrition rates: 24.53% in 2021, 16.85% in 2022, and 12.43% in 2023. Also, the same has been mention in the below table: -

| Particulars | Attrition Rate | | |
|------------------------------|----------------|----------|----------|
| | F.Y 2021 | F.Y 2022 | F.Y 2023 |
| No. of Employees at start of | 165 | 162 | 194 |
| No. of Employees Joined | 37 | 62 | 39 |
| No. of Employees Left | 40 | 30 | 25 |
| No. of Employees at the End | 162 | 194 | 208 |
| Average No. of Employees | 163 | 178 | 201 |
| Attrition Rate % | 24.53 | 16.85 | 12.43 |

This consistent decrease is positive for our operations and overall business. However, it's important to note that predicting future attrition rates comes with uncertainties. While the current trend is favorable, there's no guarantee it will continue. In the Future, if the attrition rate increases significantly can have a substantial impact on our business, operations, and revenue. Therefore, it's crucial for the company to monitor and address factors influencing attrition to ensure the stability and growth of our organization.

17. Our international operations expose us to complex management, legal, tax and economic risks, which could adversely affect our business, results of operations and financial condition.

We have a global presence and our products are exported to more than 10 countries. As a result, our business is subject to risks and challenges associated with international operations, including risks related to complying with several local laws, restrictions on the import and export of certain intermediates, technologies, multiple tax and cost structures, cultural and language factors. Further, regulatory requirements are still evolving in many markets and are subject to change and as a result may, at times, be unclear or inconsistent. We could also face other internal or external risks, including, inter alia, foreign exchange and economic volatility, any need to obtain governmental approvals and permits under unfamiliar regulatory regimes, restrictions on the transfer of funds into or out of a country, longer payment cycles in some countries and inability to maintain or enforce legal rights and remedies and at a reasonable cost or at all. If we do not effectively manage our international operations, it may affect our profitability from such countries, which may affect our business, results of operations and financial condition.

18. We are expose to competition from onshore and offshore CBS & ERP providers, our inability to compete successfully against competitors, pricing pressures or loss of market share could materially adversely affect our business, financial condition and results of operations.

The market in which we serve is highly competitive, and we expect competition to sustain in the market. We believe that the principal competitive factors in our markets are reputation and track record, industry expertise, breadth and depth of software solutions offerings, language, marketing and selling skills, scalability of infrastructure, ability to address customers' timing requirements and price, ability to adapt development as per regulatory changes in policies. We face competition from offshore CBS & ERP providers with low wage costs or with a more favourable time zone for US customers. Customers may prefer IT services providers that have more locations or that are based in countries more cost-competitive or in a more favourable time zone than India.

Our ability to compete successfully also depends in part on a number of factors beyond our control, including the ability of our competitors to recruit and retain highly-skilled IT professionals, the price at which our competitors offer comparable services and our competitors' responsiveness to customer needs. Some of our present and potential competitors may have substantially greater financial, marketing or technical resources. If our competitors develop and implement methodologies that yield greater efficiency and productivity, they may be able to offer similar services at lower prices than we do without adversely affecting their profit margins. Our current and potential competitors may also be able to respond more quickly to new technologies or processes and changes in customer demands; may be able to devote greater resources towards the development, promotion and sale of their services than we can; and may also make strategic acquisitions or establish

cooperative relationships among themselves or with third parties that increase their ability to address the needs of our customers.

Therefore, we cannot assure you that we will be able to retain our customers while competing against such competitors. Increased competition, our inability to compete successfully, pricing pressures or loss of market share could have a material effect on our business, financial condition and results of operations.

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

The Process of developing core Banking Software, Customized software solutions development is a costly, time- consuming and complex process and this software development process requires significant investments and the returns on these investments often take a considerable amount of time to materialize. We are committed to ongoing investment in software product development and exploring related opportunity. Investment in new technology and processes are speculative in nature, as commercial success depends on many factors like degree of innovation of the software products developed, effective distribution and marketing. Such expenditure may adversely affect our operating results if they are not offset by timely revenue increases. We must continue to dedicate a significant number of resources to our research and development efforts in order to maintain our competitive position. However, significant revenues from new software product investments may not be achieved for a number of years, or at all. Moreover, new software products may not be profitable, and even if they are profitable, operating margins for new software products may not be in line with the margins we have experienced for our existing software products.

20. Our Company and Promoters is involved in certain legal proceeding(s) and potential litigations. Any adverse decision in such proceeding(s) may render them liable to liabilities/penalties.

Our Company and Promoters are involved in legal proceedings which are pending at different levels of adjudication authorities. We cannot provide assurance that these legal proceedings will be decided in the favour of our company or director. A classification of these legal and other proceedings are as follows:

A summary of pending legal proceedings and other material litigations is provided below:

| Name | By/Against | Civil Proceedings | Criminal Proceedings | Tax Proceedings & GST Demands/Proceedings | Actions by regulatory authorities | Other Pending Litigations | Amount Involved (in lakhs) |
|--------------------------------|------------|-------------------|----------------------|---|-----------------------------------|---------------------------|----------------------------|
| Company | By | - | - | - | - | - | - |
| | Against | - | - | 4 | - | - | 92.25 |
| Promoter | By | - | - | - | - | - | - |
| | Against | - | - | 3 | - | - | 1.97 |
| Promoter Group | By | - | - | - | - | - | - |
| | Against | - | - | - | - | - | - |
| Group Companies/Entities | By | - | - | - | - | - | - |
| | Against | - | - | - | - | - | - |
| Directors other than promoters | By | - | - | - | - | - | - |
| | Against | - | - | - | - | - | - |

For Further details refer chapter "Outstanding Litigations & Material Developments" beginning on page 271 of this Prospectus.

21. If we fail to provide timely and effective client support, it could materially impact our relationships with our clients.

On timely basis, our clients require our support teams to assist them in using our software solutions effectively, to resolve any issues after using solutions and in providing ongoing support. If we don't allocate enough resources or are not successful in assisting clients promptly, it could impact our ability to retain existing clients and discourage potential clients from adopting our software. We may be unable to respond quickly enough to accommodate short-term increases in demand for client support. Increased demand without corresponding revenue may raise costs and harm our reputation, business, and



financial condition. Failing to maintain high-quality client support. While we have not yet experienced any failures or client losses due to inadequate support or resource allocation.

22. One of our objects of the Offer is to augment its business development, sales & marketing and other related expenses for the company. The expenditure proposed to be incurred is subject to external factors and uncertainty of the outcome of such expenditure.

In our pursuit to tap growth opportunities and enhance our presence Globally i.e In Canada, North America, South America and Domestically i.e Metropolitan Cities like Mumbai, Delhi, Bengaluru, Chennai, Kolkata and States like Maharashtra, Karnataka, Gujrat, Telangana, we propose to invest Rs. 902.60 Lakhs out of the Net Proceeds for business development, sales & marketing and other related expenses for the company's future growth. For details, see "Objects of the Offer – Object 4 i.e To meet out the Global & Domestic Business Development, Sales and Marketing expenses for the company on page 107.

However, currently we have a limited direct presence in the United States of America and have a limited operating history therein. Pursuant to the expenditure for augmenting business development, sales, marketing and other related costs, which may evolve from time to time depending on external factors such as increased demand for our solutions in the United States of America, increase in taxes, exchange rates, attrition rates, rate of escalation, availability of technical staff, etc. Expenditure for business development, sales and marketing may be disproportionate to the revenue generated or customers acquired or retained. If consumer conversion rates may not commensurate with our expenditure in this regard, our expenditure may be disproportionate to our returns on such investments.

We propose to augment business development, sales & marketing strategy is designed to cater to the growing demand for innovative software solutions to BFSI organizations in India. We prioritize customer-centric approaches, focusing on building strong relationships, understanding client needs, and delivering solutions that provide tangible value. This approach includes: Market Segmentation: This segmentation allows us to tailor our offerings to meet the specific needs of different customer groups. Various BFSI Segments catered by us including Urban Co-operative Banks, District Co-operative Banks, Co-operative Societies (Urban Societies, Multi-state), Micro-Finance Institutions, NBFC and Territory / States Segmentation: Targeting major areas have classified the territory into: Metropolitan Cities like Mumbai, Delhi, Bengaluru, Chennai, Kolkata and States like Maharashtra, Karnataka, Gujrat, Telangana. For Global Sales and Marketing Expenditure,

For Global Sales and Marketing Expenditure, we intend to expand our capabilities in multiple countries including Canada, North America, South America. We have analysed present Banking technology / fintech use in USA, Canada and South American countries. Considering our product maturity of TrustBankCBS (in terms of technology, features) and Market Size, we are planning to employ full time two Marketing Manager and one head who will take charge of both Marketing Managers and deliver marketing of US operations.

Although, the modes of undertaking expenditure towards the proposed object have been identified, the outcome of the same is highly dependent upon the customer sentiment, acceptance and competitiveness of our digital products, ability to hire and retain skilled and technical staff and the effectiveness of our growth strategy to penetrate the overseas market. Therefore, the outcome of the proposed expenditure is not ascertainable or quantifiable at this stage. For details, see "Objects of the Offer" at page 81.

23. We may face several risks associated with the proposed expansion of our development facility at Mihan SEZ, Nagpur, which could hamper our growth, prospects, cash flows and business and financial condition.

We intend to utilize the Net Proceeds of this Issue for development of a new facility at Mihan SEZ, Nagpur to increase our ability to accommodate additional personnel and create additional space for our business as per the proposed schedule of implementation. For further details, please refer to the chapter titled "Object of the Issue" – at page 81 of this Prospectus.

However, during the development of facility, instalment of fit outs and interior design works at the Proposed Unit, we anticipate potential challenges, such as cost overruns and delays. These challenges may arise from various factors, including financial conditions, shifts in business strategy, market conditions, competition, design changes, rising input costs, taxes, and external factors beyond our control. Any Delays in expanding our development facilities could lead to revenue loss for our company, and unforeseen events like technical issues, disputes, and cost escalations could further impact our expansion plans. Further, Budgeted costs may prove insufficient due to factors like cost escalation, potentially requiring additional capital, which may not be readily available on favorable terms. The successful completion of the expansion is essential, as any delay could negatively affect our growth, prospects, cash flows, and financial condition.

24. Our business relies heavily on technology, and any disruptions or failures in our technology systems could have a major impact on our operations.

We believe that our technological capabilities play a key role in helping us effectively manage our operations, maintain operational and fiscal controls, and support our efforts to enhance client service levels. The smooth and uninterrupted functioning of our technology infrastructure is vital to our business success. Effectively implementing, maintaining, and upgrading our technology systems is crucial to avoid negative consequences such as client loss and decreased operational efficiency. As our operations continue to expand, it is imperative that our technology systems can handle the growing demand and safeguard against potential disruptions. Failing to address these concerns adequately could impede our growth and overall business success.

25. Any customer dispute regarding our performance or workmanship may amount in delay or withholding of payment to us.

Our Company provides banking software such as Core banking software, loan origination systems along with other ancillary solutions to our customer according to their requirement. In case, our services do not fulfill the requirements of our customer which may lead to dissatisfaction and further consequence including customer dispute regarding our performance or workmanship and the customer may delay or withhold payment to us, which may result in affecting our business. Instances that may lead to payment delays include inconsistent legacy data migration affecting various reports, customer approval requirements for corrected reports that don't match previously submitted manual reports, challenges in obtaining adequate data for CKYC norms compliance, reliance on non-standard internal reports from legacy systems, and process changes due to software upgrades. However no material past instance has been faced by the company till date.

26. If we do not successfully develop or commercialise new products in a timely manner, or if the products that we commercialise do not perform as expected, our business, results of operations and financial condition may be adversely affected.

Our success depends significantly on our ability to develop and commercialise new products in a timely manner. The development and commercialisation processes are both time consuming and costly and involve a high degree of business risk. During these periods, our competitors may be developing similar products of which we may be unaware of that could compete directly or indirectly with our products under development. Due to the prolonged period of time for developing a new product and delays associated with regulatory approval process, we may invest resources in developing products that will face competition of which we are currently unaware. Such unforeseen competition may hinder our ability to effectively plan the timing of our product development, which could have an adverse impact on our results of operations and financial condition.

Additionally, our company plans to further develop the existing product and looking further to enhance its capabilities by adding more functionalities in existing CBS, Loan Origination Solution, GST Software and Back-office module. However, there is no guarantee that this product development, when fully developed and tested, will meet our performance expectations. Furthermore, it may take a considerable amount of time for these new products to gain market acceptance, if they do so at all.

27. We may be exposed to the risk of delays or non-payment by our clients and other counterparties, which may also affect our cash flows and business.

We may be exposed to counterparty credit risk during the normal course of our business relationship with customers or other partners, who may delay or fail to make payments or meet contractual obligations. The financial status of our customers, business partners, and other partners may be affected by their business, which may be affected by a number of factors, including general economic conditions. We cannot assure you of the continued viability of our partners or that we will accurately assess their reliability. We also cannot guarantee that we will be able to collect all or part of past due payments. Any serious non-payment or non-performance by our customers, business partners, suppliers or other partners can affect the financial condition, results of operations and cash flows.

28. We have certain contingent liabilities and our financial condition and profitability may be adversely affected if any of these contingent liabilities materialize.

As of September 30, 2023, our contingent liabilities and commitments as disclosed in the notes to our Restated Financial Information aggregated to ₹ 45.30 Lakhs. The details of our contingent liabilities are as follows:



As per the Restated financial statements of the Company, following are the contingent liabilities: -

(In Lakhs)

| Nature of Borrowing Amount | Amount as on September 30, 2023 | Amount as on March 31, 2023 | Amount as on March 31, 2022 | Amount as on March 31, 2021 |
|---|---------------------------------|-----------------------------|-----------------------------|-----------------------------|
| *Tax Litigation (Excluding interest calculated at actuals) | 45.30 | - | - | - |

*The above litigation is related to GST for the tax period 01/07/2017 to 31/03/2018. The assesses has file appeal against such notice.

In respect of the above matters, the expected outflow will be determined at the time of final resolution of dispute. For further details of contingent liability, see the section titled — “Financial Information- Restated Financial Information — Note 35: Contingent liabilities” on page 255 of this Prospectus. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the future.

29. If we are unable to attract new customers or our existing customers do not allocate a greater portion of their marketing spend to us, our revenue growth will be adversely affected.

To sustain or increase our revenue, we must add new customers and encourage existing customers to allocate a greater portion of their marketing spend to us. As our industry matures and competitors introduce lower cost or differentiated products or services, our ability to sell our solution could be impaired. Even after a successful marketing campaign or series of campaigns with an existing customer, we frequently must compete to win further business from that customer. We may reach a point of saturation where we cannot continue to grow our revenue from existing customers because of, among other things, internal limits that they may place on their advertising budgets for digital media, particular digital marketing campaigns, Participating in Tenders. If we are unable to attract new customers or obtain new business from existing customers, our revenue, growth and business will be adversely affected.

30. Employee fraud or misconduct could harm us by impairing our ability to attract and retain clients and subject us to significant legal liability and reputational harm.

Our business is exposed to the risk of employee misappropriation, fraud or misconduct. Our employees could make improper use or disclose confidential information, which could result in regulatory sanctions and serious reputational or financial harm. While we strive to monitor, detect and prevent fraud or misappropriation by our employees, through various internal control measures, we may be unable to adequately prevent or deter such activities in all cases. Our dependence upon automated systems to record and process transactions may further increase the risk that technical system flaws or employee tampering or manipulation of those systems will result in losses that are difficult to detect. While we have not been able to identify such issues in the past, that have impaired our ability to attract and retain clients or have subjected us to significant legal liability and reputational harm, however, in the future there could be, and may be instances of fraud and misconduct by our employees, which may go unnoticed for certain periods of time before corrective action is taken. In addition, we may be subject to regulatory or other proceedings, penalties or other actions in connection with any such unauthorized transaction, fraud or misappropriation by our employees, which could adversely affect our goodwill, business prospects and future financial performance. We may also be required to make good any monetary loss to the affected party. Even when we identify instances of fraud and other misconduct and pursue legal recourse or file claims with our insurance carriers, we cannot assure you that we will recover any amounts lost through such fraud or other misconduct. However, no such instance in the past had been occurred.

31. Our Promoters as well as Directors hold Equity Shares in our Company and are therefore interested in our company performance in addition to their remuneration and reimbursement of expenses.

Our Promoters as well as Directors are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. We cannot assure you that our Promoters or Directors will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters or/and will continue to exercise significant control over us, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Promoters or/and Directors may take actions with respect to our business which may conflict with the best interests of our Company or that of minority shareholders. For details on the interest of

our Promoters and Directors of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, see the sections titled "Our Management" and "Our Promoters and Promoter Group" on pages 195 and 215 respectively of this Prospectus.

32. We do not own the premises in which our branch office are located and the same are on lease arrangement. Any termination of such lease/license and/or non-renewal thereof and attachment by Property Owner could adversely affect our operations.

We operate our business from the following Branch offices which is taken by our company on lease or rent basis.

| Sr. No. | Address of Premises | Name of the Seller | Tenure | Consideration | Area | Purpose |
|-----------------------|--|--------------------------|-------------------------------|----------------|-------------------|---------------|
| Branch offices | | | | | | |
| 1. | 101, Navkar Avenue A2, Behind Axis Bank, Bavdhan, Pune- 411021 | Vandana Shashikant Garad | 3 Years w.e.f March 31,2021 | Rs. 75,000 P.M | 167 Square Meters | Branch office |
| 2. | 509 & 510 "E-Square", Subhash Road, Vile Parle, Mumbai-400057 | Mr. Vijay Sathaye | 3 Years w.e.f January 1, 2024 | Rs. 1,78,500 | 85.28 Sq. Meters | Branch office |

Unless it is renewed, upon termination of the lease, we are required to return the premises of our branch office to the Lessor/Licensor. There can be no assurance that the term of the agreements will be renewed on commercially acceptable terms and in the event the Lessor/Licensor terminates or does not renew the agreements, we are required to vacate the said premises where operational activities are carried out. In such a situation, we have to identify and take alternative premises and enter into fresh lease or leave and license agreement at less favourable terms and conditions to shift our registered office and operations. Such a situation could result in time overruns and may adversely affect our operations temporarily.

33. If we are unable to establish and maintain an effective internal controls and compliance system, our business and reputation could be adversely affected.

We are responsible for establishing and maintaining adequate internal measures commensurate with the size and complexity of operations. Our internal control functions make an evaluation of the adequacy and effectiveness of internal systems on an ongoing basis so that our teams adhere to our policies, compliance requirements and internal guidelines. We periodically test and update our internal processes and systems and there have been no past material instances of failure to maintain effective internal controls and compliance system. However, we are exposed to operational risks arising from the potential inadequacy or failure of internal processes or systems, and our actions may not be sufficient to ensure effective internal checks and balances in all circumstances. We take reasonable steps to maintain appropriate procedures for compliance and disclosure and to maintain effective internal controls. As risks evolve and develop, internal controls must be reviewed on an ongoing basis. Maintaining such internal controls requires human diligence and compliance and is therefore subject to lapses in judgment and failures that result from human error. Any lapses in judgment or failures can affect the accuracy of our financial reporting, resulting in a loss of investor confidence and a decline in the price of our equity shares.

34. Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company even after the Issue which will allow them to determine the outcome of matters submitted to shareholders for approval.

Post this Issue, our Promoters and Promoter Group will collectively own 68.85% of our post issue equity share capital. As a result, our Promoters, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over the Company and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act, 2013 and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company. In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or other shareholders and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.



35. Our Company has in the past entered into related party transactions and may continue to do so in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our Company's financial condition and results of operations.

We have entered into related party transactions with our Promoters, Directors and Group Companies which are in compliance with applicable provisions of the Companies Act, 2013 and all other applicable laws. Whilst these related party transactions have been disclosed in our financial statements as per AS-18 and are in compliance with the relevant provisions of the Companies Act, 2013, Accounting Standards, Ind GAAP and other applicable laws, and we believe that all such transactions have been conducted on an arms-length basis.

Furthermore, in the future, we commit to conducting all related party transactions in compliance with the Companies Act and applicable laws. However, we cannot assure you that we may not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise. For further details kindly refer to the chapter titled 'Financial Statements' beginning on page 256 of this Prospectus.

36. Our business, financial condition and results of operations may be materially adversely affected by global health epidemics, such as COVID-19 outbreak.

The COVID-19 pandemic may cause us to experience the challenges in our business in the future and could have other effects on our business, including disrupting our ability to develop new offerings and enhance existing offerings, market, and sell our products and conduct business activities generally. COVID-19 pandemic has disrupted and may continue to disrupt the operations of our customers, that have been especially impacted by the pandemic. Other disruptions or potential disruptions resulting from the COVID-19 pandemic include restrictions on our personnel to travel and access customers for training, delays in product development efforts, and additional government requirements or other incremental mitigation efforts that may further impact our business, financial condition, and results of operations. The extent to which the COVID-19 pandemic continues to impact our business and results of operations will also depend on future developments that are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the disease, the duration and spread of the outbreak. The impact on businesses and financial and capital markets and the extent and effectiveness of the development and distribution of vaccines and other actions taken throughout the world to contain the virus or treat its impact.

Consequent risks related to the occurrence of COVID-19 that may impact us in future are:

- Restrictions on travel, marketing events and in-person client meetings may result in sub-optimal branding and delays in our sales and commercial processes, affecting our revenue;
- Members of our management team and employees could contract COVID-19 and may be required to quarantine or be hospitalised;
- Clients may invoke contractual clauses and/or levy penalties if we are unable to meet project quality, productivity and schedule service level agreements due to our employees working remotely;
- Uncertainty as to what conditions must be satisfied before the government authorities completely lift 'stay-at-home' orders, across various states in India;
- Our profitability may be negatively impacted if we are unable to eliminate fixed or committed costs in line with reduced demand. Additionally, any sudden change in demand may impact utilization in short term thereby impacting margins;
- Our ability to procure services may be impacted as some of our vendors may not be able to operate efficiently during a lockdown; and
- Our exposure to cyber security and data privacy breach incidents may increase due to a large number of employees working remotely. This in turn can hinder our ability to continue services and/or operations, impacting revenue, profitability and reputation.

Further, our ability to ensure the safety of our workforce and continuity of operations while conforming with measures implemented by the central and state governments in relation to the health and safety of our employees may result in increased costs. In the event a member or members of our management team contract(s) COVID-19, our operations may be potentially affected. Risks arising on account of COVID-19 can also threaten the safe operation of our offices and impact the well-being of our employees.

37. Our insurance coverage may not be adequate to protect us against certain operating hazards and this may have a material adverse effect on our business.

We are insured for a number of the risks associated with our several businesses, such as insurance cover against loss or damage by fire, earthquake, theft and robbery and taken fidelity insurance. We believe we have got our assets and employees adequately insured; however, there can be no assurance that any claim under the insurance policies maintained by us will be honoured fully, in part or on time, to cover all material losses. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business and results of operations could be adversely affected.

38. We have issued Equity Shares during the last one year at a price that may be below the Issue Price.

During the last one year we have issued Equity Shares at a price that is lower than the Issue Price as detailed in the following table:

| Date of allotment | No. of Equity Shares allotted | Face Value | Issue Price | Nature of Consideration | Nature of allotment |
|-------------------|-------------------------------|------------|-------------|-------------------------|---------------------|
| 24/01/2024 | 1,14,06,707 | 10 | Nil | Other than Cash | Bonus Issue |
| 25/01/2024 | 9,51,625 | 10 | 57 | Cash | Preferential Issue |

For details of the Allottees, please refer "Capital Structure" on page 63 of this Prospectus.

39. The average cost of acquisition of Equity Shares by our Promoters could be lower than the issue price.

Our Promoters' average cost of acquisition of Equity Shares in our Company is lower than the Issue Price of the shares proposed to be offered through this Prospectus.

The average cost of acquisition per Equity Share to our Promoters as at the date of this Prospectus is:

| Name of the Promoter | No. of Shares held* | Average cost of Acquisition (in ₹) |
|--------------------------|---------------------|------------------------------------|
| Hemant Padmanabh Chafale | 1,12,63,852 | 0.42 |
| Sanjay Padmanabh Chafale | 21,12,012 | 0.31 |
| Heramb Ramkrishna Damle | 11,44,304 | 0.31 |
| Anand Shanker Kane | 9,59,577 | 18.57 |
| Mandar Kishor Deo | 8,31,747 | 0.31 |

* Only the shares acquired are considered.

40. Our Promoters have interest in our Company, other than reimbursement of expenses incurred or remuneration.

Our Promoters can be deemed to be interested to the extent of the Equity shares held by them, or their relatives, dividend entitlements, or loans advances and personal guarantee provided by them for the Company, and benefits deriving from the directorship in our Company. Our Promoters are interested in the transaction entered into our Company to the extent of their shareholding in the company. For further information, please refer to the chapters titled, "Our Business", "Our Promoter and Promoter Group" and Related Party Transactions under Financial Statement of our Company" beginning on pages 141, 215, and 256 respectively.

41. There may be potential conflicts of interest if our Promoters or Directors get involved in any business activities that compete with or are in the same line of activity as our business operations.

At present none of our Promoter are engaged in any other business having object similar to the line of business of our Company. However, there can be no assurance that our Promoter or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition which may adversely affect our profitability and results of operations.



42. We have not made any dividend payments in the past and our ability to pay dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements.

In the past, we have not made dividend payments to the shareholders of our Company. The amount of our future dividend payments, if any, will depend upon various factors including our future earnings, financial condition, cash flows and requirement to fund operations and expansion of the business. There can be no assurance that we will be able to declare dividends. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors. For further details, please refer “Dividend Policy” on page 224 of this Prospectus.

43. We require certain approvals, licenses, registrations and permits to operate our business, and failure to obtain or renew them in a timely manner or maintain the statutory and regulatory permits and approvals required to operate our business may adversely affect our operations and financial conditions.

We require certain statutory and regulatory permits, licenses and approvals to operate our business. There is one certificate for which we have applied, however, we haven't received the certificate viz. registration of contract labor. Further, some of these approvals are granted for fixed periods of time and need renewal from time to time. We are required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Failure by us to renew, maintain or obtain the required permits or approvals in time may result in the interruption of our operations and may have a material adverse effect on our business, financial condition and results of operations. Moreover, there are few requisite government approvals and certificates will apply for the expansion of business which may vary according to the need of industry. There can be no assurance that the relevant authorities will issue these approvals or licenses in a timely manner, or at all. In the event of any unanticipated delay in receipt of such approvals, the proposed capacity expansion plan may extend and any such delay could have an adverse impact on our growth, prospects, cash flows and financial condition. For details regarding pending approvals, please refer to section titled “Government and Other Approvals” beginning on page 279 of this Prospectus.

44. There is no monitoring agency appointed by Our Company to monitor the utilization of the Issue proceeds.

As per SEBI (ICDR) Regulations, 2018, as amended, appointment of monitoring agency is required only for Issue size above ₹ 10,000.00 Lakhs. Hence, we have not appointed any monitoring agency to monitor the utilization of Issue proceeds. However, the audit committee of our Board will monitor the utilization of Issue proceeds in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, the audit committee of the company shall monitor utilisation of issue proceeds at regular intervals. Further, our Company shall inform about material deviations in the utilization of Issue proceeds to the stock exchange and shall also simultaneously make the material deviations / adverse comments of the audit committee public.

45. The Price of our Equity Shares may be volatile, or an active trading market may not develop.

Prior to this Issue, there has been no public market for our Equity Shares. S S Corporate Securities Limited is acting as Market Maker for the Equity Shares of our Company. However, the trading price of our Equity Shares may fluctuate after this Issue due to a variety of factors, including our results of operations and the performance of our business, competitive conditions, general economic, political and social factors, the performance of the Indian and global economy and significant developments in India's fiscal regime, volatility in the Indian and global securities market, performance of our competitors, the Indian Capital Markets, changes in the estimates of our performance or recommendations by financial analysts and announcements by us or others regarding contracts, acquisitions, strategic partnerships, joint ventures, or capital commitments. In addition, if the stock markets experience a loss of investor confidence, the trading price of our Equity Shares could decline for reasons unrelated to our business, financial condition or operating results. The trading price of our Equity Shares might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Each of these factors, among others, could materially affect the price of our Equity Shares. Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur. There can be no assurance that an active trading market for our Equity Shares will develop or be sustained after this Issue, or that the price at which our Equity Shares are initially offered will correspond to the prices at which they will trade in the market subsequent to this Issue. For further details of the obligations and limitations of Market Maker, please refer to the section titled —General Information – Details of the Market Making Arrangement, for this Issue beginning on page 60.

- 46. The Objects of the Issue for which funds are being raised, are based on our management estimates and any bank or financial institution or any independent agency has not appraised the same. The deployment of funds in the project is entirely at our discretion, based on the parameters as mentioned in the chapter titles "Objects of the Issue".**

The fund requirement and deployment, as mentioned in the "Objects of the Issue" on page 81 of this Prospectus is based on the estimates of our management and has not been appraised by any bank or financial institution or any other independent agency. These fund requirements are based on our current business plan. We cannot assure that the current business plan will be implemented in its entirety or at all. In view of the highly competitive and dynamic nature of our business, we may have to revise our business plan from time to time and consequently these fund requirements. The deployment of the funds as stated under chapter "Objects of the Issue" is at the discretion of our Board of Directors and is not subject to monitoring by any external independent agency. Further, we cannot assure that the actual costs or schedule of implementation as stated under chapter "Objects of the Issue" will not vary from the estimated costs or schedule of implementation. Any such variance may be on account of one or more factors, some of which may be beyond our control. Occurrence of any such event may delay our business plans and/or may have an adverse bearing on our expected revenues and earnings.

- 47. Strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees /workmen in future could adversely affect our business and results of operations.**

Our Company has total 263 employees as on date, with an increase in our operation capacities or execution of any expansion projects in future, we expect increase in such number of employees and labours. Although, we have enjoyed a good relationship with our employees and have not experienced any lockouts, strikes, or any disruptions of any sort due to labour unrest in the past. However, there can be no assurance that we may not experience any disruptions in our operations in future as well. In case of disputes or other problems with our work force such as strikes, work stoppages or increased wage demands, our business, financial conditions and results of operations may be materially and adversely affected.

ISSUE RELATED RISK

- 48. We cannot assure you that our equity shares will be listed on the SME platform of NSE in a timely manner or at all, which may restrict your ability to dispose of the equity shares.**

Though we shall make best of our efforts to comply with all applicable regulatory, financial and operational requirements for getting the equity shares proposed to be offered through this Prospectus listed on EMERGE platform of NSE in a time bound manner, yet on account of any change in applicable laws, economic conditions and/or any other reason/s beyond our control, the said shares may not get listed on the EMERGE platform of NSE Limited in a timely manner or at all, which may restrict your ability to dispose of the equity shares. However, even in such circumstances, the company shall stay fully committed to pay such interest and/or refund the full application amount, as may be required in accordance with the applicable regulatory directives.

- 49. Sale of Equity Shares by our Promoters or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.**

Any instance of disinvestments of equity shares by our Promoters or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

- 50. After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.**

The price of the Equity Shares on the Stock Exchange may fluctuate as a result of the factors, including

- a. Volatility in the Indian and global capital market;
- b. Company's results of operations and financial performance;
- c. Performance of Company's competitors,
- d. Adverse media reports on Company or pertaining to our Industry;
- e. Changes in our estimates of performance or recommendations by financial analysts;



- f. Significant developments in India’s economic and fiscal policies; and
- g. Significant developments in India’s environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

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

The issue price of the equity shares have been based on many factor and may not be indicative of the market price of our Equity Shares after the Issue. For further information please refer the section titled “Basis for Issue Price” beginning on page 113. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price.

EXTERNAL RISK FACTORS

52. Exchange rate fluctuations in various currencies in which we do business could materially and adversely impact our business, financial condition and results of operations.

Our reporting currency is in rupees, and we transact portion of our business primarily in USD. The following table set forth our revenue from foreign countries and their percentage in comparison with revenue from operations for the period ended September 30, 2023 and for the year ended March 31, 2023, March 31, 2022 and March 31, 2021:

| Particulars | For the period ended September 30, 2023 | For the Financial year ended | | |
|---------------------------------------|--|------------------------------|----------------|----------------|
| | | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| Export sales | 430.14 | 212.02 | 136.66 | 178.38 |
| Percentage of revenue from operations | 22.85% | 9.40% | 7.75% | 7.45% |

The exchange rate between the Rupee and foreign currencies has fluctuated significantly in recent years and may continue to fluctuate in the future. Any significant appreciation of the Rupee against foreign currencies in which we do business can fundamentally affect our competitiveness in the long-term. As our financial statements are presented in Rupees, such fluctuations could have a material impact on our reported results. Our clients generally demand that all risks associated with such fluctuations are borne by us.

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

Our business and industry are regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

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

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

India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable to pay tax in India as well as in their own jurisdiction on a gain on the sale of equity shares.

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

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include custom duties on imports of raw materials and components, Goods and Service. These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

56. *Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.*

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

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

While facts and other statistics in the Prospectus relating to India, the Indian economy and the industry in which we operate has been based on various web site data and IBEF that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled "**Industry Overview**" beginning on page 125 of this Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

58. *Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.*

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

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

Under the foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into



foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

60. *The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.*

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

61. *Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.*

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

62. *Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.*

India has experienced natural calamities such as earthquakes, tsunami, floods etc. in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

63. *Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.*

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks in India, other incidents such as those in US, Russia, Ukraine, Indonesia, Madrid, London and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

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SECTION IV- INTRODUCTION

THE ISSUE

| PRESENT OFFER IN TERMS OF THIS PROSPECTUS | |
|--|---|
| Offer for Equity Shares | |
| Public Offer of Equity Shares by our Company | Up to 62,82,000 Equity Shares aggregating to ₹ 6344.82 Lakhs |
| The Offer consists of: | |
| Fresh Issue | 62,82,000 Equity Shares aggregating to ₹ 6344.82 Lakhs |
| of which | |
| Reserved for the Market Makers | 3,18,000 Equity Shares aggregating to ₹ 321.18 Lakhs |
| Net Offer to the Public | 59,64,000 Equity Shares aggregating to ₹ 6023.64 Lakhs |
| Out of which | |
| A. QIB Portion*3 | Not more than 29,80,800 Equity Shares aggregating to ₹ 3010.61 Lakhs |
| Of which: | |
| (a) Anchor Investor Portion | Upto 17,88,000 Equity Shares aggregating to ₹ 1805.88 Lakhs |
| (b) Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed) | Upto 11,92,800 Equity Shares aggregating to ₹ 1204.73 Lakhs |
| Of which: | |
| (i) Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding Anchor Investor Portion) | Upto 59,640 Equity Shares aggregating to ₹ 60.24 Lakhs |
| (ii) Balance of QIB Portion for all QIBs including Mutual Funds | Upto 11,33,160 Equity Shares aggregating to ₹ 11,44.50 Lakhs |
| B. Non-Institutional Category*3 | Not Less than 8,95,200 Equity Shares aggregating to ₹ 904.15 Lakhs |
| C. Retail Portion*3 | Not Less than 20,88,000 Equity Shares aggregating to ₹ 2108.88 Lakhs |
| Pre and Post – Issue Equity Shares | |
| Equity Shares outstanding prior to the Offer | 1,75,43,200 Equity Shares of face value of ₹10 each |
| Equity Shares outstanding after the Offer | 2,38,25,200 Equity Shares of face value of ₹10 each |
| Objects of the Offer/ Use of Offer Proceeds | Please see the chapter titled “Objects of the Issue” on page 81 of this Prospectus for information about the use of Net Proceeds from the Fresh Issue. Our Company will not receive any proceeds from the Offer for Sale. |

Notes: -

- 1) The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. The issue is being made by our company in terms of Regulation 229 (2) of SEBI (ICDR) Regulation, read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post issued paid-up equity share capital of our company are being offered to the public for subscription.
- 2) The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on December 01, 2023 and by the Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the AGM of our shareholders held on December 23, 2023.
- 3) The allocation in the net issue to the public category shall be made as per the requirements of Regulation 253(1) of SEBI ICDR regulations, as amended from time to time. Our Company in consultation with the BRLMs may allocate as follows-
 - a) Not less than thirty-five per cent to retail individual investors;
 - b) Not less than fifteen per cent to non-institutional investors
 - c) Not more than fifty percent to qualified institutional buyers, five percent. of which shall be allocated to mutual funds:

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

Provided further that in addition to five percent allocation available in terms of clause (c), mutual funds shall be eligible for allocation under the balance available for qualified institutional buyers. For further details, please see the



section entitled "Issue Structure" or "Issue Procedure" on page 305 or 309 respectively. Allocation to all categories shall be made in accordance with SEBI ICDR Regulations.

SUMMARY OF OUR FINANCIAL INFORMATION

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Rupees in Lakhs)

| | Note | As at September 30, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|----------|---|--------------------------------|----------------------------|----------------------------|----------------------------|
| A | EQUITY AND LIABILITIES | | | | |
| 1 | Shareholders' Funds | | | | |
| | (a) Share Capital | 3 | 518.49 | 518.49 | 518.49 |
| | (b) Reserves and Surplus | 4 | 2928.06 | 2200.11 | 997.90 |
| | (c) Money Received against share warrants | | | | |
| | | | 3446.55 | 2718.60 | 1516.39 |
| 2 | Share Application Money Pending Allotment | | | | |
| | | | | | |
| 3 | Non-Current Liabilities | | | | |
| | (a) Long Term Borrowings | 5 | .00 | .00 | 135.30 |
| | (b) Deferred tax liabilities (Net) | | 1.23 | 1.23 | .00 |
| | (c) Other Long-Term Liabilities | | | | |
| | (d) Long Term Provisions | | | | |
| | Total non-current liabilities | | 1.23 | 1.23 | 135.30 |
| | | | | | |
| 4 | Current Liabilities | | | | |
| | (a) Short Term Borrowings | 6 | -34.32 | -3.80 | -16.61 |
| | (b) Trade Payables: - | 7 | 39.23 | 146.65 | 180.51 |
| | (A) Total outstanding dues of micro and small enterprises | | | | |
| | (B) Total outstanding dues other than (iii) (a) above | | | | |
| | (C) Other current liabilities | 8 | 6.53 | 5.88 | 1.09 |
| | (d) Short Term Provisions | 9 | 154.56 | 122.52 | 82.57 |
| | (e) Duties & Taxes | 10 | 375.66 | 127.82 | 59.47 |
| | Total Current Liabilities | | 541.66 | 399.06 | 307.03 |
| | | | | | |
| | Total | | 3989.43 | 3118.89 | 1958.72 |
| | | | | | |
| B | ASSETS | | | | |
| 1 | Non-Current Assets | | | | |
| | (a) Property, Plant and Equipment & Intangible Asset | | | | |
| | (i) Property, Plant and Equipment | 11 | 1053.29 | 1006.28 | 170.11 |
| | (ii) Intangible Assets | | | | |
| | (iii) Capital work-in-progress | | .00 | .00 | .00 |

| | | | | | | |
|----------|--|----|----------------|----------------|----------------|----------------|
| | (iv) Intangible Assets under development | 16 | 587.93 | 437.93 | 262.81 | 262.81 |
| | (b) Non-Current Investments | 12 | 42.80 | 36.17 | 36.17 | 36.17 |
| | (c) Deferred Tax Assets (Net) | 34 | .00 | .00 | 2.67 | .00 |
| | (d) Long Term Loans and Advances | 13 | .00 | .00 | .00 | .00 |
| | (e) Non-Current Assets | 14 | 298.69 | 258.93 | 238.83 | 222.41 |
| | Total Non- Current Assets | | 1982.71 | 1739.31 | 710.59 | 661.46 |
| | | | | | | |
| 2 | Current Assets | | | | | |
| | (a) Current Investments | 15 | 324.92 | 324.92 | 511.10 | 257.08 |
| | (b) Inventories | | .00 | .00 | .00 | .00 |
| | (c) Trade Receivables | 17 | 1455.13 | 849.31 | 479.99 | 396.37 |
| | (d) Cash and Cash Equivalent | 18 | 29.32 | 112.58 | 100.29 | 236.68 |
| | (e) Short term Loans and Advances | 19 | .00 | .00 | .00 | .00 |
| | (f) Other Current Assets | 20 | 197.36 | 92.78 | 156.76 | 38.43 |
| | Total Current Assets | | 2006.72 | 1379.59 | 1248.13 | 928.56 |
| | | | | | | |
| | Total | | 3989.43 | 3118.89 | 1958.72 | 1590.01 |

As per our report on even date

For Abhijit Kelkar & Co
Chartered Accountants
Firm Regn. No.: - 121920W

For and on behalf of the Board of Directors of
Trust Fintech Limited (Formerly Known as Trust Systems and Software (India) Private Limited)

CA Kalpesh Bhute
Partner
Membership No. 178818
UDIN: 24178818BKCYBF1728

Hemant Chafale
Director
(DIN: 01590781)

Mandar Deo
Director
(DIN: 01590926)

Anand Kane
Whole Time
Director & CFO
(DIN: 07635348)

Ms. Deshana Joshi
Company Secretary
(Mem No: A-26358)

Date: 07/01/2024

Place: Nagpur



STATEMENT OF PROFIT AND LOSS AS RESTATED

(Rupees in Lakhs)

| Particulars | Note No | For the Period ending 30th September 2023 | For the Period ending 31st March 2023 | For the Period ending 31st March 2022 | For the Period ending 31st March 2021 |
|---|----------|---|---------------------------------------|---------------------------------------|---------------------------------------|
| I. Revenue from Operations | 21 | 1882.14 | 2254.34 | 1763.25 | 2394.66 |
| II. Other Income | 22 | 0.99 | 15.85 | 36.75 | 23.28 |
| III Total Income (I+II) | | 1883.13 | 2270.19 | 1800.00 | 2417.94 |
| IV Expenses: | | | | | |
| Cost of Materials Consumed | 23 | 175.88 | 435.66 | 371.71 | 947.14 |
| Purchase of stock-in-Trade | 24 | .00 | .00 | .00 | .00 |
| Changes in Inventories of Finished Goods, and Stock-in-Trade | 25 | -150.00 | -175.12 | .00 | -26.00 |
| Employee Benefit Expenses | 26 | 598.09 | 1055.48 | 861.04 | 845.21 |
| Finance Costs | 27 | 1.13 | 3.78 | 1.72 | 3.94 |
| Depreciation and Amortization Expenses | 28 | 22.43 | 49.48 | 47.04 | 13.29 |
| Other Expenses | 29 | 262.83 | 359.86 | 339.96 | 340.35 |
| Total Expenses | | 910.36 | 1729.14 | 1621.48 | 2123.93 |
| V Profit before exceptional, extraordinary, Prior Period item & tax (III-IV) | | 972.77 | 541.05 | 178.53 | 294.01 |
| VI Exceptional Items | 30 | .00 | .00 | .00 | .00 |
| VII Profit before extra-ordinary item & Tax (V-VI) | | 972.77 | 541.05 | 178.53 | 294.01 |
| VIII Extraordinary Items | 31 | .00 | .00 | .00 | .00 |
| IX. Profit before Tax (VII-VIII) | | 972.77 | 541.05 | 178.53 | 294.01 |
| X. Tax Expenses: | | | | | |
| (I) Current Tax | | 244.83 | 134.94 | 46.82 | 73.43 |
| (II) Deferred Tax | 6 | .00 | 3.90 | -3.25 | .93 |
| (III) Earlier Tax | | .00 | .00 | 1.30 | |
| XI. Profit/(Loss) from Continuing Operations (VII-VIII) | | 727.95 | 402.21 | 133.66 | 219.66 |
| XII. Profit/(Loss) from Discontinuing Operations | | | | | |
| XIII. Tax Expense of Discounting Operations | | | | | |
| XIV. Profit/(Loss) from dis-Continuing Operations after tax (XII-XIII) | | .00 | .00 | .00 | .00 |
| XV. Profit/ (Loss) for the Period (XI + XIV) | | 727.95 | 402.21 | 133.66 | 219.66 |
| XVI. Earnings per share of Rs. 10/- each | | | | | |
| (I) Basic | | 14.04 | 7.76 | 2.58 | 4.24 |
| (II) Diluted | | 14.04 | 7.76 | 2.58 | 4.24 |
| Significant Accounting Policies | 1 | | | | |
| Notes refer to above form an integral part of the financial statements | | | | | |

As per our report on even date

For Abhijit Kelkar & Co
Chartered Accountants
Firm Regn. No.: - 121920W

For and on behalf of the Board of Directors of
**Trust Fintech Limited (Formerly Known as Trust Systems
and Software (India) Private Limited)**

CA Kalpesh Bhute
Partner
Membership No. 178818
UDIN: 24178818BKCYBF1728

Hemant Chafale
Director
(DIN: 01590781)

Mandar Deo
Director
(DIN: 01590926)

Anand Kane
Whole Time
Director & CFO
(DIN: 07635348)

Ms. Deshana Joshi
Company Secretary
(Mem No: A-26358)

Date: 07/01/2024
Place: Nagpur



STATEMENT OF CASH FLOW AS RESTATED

(Rupees in Lakhs)

| Particulars | As at September 30, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|--|--------------------------------|----------------------------|----------------------------|----------------------------|
| A. Cash Flow from Operating Activities | | | | |
| Profit before extraordinary items and tax | | | | |
| Adjustments for: | 972.77 | 541.05 | 133.66 | 219.66 |
| Depreciation | 22.43 | 49.48 | 47.04 | 13.29 |
| Interest Expenses (Finance Cost) | 1.13 | 3.78 | 1.72 | 3.94 |
| Interest Income | 1.81 | 18.84 | -36.75 | -24.22 |
| Provision for Current Tax | -244.83 | -134.94 | | |
| Non-Cash Expenses Debited to P & L A/c | | | | |
| Operating Profit before Working Capital Changes | 753.31 | 478.21 | 145.67 | 212.67 |
| Changes in working capital: | | | | |
| Adjustments for: | | | | |
| Decrease/(Increase) in Trade and other receivables | -605.81 | -369.33 | -83.62 | 245.18 |
| Decrease/(Increase) in Inventories | -150.00 | -175.12 | .00 | -26.00 |
| Decrease/(Increase) in Other Current Assets | -104.59 | 63.98 | -118.33 | 153.71 |
| (Decrease)/Increase in Trade & Other Payable | -107.42 | -33.86 | 72.60 | -101.59 |
| (Decrease)/Increase in Other Current Liabilities | .65 | 4.79 | .00 | .00 |
| (Decrease)/Increase in Short Term Provisions | 24.94 | 84.79 | | |
| (Decrease)/Increase in Duties & Taxes | 254.95 | 23.50 | | |
| Net cash flow from / (used in) operating activities | 66.03 | 76.96 | 16.32 | 483.96 |
| B. Cash Flow from Investing Activities | | | | |
| Purchase of Fixed Assets | -69.45 | -85.65 | -77.08 | -43.36 |
| Sale of Fixed Assets (Net) | .00 | .00 | .00 | .00 |
| Purchase of Investments | .00 | 186.18 | -254.01 | -356.83 |
| Interest Received | -1.81 | -18.84 | 36.75 | 24.22 |
| Loan & Advances to Others | .00 | .00 | -16.42 | 2.10 |
| Decrease/(Increase) in Non-Current Assets | -39.75 | -20.10 | | |
| Decrease/(Increase) in Non-Current Investments | -6.64 | .00 | | |
| Net Cash (Used in) Investing Activities | -117.64 | 61.59 | -310.77 | -373.86 |
| C. Cash Flow from Financing Activities | | | | |
| Increase/(Decrease) in Share Capital / Reserve & Surplus | .00 | .00 | .00 | .00 |
| (Increase)/Decrease in Deferred Tax Asset | .00 | .00 | -3.25 | .93 |
| Proceeds from Long-Term borrowings | .00 | -135.30 | 131.27 | -1.83 |
| Proceeds from Short Term borrowings | -30.52 | 12.81 | 31.76 | 60.25 |
| Finance Cost | -1.13 | -3.78 | -1.72 | -3.94 |
| Net from / (used in) financing activities | -31.65 | -126.27 | 158.06 | 55.40 |
| Net increase / (decrease) in Cash and cash equivalents | -83.26 | 12.29 | -136.39 | 165.50 |
| Opening Balance of Cash and cash equivalents | 112.58 | 100.29 | 236.68 | 71.18 |
| Closing Balance of Cash and cash equivalents | 29.32 | 112.58 | 100.29 | 236.68 |

As per our report on even date

For Abhijit Kelkar & Co
Chartered Accountants
Firm Regn. No.: - 121920W

For and on behalf of the Board of Directors of
**Trust Fintech Limited (Formerly Known as Trust Systems
and Software (India) Private Limited)**

CA Kalpesh Bhute
Partner
Membership No. 178818
UDIN: 24178818BKCYBF1728

Hemant Chafale
Director
(DIN: 01590781)

Mandar Deo
Director
(DIN: 01590926)

Anand Kane
Whole Time
Director & CFO
(DIN: 07635348)

Ms. Deshana Joshi
Company Secretary
(Mem No: A-26358)

Date: 07/01/2024
Place: Nagpur



SECTION V- GENERAL INFORMATION

Our Company was originally incorporated on December 15, 1998 as a Private Limited Company as “Trust Systems and Software (India) Limited” vide Registration No. 117470 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai. Pursuant to a special resolution passed by the Shareholders at their Extra ordinary General Meeting held on September 16, 2023, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to ‘Trust Systems and Software (India) Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on September 29, 2023 by the Registrar of Companies, Mumbai. Further, pursuant to special resolution passed by the Shareholders at their Extra Ordinary General Meeting held on November 22, 2023, our company has changed its name from “Trust Systems and Software (India) Limited” to “Trust Fintech Limited” and a fresh certificate of incorporation consequent to name change was issued on December 14, 2023 by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U72100MH1998PLC117470.

For further details of change in name, change in object and change in Registered office of our company, please refer to section titled “History and Certain Corporate Matters” beginning on page 189 of this Prospectus



Brief Information on Company and Issue

| | |
|---|---|
| Registered Office | Plot no.11/4, I.T. Park, Gayatri Nagar, Parsodi, Nagpur, Maharashtra, India, 440022 Tel: +91- 9909647348 Fax: N.A. E-mail: cs@softtrust.com Website: www.softtrust.com |
| Date of Incorporation | December 15, 1998 |
| CIN | U72100MH1998PLC117470 |
| Company Category | Company Limited by Shares |
| Registrar of Company | Registrar of Company, Mumbai 100, Everest, Marine Drive, Mumbai-400002, Maharashtra Tel No.: 022 22812627 Fax No: N.A Email: roc.mumbai@mca.gov.in Website: www.mca.gov.in |
| Company Secretary & Compliance Officer | Name: Ms. Deshna Keval Joshi Address: Plot no.11/4, I.T. Park, Gayatri Nagar, Parsodi, Nagpur, Maharashtra, India, 440022 Tel: +91-9909647348 E-mail: cs@softtrust.com Website: www.softtrust.com |
| Chief Financial Officer | Name: Mr. Anand Kane Address: Plot no.11/4, I.T. Park, Gayatri Nagar, Parsodi, Nagpur, Maharashtra, India, 440022 Tel: + 91 - 9820000400 E-mail: anandkane@softtrust.com Website: www.softtrust.com |
| Designated Stock Exchange | National Stock Exchange of India Limited NSE Limited, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400051 Website: www.nseindia.com |

| | | | | |
|------------------------|-----------------|--------------------------------|------------------|---------------------------------|
| Issue Programme | Issue Opens On: | Tuesday, March 26, 2024 | Issue Closes On: | Thursday, March 28, 2024 |
|------------------------|-----------------|--------------------------------|------------------|---------------------------------|

Note: Please refer to Section XII "Issue Information" at page no 298 of this Prospectus.

DETAILS OF INTERMEDIARIES PERTAINING TO THIS ISSUE AND OUR COMPANY

| LEAD MANAGER TO THE ISSUE | REGISTRAR TO THE ISSUE |
|---|---|
|  <p>Corporate Capital Ventures SEBI Registered Category I Merchant Banker</p> <p>CORPORATE CAPITALVENTURES PRIVATE LIMITED B-1/E-13, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi 110044 Tel: +91 11-41824066; Email: smeipo@ccvindia.com Investor Grievances Email id- investor@ccvindia.com Website: www.ccvindia.com SEBI Registration: INM000012276 Validity: Permanent Contact Person: Mrs. Harpreet Parashar</p> |  <p>BIGSHARE SERVICES PRIVATE LIMITED Office No. S6- 2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai – 400093, India. Tel No.: +91 – 22 – 6263 8200; Fax No.: +91 – 22 – 6263 8299 E-mail: ipo@bigshareonline.com Investor Grievances Email Id: investor@bigshareonline.com Website: www.bigshareonline.com SEBI Registration No.: INR000001385 Contact Person: Mr. Vinayak Morbale</p> |
| BANKER TO THE ISSUE & SPONSOR BANK | MARKET MAKER & SYNDICATE MEMBER TO THE ISSUE |
| <p>HDFC BANK LIMITED Address: FIG-OPS Department Lodha, I Think Techno Campus O-3 level, next to Kanjurmarg Railway station, Kanjurmarg (East Mumbai-400042) Tel: 022-30752929, 022-30752928, 022-30752914 Fax No: 022-25799801 Email: eric.bacha@hdfcbank.com, Sachin.gawade@hdfcbank.com Website: www.hdfcbank.com SEBI Registration: INBI00000063 Contact Person: Eric Bacha/ Sachin Gawade</p> | <p>S S Corporate Securities Limited Address: 3 rd Floor, D-Block, NDM -2 Netaji Subash Place, Pirampura Delhi- 110034 Telephone: 011-47003600 Email: harshit@sscoperative.com Contact Person: Mr. Harshit Singhal Website: www.sscoperative.com SEBI Registration: INZ000219533</p> |
| STATUTORY AUDITOR OF THE COMPANY | LEGAL ADVISOR TO THE ISSUE |
| <p>M/s R B Bhusari & Company Chartered Accountants Firm Registration No.: 101463W Address: 282, 3rd Floor, Kapish House, Opp. Punit Super Bazar, Khare Town, Dharmapeth, Nagpur-440010 Tel: +91-9881491490 Email: rbhusariandco@gmail.com Contact Person: Mr. Ranjan Bhusari</p> | <p>AdLegus Law Consultants LLP Enrollment No. D/1675/ 2019 Address: 2nd Floor, Moolchand Towers, I-Block, Sector 22, Noida - 201301 Tel: +91- 9711914380 Email: anang@adlegus.in Contact Person: Adv. Anang Kumar Shandilya</p> |
| PEER REVIEW AUDITOR OF THE COMPANY | |
| <p>M/s Abhijit Kelkar and Company Chartered Accountants Firm Registration No.: 121920W Peer Reviewed Registration No.: 012301 Address: "Shrinivas" Kelkar Building, Ground Floor, Badkas Square Road, Mahal, Nagpur, Maharashtra- 440032 Tel: +91- 9422126890 Email: abhijit@kelkarcoca.com Contact Person: Abhijit Kelkar</p> | |



DETAILS OF BOARD OF DIRECTORS OF OUR COMPANY

| S.N. | Name | DIN | Category | Designation |
|------|--------------------------|----------|----------------|----------------------|
| 1. | Hemant Padmanabh Chafale | 01590781 | Executive | Managing Director |
| 2. | Mandar Kishor Deo | 01590926 | Executive | Whole time Director |
| 3. | Heramb Ramkrishna Damle | 02734881 | Executive | Whole time Director |
| 4. | Anand Shankar Kane | 07635348 | Executive | Director & CFO |
| 5. | Sandhya Narendra Gulhane | 10432093 | Non- Executive | Director |
| 6. | Nitin Dattatraya Alshi | 05252946 | Non- Executive | Independent Director |
| 7. | Kapil Dilip Chandrayan | 05311061 | Non- Executive | Independent Director |
| 8. | Prasad A Dongarkar | 03025312 | Non- Executive | Independent Director |

For further details of our directors please refer chapter titled “Our Management” beginning on page 195 of this Prospectus.

Investors may contact our Company Secretary and Compliance Officer and/or the Registrar to the Offer, i.e., Ms. Deshana Keval Joshi and/or Bigshare Services Private Limited and/or the lead manager i.e. Corporate CapitalVentures Private Limited, in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, credit of allotted Equity Shares in the respective beneficiary account, unblocking of amount in ASBA, etc.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB to whom the Application was submitted (at ASBA Bidding Locations), giving full details such as name, address of the applicant, number of Equity Shares applied for, Application Amount blocked, ASBA Account number and the Designated Branch of the relevant SCSBs where the Application was submitted by the ASBA Applicants.

For all Issue related queries and for redressal of complaints, Applicants may also write to the Lead Manager. All complaints, queries or comments received by Stock Exchange/SEBI shall be forwarded to the Lead Manager, who shall respond to the same.

SELF-CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on the website of SEBI. For details on Designated Branches of SCSBs collecting the Bid Cum Application Forms, please refer to the below mentioned SEBI link. <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>

Further, as notified by SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019; the applications through UPI in IPOs can be made only through the SCSBs / mobile applications whose name appears on the SEBI website www.sebi.gov.in at the following path: Home >> Intermediaries/Market Infrastructure Institutions >> Recognized intermediaries >> Self Certified Syndicate Banks eligible as Issuer Banks for UPI.

Investor shall ensure that when applying in IPO using UPI, the name of his Bank appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, he/she shall also ensure that the name of the app and the UPI handle being used for making the application is also appearing in the aforesaid list.

REGISTERED BROKERS

Bidders can submit Bid cum Application Forms in the Offer using the stock brokers network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centers. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the website of the SEBI (www.sebi.gov.in) and updated from time to time. For details on Registered Brokers, please refer <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>

REGISTRAR TO OFFER AND SHARE TRANSFER AGENTS

The list of the RTAs eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of the SEBI on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> as updated from time to time.

COLLECTING DEPOSITORY PARTICIPANTS

The list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time.

STATEMENT OF RESPONSIBILITY OF THE LEAD MANAGER/STATEMENT OF INTER SE ALLOCATION OF RESPONSIBILITIES

Since Corporate Capital Ventures Private Limited is the sole Lead Manager to this Issue, a statement of inter-se-allocation of responsibilities amongst Lead Managers is not required.

CREDIT RATING

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

IPO GRADING

Since the Issue is being made in terms of Chapter IX of SEBI ICDR Regulations, there is no requirement of appointing an IPO grading agency.

EXPERT OPINION

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

1. Our Company has received written consent dated December 08, 2023 from Peer Review Auditor of the company for this issue namely, Abhijit Kelkar & Co., Chartered Accountants, to include its name as an expert as defined under Section 2(38) of the Companies Act, read with Section 26(5) of the Companies Act, 2013, read with SEBI ICDR Regulations in this Prospectus as an "expert" to the extent and in its capacity as an independent Peer Reviewed Auditor and in respect of its (i) examination report dated January 07, 2024 from on our restated financial information; and (ii) its report dated January 07, 2024 on the statement of Special Tax Benefits in this Prospectus and such consent has not been withdrawn as on the date of this Prospectus.
2. Our Company has received a written consent dated October 13, 2023 from Mr. Anang Kumar Shandilya, Advocate, having registration number D/1675/2019 to include its name as an expert as defined under Section 2(38) of the Companies Act, 2013, read Section 26(5) of the Companies Act, 2013, read with SEBI ICDR Regulations in this Prospectus as an "expert", to the extent and in its capacity as an advisor on the Legal Litigations being subsisting by the Company, against the Company, by the Promoters, against the Promoters, by the Directors and against the Directors of the Company.

Aforementioned consents have not been withdrawn as on the date of this Prospectus. However, the term - expert shall not be construed to mean an - expert as defined under the U.S. Securities Act. All the intermediaries including Merchant Banker has relied upon the appropriacy and authenticity of the same.

DEBENTURE TRUSTEE

Since this is not a debenture issue, appointment of debenture trustee is not required.

APPRAISAL AND MONITORING AGENCY



As per regulation 262(1) of SEBI ICDR Regulations, the requirement of monitoring agency is not mandatory if the Issue size is up to ₹ 10,000 Lakh. Since the Issue size is below ₹10,000 Lakh, our Company has not appointed any monitoring agency for this Issue. However, as per section 177 of the Companies Act, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the issue.

UNDERWRITING AGREEMENT

Our Company and LM to the issue hereby confirm that the Issue is 100% Underwritten. The Underwriting agreement is dated **March 15, 2024**. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are subject to certain conditions specified therein. The Underwriters have indicated their intention to underwrite the following number of specified securities being offered through this Issue:

| Name, Address, Telephone, Fax, and Email of the Underwriter | Indicative No. of Equity Shares to be Underwritten | Amount Underwritten (Rs. in Lakh) | % of the Total Issue Size Underwritten |
|--|--|-----------------------------------|--|
| Corporate Capital Ventures Private Limited Address: B-1/E-13, Mohan Cooperative Industrial, Estate Mathura Road, New Delhi 110044 Tel: +91 11 - 41824066; Email: smeipo@ccvindia.com Investor Grievances Email id: investor@ccvindia.com Website: www.ccvindia.com SEBI Registration: INM000012276 Validity: Permanent Contact Person: Mrs. Harpreet Parashar | 62,82,000 | 6344.82 | 100% |
| Total | 62,82,000 | 6344.82 | 100% |

In the opinion of our Board of Directors of the Company, the resources of the abovementioned Underwriter are sufficient to enable them to discharge the underwriting obligations in full. The above-mentioned Underwriter is registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges.

FILING OF OFFER DOCUMENT

The Draft offer document, Red Herring Prospectus, Prospectus and Offer Document shall be filed on the platform of NSE Emerge.

Pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022, Draft Red Herring Prospectus shall not be submitted to SEBI, however, soft copy of Red Herring Prospectus and Prospectus with the Due Diligence Certificate shall be submitted to SEBI pursuant to Regulation 246(1), and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. SEBI will not issue any observation on the Issue document in term of Regulation 246(2) of the SEBI ICDR Regulations.

A copy of the Red Herring Prospectus and Prospectus along with the material contracts and documents referred elsewhere in the Prospectus required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Mumbai situated at 100, Everest, Marine Drive, Mumbai, Maharashtra-400002, at least (3) three working days prior from the date of opening of the Issue.

CHANGE IN THE AUDITOR DURING LAST 3 YEAR

Except as provided below, Company has not changed auditor during last 3 years.

| Name of Auditor | Appointed for the Period | Date of Appointment/ Reappointment | Date of Resignation | Reason for Resignation |
|-----------------|--------------------------|------------------------------------|---------------------|------------------------|
|-----------------|--------------------------|------------------------------------|---------------------|------------------------|

| | | | | |
|---|--------------------------|-------------------|-------------------|--|
| M/s R B Bhusari & Company FRN: 101463W E-Mail: rbhusariandco@gmail.com Address: 282, 3 rd Floor, "Kapish House", opp. Punit Super Bazar, Khare Town, Dharampeth, Nagpur-440010 | 01/04/2023 to 31/03/2024 | November 22, 2023 | NA | NA |
| M/s Rodi Dabir & Co. FRN: 108846W E-Mail: rodidabir@rediffmail.com Address: 282, "Kapish House" 2 nd floor, opp. Punit Super Bazar, Kahre Town, Dharamapeth, Nagpur-440010 | 01/04/2020 to 31/03/2025 | December 30, 2020 | November 01, 2023 | Pursuant to sec 139 (2) of the Companies Act, 2013, i.e the Auditor has served for 10 years, therefore the new Auditor were appointed. |

WITHDRAWAL OF THE ISSUE

Our Company in consultation with the Lead Manager, reserves the right not to proceed with the Issue at any time after the Issue Opening Date but before the Board meeting for Allotment. In such an event, our Company would issue a public notice in the newspapers, in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Applicants within one (1) day of receipt of such notification. Our Company shall also promptly inform NSE Emerge on which the Equity Shares were proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals from NSE Emerge, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an IPO, our Company shall be required to file a fresh Prospectus.

DETAILS OF THE MARKET MAKING ARRANGEMENT FOR THIS OFFER

Our Company and the Lead Manager have entered into a tripartite agreement dated **March 15, 2024** with S S Corporate Securities Limited the Market Maker for this Issue, duly registered with NSE Emerge to fulfill the obligations of Market Making:

The Market Maker shall fulfill the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the NSE and SEBI regarding this matter from time to time. Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker.
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of NSE Emerge and SEBI from time to time.
3. The minimum depth of the quote shall be ₹1,00,000. However, the investors with holdings of value less than ₹1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
5. There would not be more than five Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.
6. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the



pre-open call auction.

7. The Market maker may also be present in the opening call auction, but there is no obligation on him to do so.
8. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

The Market Maker(s) shall have the right to terminate said arrangement by giving a one month notice or on mutually acceptable terms to the Merchant Banker, who shall then be responsible to appoint a replacement Market Maker(s). In case of termination of the abovementioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 261 of the SEBI (ICDR) Regulations, 2018. Further, our Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our corporate office from 11.00 a.m. to 5.00 p.m. on working days.

9. **Risk containment measures and monitoring for Market Makers:** Emerge Platform of NSE will have all margins which are applicable on the NSE Main Board viz., Mark-to-Market, Value- At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
10. **Punitive Action in case of default by Market Maker:** Emerge Platform of NSE will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non- compliances. Penalties / fines may be imposed by the Exchange on the Market Makers, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties/ fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker(s) in case he is not present in the market (offering two-way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.
The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/fines/ suspension for any type of misconduct/manipulation/ other irregularities by the Market Makers from time to time.
11. **Price Band and Spreads:** SEBI Circular bearing reference no: CIR/MRD/DP/02/2012 dated January 20, 2012, has laid down that for Issue size up to ₹ 250 crores, the applicable price bands for the first day shall be:
 - (i) In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
 - (ii) In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the Offer price.
 Additionally, the trading shall take place in TFT sent for first 10 days from commencement of trading. The following spread will be applicable on the SME Exchange Platform.

| S. No. | Market Price Slab | Proposed Spread (in % to sale price) |
|--------|-------------------|--------------------------------------|
| 1 | Up to 50 | 9.00% |
| 2 | 50 to 75 | 8.00% |
| 3 | 75-100 | 6.00% |
| 4 | Above 100 | 5.00% |

12. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

13. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Markets Makers during market making process has been made applicable, based on the issue size and as follows:

| Issue Size | Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size) | Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size) |
|------------------------|---|--|
| Up to ₹ 20 Crore | 25% | 24% |
| ₹20 Crore to ₹50 Crore | 20% | 19% |
| ₹50 Crore To ₹80 Crore | 15% | 14% |
| Above ₹80 Crore | 12% | 11% |

The Marketing Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and/or norms issued by SEBI/NSE from time to time.

The trading shall take place in TFT segment for first 10 days from commencement of trading. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

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SECTION VI - CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Prospectus is set forth below:

| # | Particulars | Amount (Rs. in Lakhs) | |
|----|--|-------------------------|--------------------------------|
| | | Aggregate nominal value | Aggregate value at Offer Price |
| A. | Authorized Share Capital | | |
| | 2,50,00,000 Equity Shares of ₹ 10/- each (₹ 25,00,00,000 Equity Share Capital) | 2,500.00 | - |
| B. | Issued, Subscribed and Paid-Up Share Capital before the Issue | | |
| | 1,75,43,200 Equity Shares of ₹10/- each (₹ 17,54,32,000 Equity Share Capital) | 1,754.32 | - |
| C. | Present Issue in terms of the Prospectus | | |
| | Fresh Offer of 62,82,000 Equity Shares of Face Value ₹10/- each at a Price of ₹ 101 per Equity Share | 628.20 | 6344.82 |
| | Consisting of: | | |
| | Reservation for Market Maker – 3,18,000 Equity Shares of ₹ 10/- each at a price of ₹ 101 per Equity Share reserved as Market Maker Portion. | 31.80 | 321.18 |
| | Net Issue to the Public – 59,64,000 Equity Shares of ₹ 10/- each at a price of ₹ 101 per Equity Share. | 596.40 | 6023.64 |
| | Of the Net Issue to the Public | | |
| | 1. QIB Portion | 298.08 | 3010.61 |
| | Of which: | | |
| | (a) Anchor Investor Portion | 178.80 | 1805.88 |
| | (b) Net QIB Portion (assuming the Anchor Investor Portion is fully subscribed) | 119.28 | 1204.73 |
| | Of which: | | |
| | (i) Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding Anchor Investor Portion) | 5.96 | 60.24 |
| | (ii) Balance of QIB Portion for all QIBs including Mutual Funds | 113.32 | 1144.49 |
| | 2. Non-Institutional Category | 89.52 | 904.15 |
| | 3. Retail Portion | 208.80 | 2108.88 |
| D. | Issued, Subscribed and Paid-up Share Capital after the Issue | | |
| | 2,38,25,200 Equity Shares of ₹10/- each | 2,382.52 | |
| E. | Securities Premium Account | | |
| | Before the Issue | 447.26 | |
| | After the Issue | 6163.88 | |

The present issue has been authorized by our Board of Directors vide a resolution passed at its meeting held on dated December 01, 2023 and by Special Resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the EGM of our shareholders held on December 23, 2023.

All Equity Shares are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Prospectus.

NOTES TO THE CAPITAL STRUCTURE

1. Details of increase in Authorized Share Capital:

Since December 15, 1998, the authorized share capital of our Company has been altered in the manner set forth below:

| S. No. | Date | No. of Equity Shares | Face Value (in ₹) | Cumulative No. of Shares | Cumulative Authorised Share Capital (in ₹) | Whether AGM/EGM |
|--------|---------------|----------------------|-------------------|--------------------------|--|-----------------|
| 1. | On Inception* | [•] | [•] | [•] | [•] | N.A. |
| 2. | [•]* | [•] | 10 | 2,00,000 | 20,00,000 | [•] |
| 3. | 14/03/2005* | 3,00,000 | 10 | 5,00,000 | 50,00,000 | EGM |
| 4. | 28/02/2012 | 15,00,000 | 10 | 20,00,000 | 2,00,00,000 | EGM |
| 5. | 23/04/2014 | 10,00,000 | 10 | 30,00,000 | 3,00,00,000 | EGM |
| 6. | 30/03/2016 | 20,00,000 | 10 | 50,00,000 | 5,00,00,000 | EGM |
| 7. | 22/03/2017 | 10,00,000 | 10 | 60,00,000 | 6,00,00,000 | EGM |
| 8. | 15/11/2023 | 1,90,00,000 | 10 | 2,50,00,000 | 25,00,00,000 | EGM |

*Note: We are unable to trace some of documents for the information provided above, we have relied on the search report from PCS Firm i.e Kaustubh Moghe and Associates having certificate of practice no. 12486 dated January 25, 2024 having UDIN F010603E003307710, for tracing changes in Authorized Capital. For further information, please refer to the Chapter titled "Risk Factors" and Risk No. 7 on the Page No. 30 of this Prospectus.

2. History of Equity Share Capital of our Company

| Note | Date of Allotment | No. of Equity Shares allotted | Face value (Rs.) | Issue Price (Rs.) | Nature of consideration | Nature of Allotment | Cumulative number of Equity Shares | Cumulative Equity Paid - up Capital (Rs.) | Cumulative Securities premium (Rs.) |
|------|-------------------|-------------------------------|------------------|-------------------|-------------------------|---------------------|------------------------------------|---|-------------------------------------|
| 1. | On Incorporation* | 50 | 10 | 10 | Cash | Subscription to MOA | 50 | 500 | - |
| 2. | 23/12/1998* | 20 | 10 | 10 | Cash | Further Issue | 70 | 700 | - |
| 3. | 31/03/1999* | 38,202 | 10 | 10 | Cash | Further Issue | 38,272 | 3,82,720 | - |
| 4. | 31/03/2001* | 13,641 | 10 | 10 | Cash | Further Issue | 51,913 | 5,19,130 | - |
| 5. | 31/03/2003* | 1,02,800 | 10 | 10 | Cash | Further Issue | 1,54,713 | 15,47,130 | - |
| 6. | 03/04/2003* | 45,000 | 10 | 10 | Cash | Further Issue | 1,99,713 | 19,97,130 | - |
| 7. | 30/03/2005* | 53,925 | 10 | 10 | Cash | Further Issue | 2,53,638 | 25,36,380 | - |
| 8. | 15/07/2005* | 64,700 | 10 | 10 | Cash | Further Issue | 3,18,338 | 31,83,380 | - |
| 9. | 31/03/2011* | 1,60,535 | 10 | 10 | Cash | Further Issue | 4,78,873 | 47,88,730 | - |
| 10. | 31/03/2012* | 9,46,459 | 10 | Nil | Other than cash | Bonus Issue | 14,25,332 | 1,42,53,320 | - |
| 11. | 31/03/2016 | 27,08,131 | 10 | Nil | Other than cash | Bonus Issue | 41,33,463 | 4,13,34,630 | - |
| 12. | 18/10/2016 | 7,51,537 | 10 | Nil | Other than cash | Bonus Issue | 48,85,000 | 4,88,50,000 | - |
| 13. | 18/10/2016 | 1,15,000 | 10 | 40 | Cash | Preferential Issue | 50,00,000 | 5,00,00,000 | 34,50,000 |
| 14. | 23/03/2017 | 53,845 | 10 | 72.43 | Cash | Preferential Issue | 50,53,845 | 5,05,38,450 | 68,11,543.35 |
| 15. | 28/06/2017 | 48,185 | 10 | 72.43 | Cash | Preferential Issue | 51,02,030 | 5,10,20,300 | 98,19,732.90 |



| | | | | | | | | | |
|-----|------------|-------------|----|-------|-----------------|--------------------|-------------|--------------|----------------|
| 16. | 03/10/2017 | 41,419 | 10 | 72.43 | Cash | Preferential Issue | 51,43,449 | 5,14,34,490 | 1,24,05,521.10 |
| 17. | 07/01/2019 | 41,419 | 10 | 72.43 | Cash | Preferential Issue | 51,84,868 | 5,18,48,680 | 1,49,91,309.30 |
| 18. | 24/01/2024 | 1,14,06,707 | 10 | Nil | Other than Cash | Bonus Issue | 1,65,91,575 | 16,59,15,750 | - |
| 19. | 25/01/2024 | 9,51,625 | 10 | 57 | Cash | Preferential Issue | 1,75,43,200 | 17,54,32,000 | 4,47,26,375 |

*Note: We are unable to trace some of documents for the information provided above, we have relied on the search report from PCS Firm i.e Kaustubh Moghe and Associates having certificate of practice no. 12486 dated January 25, 2024 for tracing changes in Authorised Capital. For further information, please refer to the Chapter titled "Risk Factors" and Risk No. 7 on the Page No. 30 of this Prospectus.

Notes:

- Initial Subscribers to Memorandum of Association hold 50 Equity Shares each of face value of ₹ 10/- fully paid up as per the details given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------------|--------------------------|------------------------|
| 1. | Hemant Padmanabh Chafale | 10 |
| 2. | Padmanabh B. Chafale | 10 |
| 3. | Unmesh P. Chafale | 10 |
| 4. | Heramb Ramkrishna Damle | 10 |
| 5. | Mandar Kishor Deo | 10 |
| Total | | 50 |

- The Company thereafter allotted 20 Equity shares as Further issue i.e. on December 23, 1998, the details of which is given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------------|-------------------|------------------------|
| 1. | Shailesh Tupkary | 10 |
| 2. | Rajendra Wankhede | 10 |
| Total | | 20 |

- The Company thereafter allotted 38,202 Equity shares as Further Issue on March 31, 1999, the details of which is given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------------|--------------------------|------------------------|
| 1. | Padmanabh Chafale | 7,590 |
| 2. | Shailesh Tupkary | 7,590 |
| 3. | Niranjan Padhye | 7,590 |
| 4. | Unmesh Chafale | 7,590 |
| 5. | Hemant Padmanabh Chafale | 7,580 |
| 6. | Rajendra Wankhede | 262 |
| Total | | 38,202 |

- The Company thereafter allotted 13,641 Equity shares as Further Issue on March 31, 2001 the details of which is given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------|--------------------------|------------------------|
| 1. | Hemant Padmanabh Chafale | 3,161 |
| 2. | Shailesh Tupkary | 3,161 |
| 3. | Unmesh Chafale | 3,161 |
| 4. | Padmanabh Chafale | 3,160 |

| | | |
|----|-------------------|---------------|
| 5. | Rajendra Wankhede | 998 |
| | Total | 13,641 |

5. The Company thereafter allotted 1,02,800 Equity shares as Further Issue on March 31, 2003 the details of which is given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------|--------------------------|------------------------|
| 1. | Hemant Padmanabh Chafale | 48,900 |
| 2. | Shailesh Tupkary | 30,601 |
| 3. | Padmanabh Chafale | 23,299 |
| | Total | 10,28,000 |

6. The Company thereafter allotted 45,000 Equity shares as Further issue on April 03, 2003 the details of which is given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------|--------------------------|------------------------|
| 1. | Hemant Padmanabh Chafale | 45,000 |
| | Total | 45,000 |

7. The Company thereafter allotted 53,925 Equity shares as Further issue on March 30, 2005 the details of which is given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------|--------------------------|------------------------|
| 1. | Hemant Padmanabh Chafale | 33,150 |
| 2. | Unmesh P. Chafale | 20,775 |
| | Total | 53,925 |

8. The Company thereafter allotted 64,700 Equity shares as Further issue on July 15, 2005 the details of which is given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------|--------------------------|------------------------|
| 1. | Sanjay Padmanabh Chafale | 64,700 |
| | Total | 64,700 |

9. The Company thereafter allotted 1,60,535 Equity shares as Further Issue on March 31, 2011 the details of which is given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------|--------------------------|------------------------|
| 1. | Hemant Padmanabh Chafale | 1,00,000 |
| 2. | Heramb Ramkrishna Damle | 35,055 |
| 3. | Mandar Kishor Deo | 25,480 |
| | Total | 1,60,535 |

10. The Company thereafter allotted 9,46,459 Equity shares as Bonus Issue on March 31, 2012 the details of which is given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------|--------------------------|------------------------|
| 1. | Hemant Padmanabh Chafale | 5,53,289 |
| 2. | Sanjay Padmanabh Chafale | 1,27,874 |
| 3. | Heramb Ramkrishna Damle | 69,283 |
| 4. | Padmanabh Chafale | 67,806 |
| 5. | Unmesh Chafale | 62,827 |



| | | |
|----|-------------------|-----------------|
| 6. | Mandar Kishor Deo | 50,359 |
| 7. | Niranjan Padhye | 15,021 |
| | Total | 9,46,459 |

11. The Company thereafter allotted 27,08,131 Equity shares as Bonus Issue on March 31, 2016 the details of which is given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------|--------------------------|------------------------|
| 1. | Hemant Padmanabh Chafale | 19,56,924 |
| 2. | Sanjay Padmanabh Chafale | 3,65,891 |
| 3. | Heramb Ramkrishna Damle | 1,98,242 |
| 4. | Mandar Kishor Deo | 1,44,094 |
| 5. | Niranjan Padhye | 42,980 |
| | Total | 27,08,131 |

12. The Company thereafter allotted 7,51,537 Equity shares as Bonus Issue on October 18, 2016 the details of which is given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------|--------------------------|------------------------|
| 1. | Hemant Padmanabh Chafale | 5,43,070 |
| 2. | Sanjay Padmanabh Chafale | 1,01,539 |
| 3. | Heramb Ramkrishna Damle | 55,015 |
| 4. | Mandar Kishor Deo | 39,988 |
| 5. | Niranjan Padhye | 11,925 |
| | Total | 7,51,537 |

13. The Company thereafter allotted 1,15,000 Equity shares as Preferential Issue on October 18, 2016 the details of which is given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------|--------------------|------------------------|
| 1. | Anand Shanker Kane | 1,15,000 |
| | Total | 1,15,000 |

14. The Company thereafter allotted 53,845 Equity shares as Preferential Issue on March 23, 2017 the details of which is given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------|--------------------|------------------------|
| 1. | Anand Shanker Kane | 53,845 |
| | Total | 53,845 |

15. The Company thereafter allotted 48,185 Equity shares as Preferential Issue on June 28, 2017 the details of which is given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------|--------------------|------------------------|
| 1. | Anand Shanker Kane | 48,185 |
| | Total | 48,185 |

16. The Company thereafter allotted 41,419 Equity shares as Preferential Issue on October 03, 2017 the details of which is given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------|--------------------|------------------------|
| 1. | Anand Shanker Kane | 41,419 |
| | Total | 41,419 |

17. The Company thereafter allotted 41,419 Equity shares as Preferential Issue on January 07, 2019 the details of which is given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------|--------------------|------------------------|
| 1. | Anand Shanker Kane | 41,419 |
| | Total | 41,419 |

18. The Company thereafter allotted 1,14,06,707 Equity shares as Bonus Issue in the ratio of 22:10 on January 24, 2024 the details of which is given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------|--------------------------|------------------------|
| 1. | Hemant Padmanabh Chafale | 77,43,898 |
| 2. | Sanjay Padmanabh Chafale | 14,52,008 |
| 3. | Heramb Ramkrishna Damle | 7,86,709 |
| 4. | Anand Shankar Kane | 6,59,709 |
| 5. | Mandar Kishor Deo | 5,71,826 |
| 6. | Niranjan Padhye | 1,70,557 |
| 7. | Jay Hemant Chafale | 22,000 |
| | Total | 1,14,06,707 |

19. The Company thereafter allotted 9,51,625 Equity shares as Preferential Issue on January 25, 2024 the details of which is given below:

| S. No. | Name of Person | No. of Shares Allotted |
|--------|--|------------------------|
| 1. | Amit Kumar | 2,70,000 |
| 2. | Chandni Amit Kumar | 1,98,000 |
| 3. | Nitin Sathware | 1,05,600 |
| 4. | Gold Circle Ventures LLP | 90,000 |
| 5. | Anagha Damle | 43,225 |
| 6. | Bindu Madhav Tikekar | 36,000 |
| 7. | Ramnath Raikar | 36,000 |
| 8. | Hinal Mehta (1 st Holder) and Ajay Mehta (2 nd Holder) | 18,000 |
| 9. | Mehak Mehta (1 st Holder) and Ajay Mehta (2 nd Holder) | 18,000 |
| 10. | Rakesh Seth | 36,000 |
| 11. | Tejas Goenka | 36,000 |
| 12. | Neha Kane | 18,000 |
| 13. | Neeraj Kushwaha | 18,000 |
| 14. | Milind Chittawar | 9,600 |
| 15. | Adhi Ranjan Behera | 9,600 |
| 16. | Sandhya Guhanane | 9,600 |
| | Total | 9,51,625 |

3. Shareholding of the Promoters of our Company

As on the date of this Prospectus, our Promoters Hemant Padmanabh Chafale, Sanjay Padmanabh Chafale, Heramb Ramkrishna Damle, Anand Shankar Kane and Mandar Kishor Deo holds total 1,12,63,852, 21,12,012, 11,44,304, 9,59,577 and 8,31,747 Equity Shares respectively representing 64.21%, 12.04%, 6.52%, 5.47% and 4.74% of the pre-issue paid up share capital of our Company.

Details of build-up of shareholding of the Promoters-



| Date of Allotment / acquisition / transaction and when made fully paid up | Nature (Allotment/ transfer) | Number of Equity Shares | Face Value per Equity Share (in₹) | Issue/ Transfer price per Equity Share (in₹) | Consideration (cash/ other than cash) | Name of Transferor / Transferee |
|---|------------------------------|-------------------------|-----------------------------------|--|---------------------------------------|---------------------------------|
| Mr. Hemant Padmanabh Chafale | | | | | | |
| Subscription to MOA | Allotment | 10 | 10 | 10 | Cash | NA |
| On 31.03.1999 | Further Issue | 7,580 | 10 | 10 | Cash | NA |
| On 31.03.1999 | Transfer | 10 | 10 | 10 | Cash | Heramb Ramkrishna Damle |
| On 14.03.2001 | Transfer | 272 | 10 | 10 | Cash | Rajendra Wankhede |
| On 31.03.2001 | Further Issue | 3,161 | 10 | 10 | Cash | NA |
| On 21.08.2001 | Transfer | 250 | 10 | 10 | Cash | Rajendra Wankhede |
| On 31.03.2003 | Further Issue | 48,900 | 10 | 10 | Cash | NA |
| On 03.04.2003 | Further Issue | 45,000 | 10 | 10 | Cash | NA |
| On 30.03.2005 | Further Issue | 33,150 | 10 | 10 | Cash | NA |
| On 31.03.2010 | Transfer | 41,611 | 10 | 10 | Cash | Shailesh Tupkary |
| On 31.03.2011 | Further Issue | 1,00,000 | 10 | 10 | Cash | NA |
| On 31.03.2012 | Bonus Issue | 5,53,289 | 10 | Nil | Consideration other than cash | NA |
| On 01.03.2014 | Transfer | 1,02,114 | 10 | 10 | Cash | Padmanabh Chafale |
| On 01.03.2014 | Transfer | 94,613 | 10 | 10 | Cash | Unmesh Chafale |
| On 31.03.2016 | Bonus Issue | 19,56,924 | 10 | Nil | Consideration other than cash | NA |
| On 18.10.2016 | Bonus Issue | 5,43,070 | 10 | Nil | Consideration other than cash | NA |
| On 15.08. 2023 | Transfer | (10,000) | 10 | | Cash | Jay Hemant Chafale |
| On 24.01.2024 | Bonus Issue | 77,43,898 | 10 | Nil | Consideration other than cash | NA |
| Total | | 1,12,63,852 | | | | |
| Mr. Sanjay Padmanabh Chafale | | | | | | |
| On 15.07.2005 | Further Issue | 64,700 | 10 | 10 | Cash | NA |
| On 31.03.2012 | Bonus Issue | 1,27,874 | 10 | Nil | Consideration other than cash | NA |
| On 31.03.2016 | Bonus Issue | 3,65,891 | 10 | Nil | Consideration other than cash | NA |
| On 18.10.2016 | Bonus Issue | 1,01,539 | 10 | Nil | Consideration other than cash | NA |
| On 24.01.2024 | Bonus Issue | 14,52,008 | 10 | Nil | Consideration other than cash | NA |
| Total | | 21,12,012 | | | | |
| Mr. Heramb Ramkrishna Damle | | | | | | |
| Subscription to MOA | Allotment | 10 | 10 | 10 | Cash | NA |
| On 31.03.1999 | Transfer | (10) | 10 | 10 | Cash | Hemant Padmanabh Chafale |
| On 31.03.2011 | Further Issue | 35,055 | 10 | 10 | Cash | NA |

| | | | | | | |
|-------------------------------|------------------------|------------------|----|-------|-------------------------------|--------------------------|
| On 31.03.2012 | Bonus Issue | 69,283 | 10 | Nil | Consideration other than Cash | NA |
| On 31.03.2016 | Bonus Issue | 1,98,242 | 10 | Nil | Consideration other than cash | NA |
| On 18.10.2016 | Bonus Issue | 55,015 | 10 | Nil | Consideration other than cash | NA |
| On 24.01.2024 | Bonus Issue | 7,86,709 | 10 | Nil | Consideration other than cash | NA |
| Total | | 11,44,304 | | | | |
| Mr. Anand Shankar Kane | | | | | | |
| On 18.10.2016 | Preferential Allotment | 1,15,000 | 10 | 40 | Cash | NA |
| On 23.03.2017 | Preferential Allotment | 53,845 | 10 | 72.43 | Cash | NA |
| On 28.06.2017 | Preferential Allotment | 48,185 | 10 | 72.43 | Cash | NA |
| On 03.10.2017 | Preferential Allotment | 41,419 | 10 | 72.43 | Cash | NA |
| On 07.01.2019 | Preferential Allotment | 41,419 | 10 | 72.43 | Cash | NA |
| On 24.01.2024 | Bonus Issue | 6,59,709 | 10 | Nil | Consideration other than cash | NA |
| Total | | 9,59,577 | | | | |
| Mr. Mandar Kishor Deo | | | | | | |
| Subscription to MOA | Allotment | 10 | 10 | 10 | Cash | NA |
| On 31.03.1999 | Transfer | (10) | 10 | 10 | Cash | Hemant Padmanabh Chafale |
| On 31.03.2011 | Further Issue | 25,480 | 10 | 10 | Cash | NA |
| On 31.03.2012 | Bonus Issue | 50,359 | 10 | Nil | Consideration other than Cash | NA |
| On 31.03.2016 | Bonus Issue | 1,44,094 | 10 | Nil | Consideration other than cash | NA |
| On 18.10.2016 | Bonus Issue | 39,988 | 10 | Nil | Consideration other cash | NA |
| On 24.01.2024 | Bonus Issue | 5,71,826 | 10 | Nil | Consideration other than cash | NA |
| Total | | 8,31,747 | | | | |

***Note –**

1. We are unable to trace complete documents of the Board resolution, Shareholders resolution and relevant form filled with ROC for the Allotment of shares and therefore details mentioned above are extracted from available registers, Minutes in the records of the Company. We have relied on the search report by PCS Firm i.e Kaustubh Moghe and Associates having certificate of practice no. 12486 dated January 25, 2024 for tracing changes in Promoter Buildup Sheet. For further information, please refer to the Chapter titled "Risk Factors" and Risk No. 7 on the Page No. 30 of this Prospectus.
2. All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.

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| | | | | | | | | | | | | | | | | | | |
|-----|--------------------------------|-----------|--------------------|---|---|--------------------|-------------|--------------------|---|--------------------|-------------|---|---|---|---|---|---|--------------------|
| | underlying DRs | | | | | | | | | | | | | | | | | |
| (2) | Shares held by Employee Trusts | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| | Total | 30 | 1,75,43,200 | - | - | 1,75,43,200 | 100% | 1,75,43,200 | - | 1,75,43,200 | 100% | - | - | - | - | - | - | 1,75,43,200 |

***As on the date of this Prospectus 1 Equity Shares holds 1 vote.*

Note:

- In terms of SEBI circular bearing No. CIR/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing No. SEBI/CIR/ISD/ 05 /2011, dated September 30, 2011, the Equity Shares held by the Promoters/Promoters Group Entities and 50% of the Equity Shares held by the public shareholders, shall be dematerialized. Accordingly, all the existing equity shares of the Company will be in dematerialized form at the time of listing of shares.*
- PAN of the Shareholders will be provided by our Company prior to Listing of Equity Share on the Stock Exchange.*
- Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI (LODR) Regulations, 2015, one day prior to the listing of the equity shares. The shareholding pattern will be uploaded on the website of NSE Emerge before commencement of trading of such Equity Shares.*

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5. As on the date of this Prospectus, there are no partly paid-up shares/outstanding convertible securities/warrants in our Company
6. Following are the details of the holding of securities of persons belonging to the category “Promoter and Promoter Group” and public before and after the Issue:

| S. No. | Name of shareholders | Pre-issue | | Post-issue | |
|----------------------------|--------------------------|----------------------|--------------------------|----------------------|--------------------------|
| | | No. of equity Shares | As a % of Issued Capital | No. of Equity shares | As a % of Issued Capital |
| Promoters | | | | | |
| 1 | Hemant Padmanabh Chafale | 1,12,63,852 | 64.21 | 1,12,63,852 | 47.28 |
| 2 | Sanjay Padmanabh Chafale | 21,12,012 | 12.04 | 21,12,012 | 8.86 |
| 3 | Heramb Ramkrishna Damle | 11,44,304 | 6.52 | 11,44,304 | 4.80 |
| 4 | Anand Shankar Kane | 9,59,577 | 5.47 | 9,59,577 | 4.03 |
| 5 | Mandar Kishor Deo | 8,31,747 | 4.74 | 8,31,747 | 3.49 |
| Total – A | | 1,63,11,492 | 92.98 | 1,63,11,492 | 68.46 |
| Promoter Group | | | | | |
| 6 | Jay Hemant Chafale | 32,000 | 0.18 | 32,000 | 0.13 |
| 7 | Anagha Damle | 43,225 | 0.25 | 43,225 | 0.18 |
| 8 | Neha Kane | 18,000 | 0.10 | 18,000 | 0.08 |
| Total – B | | 93,225 | 0.53 | 93,225 | 0.39 |
| Public | | | | | |
| 9 | Existing Shareholders | 11,38,483 | 6.49 | 11,38,483 | 4.78 |
| 10 | IPO | | | 62,82,000 | 26.37 |
| Total – C | | 11,38,483 | 6.49 | 74,20,483 | 31.15 |
| Grand Total (A+B+C) | | 1,75,43,200 | 100.00 | 2,38,25,200 | 100.00 |

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

| Name of the Promoter and Promoter Group | No. of Shares held* | Average cost of Acquisition (in ₹) |
|---|---------------------|------------------------------------|
| Hemant Padmanabh Chafale | 1,12,63,852 | 0.42 |
| Sanjay Padmanabh Chafale | 21,12,012 | 0.31 |
| Heramb Ramkrishna Damle | 11,44,304 | 0.31 |
| Anand Shankar Kane | 9,59,577 | 18.57 |
| Mandar Kishor Deo | 8,31,747 | 0.31 |

*Only the shares acquired are considered.

8. Details of Major Shareholders:

- A. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date* of this Prospectus:

| Sr. No. | Name of shareholders | No. of Equity Shares held | % of Paid-up Capital |
|---------|--------------------------|---------------------------|----------------------|
| 1. | Hemant Padmanabh Chafale | 1,12,63,852 | 64.21 |
| 2. | Sanjay Padmanabh Chafale | 21,12,012 | 12.04 |
| 3. | Heramb Ramkrishna Damle | 11,44,304 | 6.52 |
| 4. | Anand Shankar Kane | 9,59,577 | 5.47 |
| 5. | Mandar Kishor Deo | 8,31,747 | 4.74 |
| 6. | Amit Kumar | 1,78,800 | 1.02 |
| 7. | Niranjan Padhye | 2,48,083 | 1.41 |
| 8. | Jagdish Prashad Sharma | 176,400 | 1.01 |
| | Total | 1,69,14,775 | 96.42% |

- Last available Benpos was on Friday, March 22, 2024.

- B. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date ten days prior to the

date of the Prospectus:

| Sr. No. | Name of shareholders | No. of Equity Shares held | % of Paid-up Capital |
|---------|--------------------------|---------------------------|----------------------|
| 1. | Hemant Padmanabh Chafale | 1,12,63,852 | 64.21 |
| 2. | Sanjay Padmanabh Chafale | 21,12,012 | 12.04 |
| 3. | Heramb Ramkrishna Damle | 11,44,304 | 6.52 |
| 4. | Anand Shankar Kane | 9,59,577 | 5.47 |
| 5. | Mandar Kishor Deo | 8,31,747 | 4.74 |
| 6. | Niranjan Padhye | 2,48,083 | 1.41 |
| 7. | Amit Kumar | 222,000 | 1.27% |
| 8. | Jagdish Prashad Sharma | 176,400 | 1.01% |
| | Total | 1,69,57,975 | 96.66% |

- **Last available Benpos was on Friday, March 15, 2024.**

C. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date one year prior to the date of this Prospectus:

| Sr. No. | Name of shareholders | No. of Equity shares held | % of Paid-up Capital |
|---------|--------------------------|---------------------------|----------------------|
| 1. | Hemant Padmanabh Chafale | 35,29,954 | 68.08 |
| 2. | Sanjay Padmanabh Chafale | 6,60,004 | 12.73 |
| 3. | Heramb Ramkrishna Damle | 3,57,595 | 6.90 |
| 4. | Anand Shankar Kane | 2,99,868 | 5.78 |
| 5. | Mandar Kishor Deo | 2,59,921 | 5.01 |
| 6. | Niranjan Padhye | 77,526 | 1.50 |
| | Total | 51,84,868 | 100% |

D. List of Shareholders holding 1.00% or more of the Paid-up Capital of the Company as on date two years prior to the date of this Prospectus:

| Sr. No. | Name of shareholders | No. of Equity shares held | % of Paid-up Capital |
|---------|--------------------------|---------------------------|----------------------|
| 1. | Hemant Padmanabh Chafale | 35,29,954 | 68.08 |
| 2. | Sanjay Padmanabh Chafale | 6,60,004 | 12.73 |
| 3. | Heramb Ramkrishna Damle | 3,57,595 | 6.90 |
| 4. | Anand Shankar Kane | 2,99,868 | 5.78 |
| 5. | Mandar Kishor Deo | 2,59,921 | 5.01 |
| 6. | Niranjan Padhye | 77,526 | 1.50 |
| | Total | 51,84,868 | 100% |

9. The Company has not issued any convertible instruments like warrants, debentures etc. since its incorporation and there are no outstanding convertible instruments as on date of this Prospectus.

10. Our Company has not issued any Equity Shares out of revaluation reserve or reserves without accrual of cash resources.

11. Our Company has not issued any Equity Shares during a period of one year preceding the date of this Prospectus at a price lower than the Issue Price, except as following:

Bonus Issue: 1,14,06,707 Equity Shares

| Sr. No. | Name of shareholders | No. of Shares Allotted | Face Value (Rs.) | Issue Price (Rs.) | Date of Allotment | Reason for Allotment |
|---------|--------------------------|------------------------|------------------|-------------------|-------------------|----------------------|
| 1. | Hemant Padmanabh Chafale | 77,43,898 | 10 | - | January 24, 2024 | Bonus Allotment |



| | | | | | | |
|----|--------------------------|--------------------|----|---|------------------|-----------------|
| 2. | Sanjay Padmanabh Chafale | 14,52,008 | 10 | - | January 24, 2024 | Bonus Allotment |
| 3. | Heramb Ramkrishna Damle | 7,86,709 | 10 | - | January 24, 2024 | Bonus Allotment |
| 4. | Anand Shankar Kane | 6,59,709 | 10 | - | January 24, 2024 | Bonus Allotment |
| 5. | Mandar Kishor Deo | 5,71,826 | 10 | - | January 24, 2024 | Bonus Allotment |
| 6. | Niranjan Padhye | 1,70,557 | 10 | - | January 24, 2024 | Bonus Allotment |
| 7. | Jay Hemant Chafale | 22,000 | 10 | - | January 24, 2024 | Bonus Allotment |
| | Total | 1,14,06,707 | | | | |

Preferential Issue: 9,51,625 Equity Shares

| S. No. | Name of Person | No. of Shares Allotted |
|--------|--|------------------------|
| 1. | Amit Kumar | 2,70,000 |
| 2. | Chandni Amit Kumar | 1,98,000 |
| 3. | Nitin Sathware | 1,05,600 |
| 4. | Gold Circle Ventures LLP | 90,000 |
| 5. | Anagha Damle | 43,225 |
| 6. | Bindu Madhav Tikekar | 36,000 |
| 7. | Ramnath Raikar | 36,000 |
| 8. | Hinal Mehta (1 st Holder) and Ajay Mehta (2 nd Holder) | 18,000 |
| 9. | Mehak Mehta (1 st Holder) and Ajay Mehta (2 nd Holder) | 18,000 |
| 10. | Rakesh Seth | 36,000 |
| 11. | Tejas Goenka | 36,000 |
| 12. | Neha Kane | 18,000 |
| 13. | Neeraj Kushwaha | 18,000 |
| 14. | Milind Chittawar | 9,600 |
| 15. | Adhi Ranjan Behera | 9,600 |
| 16. | Sandhya Guhanane | 9,600 |
| | Total | 9,51,625 |

12. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of this Prospectus until the Equity Shares have been listed. Further, our Company presently does not have any intention or proposal to alter our capital structure for a period of six months from the date of opening of this Issue, by way of split / consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into exchangeable, directly or indirectly, for our Equity Shares) whether preferential or otherwise, except that if we enter into acquisition(s) or joint venture(s), expansion of business, we may consider additional capital to fund such activities or to use Equity Shares as a currency for acquisition or participation in such joint ventures.
13. We have **30 (Thirty)** shareholders as on the date of filing of this Prospectus.
14. As on the date of this Prospectus, our Promoter and Promoters Group hold total 1,64,04,717 Equity Shares representing 93.51% of the pre-issue paid up share capital of our Company.
15. None of our Promoters, their relatives and associates, persons in Promoter Group or the directors of the Company which is a promoter of the Company and/or the Directors of the Company have purchased or sold any securities of our Company during the past six months immediately preceding the date of filing this Prospectus, except to Mr. Hemant Padmanabh Chafale who has transferred 10,000 shares to Mr. Jay Chafale on 15.08.2023 at Rs. 10/- per share.
16. The members of the Promoters Group, our directors and the relatives of our directors have not financed the purchase by any other person of securities of our Company, other than in the normal course of the business of the financing entity, during the six months immediately preceding the date of filing this Prospectus.
17. **Details of Promoter's Contribution locked in for three years:**

As per Sub-Regulation (1) of Regulation 236 of the SEBI (ICDR) Regulations, 2018, an aggregate of 20.00% of the post-Issue Capital shall be considered as Promoter's Contribution.

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

In terms of clause (a) of Regulation 238 of the SEBI (ICDR) Regulations, 2018, Minimum Promoters' Contribution as mentioned above shall be locked-in for a period of three years from the date of commencement of commercial production or date of allotment in the Initial Public Offer, whichever is later.

Explanation: The expression "date of commencement of commercial production" means the last date of the month in which commercial production of the project in respect of which the funds raised are proposed to be utilised as stated in the offer document, is expected to commence.

We further confirm that Minimum Promoters Contribution of 20.00% of the post issue paid-up Equity Shares Capital does not include any contribution from Alternative Investment Fund.

The Minimum Promoters Contribution has been brought into to the extent of not less than the specified minimum lot and has been contributed by the persons defined as Promoters under the SEBI (ICDR) Regulations, 2018.

The lock-in of the Minimum Promoters Contribution will be created as per applicable regulations and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

As on date of this Prospectus there are no equity shares held by our Promoter and Promoter Group which are under lock in.

We confirm that the minimum Promoters contribution of 20.00% which is subject to lock-in for three years does not consist of:

- a) Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets;
- b) Equity Shares acquired during the preceding three years resulting from a bonus issue by utilisation of revaluation reserves or unrealised profits of the issuer or from bonus issue against equity shares which are ineligible for minimum Promoters' contribution;
- c) Equity Shares acquired by Promoters during the preceding one year at a price lower than the Issue Price;
- d) The Equity Shares held by the Promoters and offered for minimum 20% Promoters Contribution are not subject to any pledge.
- e) Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters' Contribution subject to lock-in.

In terms of Regulation 241 of the SEBI (ICDR) Regulations, 2018, our Company confirms that certificates of Equity Shares which are subject to lock in shall contain the inscription —Non-Transferable and specify the lock-in period and in case such equity shares are dematerialized, the Company shall ensure that the lock in is recorded by the Depository.

Equity Shares locked-in for three years

The details of Lock-in Period of existing pre- IPO capital of promoters for 3 years are as follows:

| Sr. No. | Category | No. of Shares | Lock-in Period |
|---------|--------------------------|------------------|----------------|
| 1. | Hemant Padmanabh Chafale | 32,90,484 | 3 Years |
| 2. | Sanjay Padmanabh Chafale | 6,16,977 | 3 Years |
| 3. | Heramb Ramkrishna Damle | 3,34,283 | 3 Years |
| 4. | Anand Shankar Kane | 2,80,319 | 3 Years |
| 5. | Mandar Kishor Deo | 2,42,976 | 3 Years |
| | Total | 47,65,040 | |

Equity Shares locked-in for one year

The details of Lock-in Period of existing pre- IPO capital of Promoter, Promoter Group or Public are as follows:

| Sr. No. | Category | No. of Shares | Lock-in Period |
|---------|----------|---------------|----------------|
|---------|----------|---------------|----------------|



| | | | |
|----|----------------|--------------------|--------|
| 1. | Promoter | 1,15,46,452 | 1 Year |
| 2. | Promoter Group | 93,225 | 1 Year |
| 3. | Public | 11,38,483 | 1 Year |
| | Total | 1,27,78,160 | |

Further, such lock-in of the Equity Shares would be created as per the bye laws of the Depositories.

Pledge of Locked in Equity Shares:

In terms of Regulation 242 of the SEBI (ICDR) Regulations, 2018, the locked-in Equity Shares held by our Promoters can be pledged only with any scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, subject to the following:

- In case of Minimum Promoters' Contribution, the loan has been granted to the issuer company or its subsidiary (ies) for the purpose of financing one or more of the Objects of the Issue and pledge of equity shares is one of the terms of sanction of the loan.
- In case of Equity Shares held by Promoters in excess of Minimum Promoters' contribution, the pledge of equity shares is one of the terms of sanction of the loan.

Further, lock in shall continue pursuant to the invocation of the pledge and such transferee shall not be eligible to transfer the equity shares till the lock in period stipulated has expired.

However, the Equity Shares held by the Promoters of the Company are not under any Pledge.

Transferability of Locked in Equity Shares:

In terms of Regulation 243 of the SEBI (ICDR) Regulations, 2018 and subject to provisions of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as applicable:

- The Equity Shares held by our Promoters and locked in as per Regulation 238 of the SEBI (ICDR) Regulations, 2018 may be transferred to another Promoters or any person of the Promoters' Group or to a new promoter(s) or persons in control of our Company, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.
- The equity shares held by persons other than promoters and locked in as per Regulation 239 of the SEBI (ICDR) Regulations, 2018 may be transferred to any other person (including Promoter and Promoters' Group) holding the equity shares which are locked-in along with the equity shares proposed to be transferred, subject to continuation of lock-in for the remaining period with transferee and such transferee shall not be eligible to transfer them till the lock-in period stipulated has expired.

18. Our Company, our Promoters, our Directors and the Lead Manager to this Offer have not entered into any buy-back, standby or similar arrangements with any person for purchase of our Equity Shares from any person.

19. Our Company has not issued any shares for consideration other than cash or out of revaluation of reserves since inception, although our company has issued Bonus Shares out of Free reserve or Securities Premium reserve only, details of which are as follows: -

Bonus Issue: 9,46,459 Equity Shares

| Sr. No. | Name of shareholders | No. of Shares Allotted | Face Value (Rs.) | Issue Price (Rs.) | Date of Allotment | Reason for Allotment |
|---------|--------------------------|------------------------|------------------|-------------------|-------------------|----------------------|
| 1. | Hemant Padmanabh Chafale | 5,53,289 | 10 | - | March 31, 2012 | Bonus Allotment |
| 2. | Sanjay Padmanabh Chafale | 1,27,874 | 10 | - | March 31, 2012 | Bonus Allotment |
| 3. | Heramb Ramkrishna Damle | 69,283 | 10 | - | March 31, 2012 | Bonus Allotment |
| 4. | Padmanabh Chafale | 67,806 | 10 | - | March 31, 2012 | Bonus Allotment |
| 5. | Unmesh Chafale | 62,827 | 10 | - | March 31, 2012 | Bonus Allotment |
| 6. | Mandar Kishor Deo | 50,359 | 10 | - | March 31, 2012 | Bonus Allotment |

| | | | | | | |
|----|-----------------|-----------------|----|---|----------------|-----------------|
| 7. | Niranjan Padhye | 15,021 | 10 | - | March 31, 2012 | Bonus Allotment |
| | Total | 9,46,459 | | | | |

Bonus Issue: 27,08,131 Equity Shares

| Sr. No. | Name of shareholders | No. of Shares Allotted | Face Value (Rs.) | Issue Price (Rs.) | Date of Allotment | Reason for Allotment |
|---------|--------------------------|------------------------|------------------|-------------------|-------------------|----------------------|
| 1. | Hemant Padmanabh Chafale | 19,56,924 | 10 | - | March 31, 2016 | Bonus Allotment |
| 2. | Sanjay Padmanabh Chafale | 3,65,891 | 10 | - | March 31, 2016 | Bonus Allotment |
| 3. | Heramb Ramkrishna Damle | 1,98,242 | 10 | - | March 31, 2016 | Bonus Allotment |
| 4. | Mandar Kishor Deo | 1,44,094 | 10 | - | March 31, 2016 | Bonus Allotment |
| 5. | Niranjan Padhye | 42,980 | 10 | - | March 31, 2016 | Bonus Allotment |
| | Total | 27,08,131 | | | | |

Bonus Issue: 7,51,537 Equity Shares

| Sr. No. | Name of shareholders | No. of Shares Allotted | Face Value (Rs.) | Issue Price (Rs.) | Date of Allotment | Reason for Allotment |
|---------|--------------------------|------------------------|------------------|-------------------|-------------------|----------------------|
| 1. | Hemant Padmanabh Chafale | 5,43,070 | 10 | - | October 31, 2016 | Bonus Allotment |
| 2. | Sanjay Padmanabh Chafale | 1,01,539 | 10 | - | October 31, 2016 | Bonus Allotment |
| 3. | Heramb Ramkrishna Damle | 55,015 | 10 | - | October 31, 2016 | Bonus Allotment |
| 4. | Mandar Kishor Deo | 39,988 | 10 | - | October 31, 2016 | Bonus Allotment |
| 5. | Niranjan Padhye | 11,925 | 10 | - | October 31, 2016 | Bonus Allotment |
| | Total | 7,51,537 | | | | |

Bonus Issue: 1,14,06,707 Equity Shares

| Sr. No. | Name of shareholders | No. of Shares Allotted | Face Value (Rs.) | Issue Price (Rs.) | Date of Allotment | Reason for Allotment |
|---------|--------------------------|------------------------|------------------|-------------------|-------------------|----------------------|
| 1. | Hemant Padmanabh Chafale | 77,43,898 | 10 | - | January 24, 2024 | Bonus Allotment |
| 2. | Sanjay Padmanabh Chafale | 14,52,008 | 10 | - | January 24, 2024 | Bonus Allotment |
| 3. | Heramb Ramkrishna Damle | 7,86,709 | 10 | - | January 24, 2024 | Bonus Allotment |
| 4. | Anand Shankar Kane | 6,59,709 | 10 | - | January 24, 2024 | Bonus Allotment |
| 5. | Mandar Kishor Deo | 5,71,826 | 10 | - | January 24, 2024 | Bonus Allotment |
| 6. | Niranjan Padhye | 1,70,557 | 10 | - | January 24, 2024 | Bonus Allotment |
| 7. | Jay Hemant Chafale | 22,000 | 10 | - | January 24, 2024 | Bonus Allotment |
| | Total | 1,14,06,707 | | | | |

20. Our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 230 to 234 of the Companies Act, 2013.

21. Except as stated below, our Company has not re-valued its assets since inception. However, our company has not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

| Sr. No. | Year of Revaluation | Type of Asset | Nature of Asset | Book Value of Asset | Value after Revaluation |
|---------|---------------------|---------------|---|---------------------|-------------------------|
| 1. | 2022-23 | Land | Land situated at 11/4, Gayatri Nagar, IT Park, Nagpur | 1,00,343.00 | 8,01,00,343.00 |

*For Revaluation of Assets certificate dated January 07, 2024, by the Peer Reviewed auditor of the issue, M/s Abhijit Kelkar & Co.

22. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Scheme for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Scheme from the proposed issue. As and when, options are granted to our



employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

23. There are no safety net arrangements for this public Offer.
24. An oversubscription to the extent of 10% of the Net Offer can be retained for the purposes of rounding off to the minimum allotment lot, while finalizing the Basis of Allotment.
25. As on the date of filing of this Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other financial instruments into our Equity Shares.
26. All the Equity Shares of our Company are fully paid up as on the date of this Prospectus. Further, since the entire money in respect of the Offer is being called on application, all the successful applicants will be allotted fully paid-up equity shares.
27. As per RBI regulations, OCBs are not allowed to participate in this Issue.
28. There is no Buyback, Standby, or similar arrangement by our Company/Promoters/Directors/Lead Manager for purchase of Equity Shares issued / offered through this Prospectus.
29. As on the date of this Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
30. Investors may note that in case of over-subscription, the allocation in the Issue shall be as per the requirements of Regulation 253 of SEBI (ICDR) Regulations, as amended from time to time.
31. Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the Lead Manager and NSE.
32. The Issue is being made through Book Building Method.
33. Lead Manager to the Issue viz. Corporate Capital Ventures Private Limited and its associates do not hold any Equity Shares of our Company. However, Mr. Jagdish Prasad Sharma, who is the immediate relative of Mr. Kulbhushan Parashar, director in Corporate Capital ventures is holding 1.01% shareholding in the company and post issue his shareholding will be 0.74%.
34. Our Company has not raised any bridge loan against the proceeds of this Issue.
35. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
36. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
37. An Applicant cannot make an application for more than the number of Equity Shares being Issued/Offered through this fixed subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
38. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Offer.
39. Our Promoters and the members of our Promoter Group will not participate in this Issue.
40. Our Company has not made any public issue since its incorporation.
41. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Draft Red Herring Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
42. For the details of transactions by our Company with our Promoter Group, Group Companies during the last

three Fiscals i.e., 2021, 2022 and 2023 & period ended on September 30, 2023 please refer to paragraph titled *-Related Party Transaction* in the chapter titled, *"Financial Information"* beginning on page number 256 of this Prospectus.

None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled *-Our Management* beginning on page 195.

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SECTION VII: PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

We believe that listing will give more visibility and enhance corporate image of our Company. We also believe that our Company and shareholders will receive the benefits from listing of Equity Shares on the Emerge platform of NSE. It will also provide liquidity to the existing shareholders and will also create a public trading market for the Equity Shares of our Company.

The Issue includes a fresh Issue of 62,82,000 Equity Shares our Company at an Issue Price of ₹ 101 per Equity Share.

Fresh Issue

The details of the proceeds of the Fresh Issue are summarized below:

| Particulars | (₹ in lakhs) Amount |
|--|------------------------|
| Gross Proceeds from the Fresh Issue | 6344.82 |
| Less: Issue related expenses | 725.18 |
| Net Proceeds of the Fresh Issue | 5619.64 |

Requirement of Funds

Our Company intends to utilize the Net Fresh Issue Proceeds for the following Objects ("Objects of the Issue"):

- 1) To Setup additional Development facility, instalment of fit outs and interior design works in Nagpur, Maharashtra.
- 2) Investment in procuring hardware and upgrading IT infra;
- 3) Funding of expenditure related to enhancement, maintenance and upgrading existing Product;
- 4) To meet out the Global & Domestic Business Development, Sales and Marketing expenses for the company; and
- 5) General Corporate Expenses

The main object clause of Memorandum of Association of our Company enables us to undertake the activities for which the funds are being raised by us through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association. For the main objects clause of our Memorandum of Association, see "History and Certain Corporate Matters" on page 189.

Utilization of Net Proceeds: We intend to utilize the proposed net proceeds in the manner set forth below:

| Particulars | (₹ in Lakhs) Amount |
|---|------------------------|
| To Setup additional Development facility, instalment of fit outs and interior design works in Nagpur, Maharashtra | 1,518.63 |
| Investment in Procuring Hardware and upgrading IT infra | 300.00 |
| Funding for expenditure related to enhancement and upgrading existing Product | 1,500.40 |
| To meet out the Global & Domestic Business Development, Sales and Marketing expenses for the company | 902.60 |
| General Corporate Expenses * | 1,398.01 |
| Total | 5,619.64 |

* The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

Since, the entire fund requirement of the objects detailed above are intended to be funded from the Net Proceeds. In view of the above, we confirm that the firm arrangements of finance under Regulation 230(1)(e) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue is not applicable.

SCHEDULE OF IMPLEMENTATION OF THE OBJECTS AND PROGRESS

Following is the tentative schedule, where we expect to invest the proceeds of the issue:-

(Rs. In Lacs)

| Purpose for Fund raised | Total Fund Requirement | Amount to be financed from Internal Accruals | Amount already incurred out of Internal Accrual | Amount to be financed from Net Proceeds | Estimated Utilization of Net Proceeds in F. Y. 2024-25 |
|---|------------------------|--|---|---|--|
| To Setup additional Development facility in Nagpur, Maharashtra | 2158.25 | 639.62 | 76.81* | 1518.63 | 1518.63 |
| Investment in Procuring Hardware | 486.57 | 186.57 | 56.25** | 300.00 | 300.00 |
| Funding for expenditure related to Enhancement of Existing Software Development | 1767.60 | 267.20 | 229.51** | 1500.40 | 1500.40 |
| To meet out the Global & Domestic -Sales and Marketing expenses | 902.60 | - | - | 902.60 | 902.60 |
| General Corporate Expenses*** | 1,398.01 | - | - | 1398.01 | 1398.01 |
| Total | 6713.03 | 1093.39 | 348.57 | 5,619.64 | 5,619.64 |

*Certified as amount already incurred from internal accruals as on January 18, 2024 by way of certificate dated January 19, 2024 and January 25, 2024, by Peer reviewed auditor of the company, M/s Abhijit Kelkar & Co, Chartered Accountants (UDIN No. 24178818BKCYBL5772) and statutory auditor of the Issue, M/s. RB Bhusari & Co, Chartered Accountants (UDIN No. 24041230BKEMHW2193).

**Certified as amount already incurred from internal accruals as on December 31, 2023 by way of certificate dated January 19, 2024 and January 25, 2024, by Peer reviewed auditor of the company, M/s Abhijit Kelkar & Co, Chartered Accountants (UDIN No. 24178818BKCYBL5772) and statutory auditor of the Issue, M/s. RB Bhusari & Co, Chartered Accountants (UDIN No. 24041230BKEMHW2193).

***The amount utilized for general corporate purposes shall not exceed 25% of the Gross Proceeds of the Issue.

The fund requirements mentioned above are based on internal management estimates of our Company and have not been verified by the lead managers or appraised by any bank, financial institution or any other external agency. They are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, cost of commodities and interest or exchange rate fluctuations. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the issue proceeds as stated above, our Company may re-allocate the issue proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in the issue proceeds or cost overruns, our management may explore a range of options including utilizing our internal accruals or seeking debt financing.

To the extent our Company is unable to utilize any portion of the Net Proceeds towards the Object, as per the estimated schedule of deployment specified above; Our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Object. In case of variations in the actual utilisation of funds earmarked for the purpose set forth or shortfall in the Net Proceeds or delay in raising funds through the IPO, increased fund requirements for a particular purpose may be financed from our internal accruals and/ or debt financing, as required. If the actual utilisation towards any of the objects is lower than the proposed deployment, such balance will be used for funding other objects as mentioned above or towards general corporate purposes to the extent that the total amount to be utilised towards general corporate purposes will not exceed 25% of the Gross Proceeds from the Issue in accordance with the SEBI ICDR Regulations. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds. We further confirm that no part of the Issue Proceed shall be utilized for repayment of any part of outstanding unsecured loan as on date of filing the Prospectus. For further details on the risks involved in our business plans and executing our business



strategies, please see the section titled "Risk Factors" beginning on page no. 28.

DETAILS OF THE OBJECTS OF THE ISSUE

1. Investment To Setup Additional Development facility, instalment of fit outs and interior design works in Nagpur, Maharashtra

Our Company currently has three places of business, from which we conduct business, these are located in Nagpur, Pune and Mumbai. Besides the current three place of business, we propose to develop a new facility at Mihan SEZ, Nagpur to increase our ability to accommodate additional personnel and create additional space for our business. The new facility or campus will be established on approximately 8093.71 Sq. mtr. of land, with the estimated construction area of 60,000 sq. ft. (w.r.t floor wise plan).

We are planning to grow our workforce from the existing 263 employees to 1000 people within the next three years. The new facility in Mihan SEZ will serve for software development (for core banking services) and related activities. Our current offices, covering 1064.42 square meter in total, accommodate over 200 employees, and the Nagpur property is already stretched beyond its capacity. To address this and to accommodate the anticipated growth, we are strategically planning to establish an additional facility in Mihan SEZ, covering an area of 8093.71 square meters. This expansion is designed to provide sufficient space for our expanding team. Upon setup of Mihan SEZ development facility, it will function as an export-oriented unit ("EOU") which will be mainly engaged in providing global Core Banking services and IT solutions. As per the current plan, the development of Mihan SEZ facility is expected to be completed by April 2025. Until the Completion of Mihan unit, we will temporarily utilize the rented properties to accommodate the additional personnel required for the Product/software development. The details of additional workforce required for the Product development is given in Object 3 on page no. 93 of the DRHP.

Location and Ownership of the New Facility:

Our Company has received a Provisional Allotment Letter dated December 08, 2023 from the Development officer, Maharashtra Airport Development Authority Limited (MADC). This letter pertains to the allotment of 2 acres, equivalent to 8093.71 Sq. Mtr. land situated at Plot No. 98, Sector No. 17, Mihan SEZ, Nagpur. The total consideration to be paid for this allotment is Rs 139.62 Lakhs towards the one-time license payment of the premise. The company had paid the earnest money amounting to Rs. 14 lacs at the time of application. The balance was to be paid in two installments as per the terms of the provisional allotment letter. As on date, and the second payment of Rs. 62 lacs have been paid. The third and balancing payment is due on 06/03/2024, which our company intends to pay in the month of February through internal accruals. Upon the receipt of the Total Lease Premium from the company by MADDC, Agreement to Lease will be executed for a period of 99 years.

Objective behind opting for an owned property:

The company aims to increase its workforce to 1000 people over the next 3 years. The rationale behind the owing of the property is that rental properties available without interior and have average monthly rent of Rs. 100 per sq. ft. with minimum annual increase of 5% in the rent. In contrast, the newly owned property in Mihan SEZ, Nagpur available at Rs. 2200 per sq. ft. (considering the economical land cost and average construction cost without interior). As, the rented property is without interior. So, the interior cost at rented property and the owned property is same. Additionally, the availability of suitable rented properties at a single location become challenge.

Advantages for Setting-up Additional Facility in Mihan SEZ, Nagpur

Reason of selection of location: -

1. 100% Income Tax exemption on export income for SEZ units under sec 10AA of the Income Tax Act for the first 5 years, 50% for the next 5 years, thereafter and 50% of the ploughed back export profit for the next 5 years;
2. Single window clearance on matters relating to Centre and State for setting up unit;
3. Low power cost, Currently the power is supplied to the companies in MIHAN SEZ at less than Rs. 5 per unit against commercial rate of Rs 13 per unit;
4. Availability of relatively low-cost skilled resources at Nagpur;
5. Location near airport and just 10 km from center of City with good Metro connectivity from all corners of City;

6. Additional FSI may be available for future expansion;
7. Center of Country with good connectivity by air, rail, road;
8. At present over 30 manufacturing and IT/ITES units as well as MRO service units are operation in the SEZ, viz TCS, Infosys, Tech Mahindra, Hexaware Technologies to name few; and
9. Establishing facility in SEZ will enable us to avail the above stated, which will help us optimize our operational costs.

We estimate that we will incur expenditure of approximately Rs. 2158.25 Lakhs towards the establishment of development facility, including the land cost. Out of that, for the Civil Structural Works & Interior Fit outs, the estimated cost is Rs. 2018.63 lakhs. This estimate is based on an architects' estimate from M/s Madhav Urade & Associates, Engineer, Architects & Govt. Approved Valuer dated December 08, 2023. The break-down of the expenditure is as set forth below: -

(Rs. In Lakhs)

| To Setup a Development Facility in Mihan SEZ, Nagpur | | | | |
|--|--|----------------------|---|--------------------------------------|
| Sr. No. | Item | Total Estimated Cost | Amount already incurred as on January 18,2024 | Balance amount proposed to be funded |
| Land lease Premium | | | | |
| 1. | Land | 139.62 | 76.81 | 62.81 |
| | Total I | 139.62 | 76.81 | 62.81 |
| Cost Bifurcation for the Civil Structural Works & Interior Fit outs | | | | |
| 2. | Building civil works | 1272.30 | - | 1272.30 |
| 3. | Electricals and fittings | 63.61 | - | 63.61 |
| 4. | Glass Fasad work | 135.00 | - | 135.00 |
| 5. | Plumbing work | 38.17 | - | 38.17 |
| 6. | Interior design work and installation of fit outs | 298.62 | - | 298.62 |
| 7. | Exterior Development and Miscellaneous Items including fees of Architect & Structural Designer | 210.93 | - | 210.93 |
| | Total II | 2018.63 | - | 2018.63 |
| Total Cost (I+II) | | 2158.25 | 76.81 | 2081.44 |
| Amount proposed to be funded from the Net Proceeds | | | | 1518.63 |
| Balance amount proposed to be funded from internal accruals | | | | 562.81 |

The break-down of Tentative Cost Bifurcation of Civil and structural works of approximately Rs. 2018.63 Lakhs towards the above construction and fit out charges are as follows: -

| Sr. No. | Particular | Unit | Quantity | Rate | Amount (Rs. In Lakhs) |
|---------|--|---------|----------|-------------|-----------------------|
| 1 | Excavation for foundation in earth , soil of all types sand, gravel and soft murum, including removing the excavated material up to a distance of 50 m. beyond the building area and stacking and spreading as directed, dewatering, preparing the bed for the foundation and necessary back filling, ramming, watering including shoring and strutting etc. complete. (Lift upto 1.5 m.) | Cu. Mt. | 799.2 | Rs 219.42/- | 1.75 |
| 2 | Excavation for foundation in earth , soil of all types, sand, gravel and soft murum, including removing the excavated material up to a distance of 50 m. beyond the building area and stacking and spreading as directed, dewatering, preparing the bed for the foundation and necessary back filling, ramming, watering including shoring and strutting etc. complete. (Lift from 1.5m to 3.0m) | Cu. Mt. | 479.52 | Rs 273.48/- | 1.31 |



| | | | | | |
|---|--|---------|---------|-------------|--------|
| 3 | Providing and laying Cast in situ/Ready Mix cement concrete in M15 of trap/ granite quartzite/gneiss metal for steps including steel centering, formwork. laying pumping, compacting, roughening them if special finish is to be provided, finishing uneven and honeycombed surface and curing etc. complete. The Cement Mortar 1:3 plaster is considered for rendering uneven and honeycombed surface, only. Newly laid concrete shall be covered by gunny bag, plastic, tarpaulin etc. (Wooden centering will not be allowed.), with fully automatic micro processor based PLC with SCADA enabled reversible Drum Type mixer/concrete Batch mix plant (Pan mixer) etc. complete | Cu. Mt. | 140.40 | Rs 6795 /- | 9.54 |
| 4 | Providing and laying Reinforced Cement Concrete with 20mm and down graded stone metal aggregate in all types of work like pile caps, runner beams, footings, pedestals, rafts, columns, beams, lofts, slabs, walls, chajjas, facias, staircases, shelves, bands, equipment foundations Including vibration, consolidation, finishing. curing etc. complete but excluding formwork and reinforcement paid for separately. | | | | |
| | For Foundation | Cu. Mt. | 229.40 | Rs 7,636/- | 17.51 |
| | For Column | Cu. Mt. | 430.95 | Rs 14,817/- | 63.85 |
| | For Beam | Cu. Mt. | 499.74 | Rs 13,189/- | 65.91 |
| | For Slab | Cu. Mt. | 2411.87 | Rs 14,977/- | 361.22 |
| | For Chajja | Cu. Mt. | 12.19 | Rs 14,977/- | 1.82 |
| | For Waist Slab, and Steps of Staircases | Cu. Mt. | 9.02 | Rs 12,965/- | 1.16 |
| | For Porch | Cu. Mt. | 27.30 | Rs 14,977/- | 4.08 |
| 5 | Providing fly ash brick masonry with Conventional / I.S. type bricks in cement mortar 1:6 in sub-Structure including striking joints, raking out joints, watering and scaffolding etc. Complete | Cu. Mt. | 56.16 | Rs 8,259/- | 4.63 |
| 6 | Providing internal cement plaster 12mm thick in single Coat in cement mortar 1:4 without neeru finish so concrete or brick surfaces, in all positions including scaffolding and curing etc. Complete | Sq. m. | 9.36 | 299/- | 0.02 |
| 7 | Providing and laying 20 mm thick Sand faced Plaster in CM 1:4 at in two costs to external surfaces of concrete or masonry including hacking of concrete surfaces, raking of joints, Scaffolding, curing etc. complete. | Sq. m. | 218.88 | 686.925/- | 1.50 |
| 8 | Back Filling | Cu. Mt. | 974.70 | 457/- | 4.45 |

| | | | | | |
|----|---|---------|---------|--------------|--------|
| 9 | Providing cement based water proofing treatment to terraces (Indian water proofing or alike) with brick bats laid in required slope to drain the water for any span after cleaning the base surface. Applying a coat of cement slurry admixed with approved water proofing compound and laying the brick bats on bottom layer in C.M.1:5 admixed with approved water proofing compound filling up to half depth of brick bats, curing this layer for 3 days, applying cement slurry over this layer joints of brick bats with C.M.1:3 admixed with approved water proofing compound and finally top finishing with average 20 mm. thick layers of same mortar added with jule fiber at 1 Kg per bag including finishing the surface smooth with cement slurry admixed with approved water proofing compound. Marking finished surface with false squares of 300mm x 300 mm. making the junctions at the parapet rounded and toned too for required height with drin | Sq. Mt. | 3196.80 | 1241.62 | 39.69 |
| 10 | Filling in plinth and floors with contractor's approved material /murum in 15 cm to 20cm. layers including watering and compaction etc. complete. | Cu. Mt. | 1957.55 | 882/- | 17.26 |
| 11 | Providing and fixing in position TMT FE 500 bar reinforcement of various diameters for R.C.C. pile caps, footings, foundations, slabs, beams columns, canopies, staircase, newels, chajjas, lintels pardis, copings, fins, arches etc. as per detailed designs, drawings and schedules, including cutting, bending, hooking the bars, binding with wires or tack welding and supporting as required complete. | MT | 321 | Rs 9,6431/- | 309.54 |
| 12 | Providing Second class fly ash brick masonry with conventional/I.S. type bricks in cement mortar 1:4 in half brick thick wall including mild steel longitudinal reinforcement of two bars of 6 mm diameter / two hoop iron strips 25 mm x 1.60 mm at every third course, properly bent and bounded at ends scaffolding raking out joints and watering etc. complete. | Sq. m. | 3390.0 | Rs 1087.9/- | 36.87 |
| 13 | Providing and fixing mild steel grill work for windows, ventilators etc. 20 kg/sqm as per drawing including fixtures, necessary welding & painting with one coats of anticorrosive paint & two costs of oil painting complete. | Sq. mt. | 64.80 | Rs 2254.27/- | 1.46 |
| 14 | Providing and laying machine cut machine polished machine cut Kota stone slabs 25 to 30 mm thick for treads and risers of steps and staircases, with rounded 15 nosing for the treads on a bed of 1:4 cement mortar including cement float, filling joints with neat cement slurry, curing, polishing and cleaning etc. complete. | Sq. mt. | 57.24 | Rs 1552.72/- | 0.88 |



| | | | | | |
|----|---|---------|-----------|--------------|--------|
| 15 | Providing and laying vitrified mirror / glossy finish tiles of RAK/ Kajaria/ Nitco/ Asian or equivalent make having size 590 mm to 605 mm x 590 mm to 605 mm off 8 to 10 mm thickness and confirming to IS. 1562-22006 (groupBla) of approved make, shade and pattern for Flooring in required position laid on a bed of 1:4 cement mortar including neat cement float, filling joints, curing and clearing etc. complete.b) Floor | Sq. m. | 126.90 | Rs 1265.27/- | 1.60 |
| 16 | Providing and laying vitrified matt finish tiles of RAK/ Kajaria/ Nitco/ Asian or equivalent make having size 600 mm x to 600 mm of 8 to 10 mm thickness and confirming IS. 15622-2006 (Group Bla) of approved make, shade und pattern for flooring in required position laid on a bed of 1:4 cement mortar including neat cement float, filling joints, curing and cleaning etc. complete. a) Toilet Flooring. | Sq. m. | 2843.10 | Rs 1758.7/- | 50.00 |
| 17 | Providing and laying vitrified mirror / glossy finish tiles of RAK/ Kajaria/ Nitco/ Asian or equivalent make having size 590 mm to 605 mm x 590 mm to 605 mm of 8 to 10 mm thickness and confirming to IS. 15622-2006 (groupBla) of approved make, shade and pattern for flooring in required position laid on a bed of 1:4 cement mortar including neat cement float, filling joints, curing and clearing etc. complete.b) Wall | Sq. Mt. | 10,165.50 | Rs 1308.27/- | 132.99 |
| 18 | Providing and fixing M40 grade thick vibrated pull cast or similar type Concrete frame with chamfer conforming to IS. 65241983 having 6 mm dia bars 3 Nos. And stirrups @250 mm c/c and fixing in wall with 6 Nos of hold fast of 12 mm dia bars 500 mm long including primer and oil painting etc, complete) frame size 60 mm 100 mm | R. Mt. | 43.2 | 650/- | 0.27 |
| 19 | Providing and fixing in position. (as per I.S. 1868/1982) Aluminum sliding window of two tracks with rectangular pipe having overall dimension 63.50 x 38.10 x 1.02 mm at weight 0.547 kg Rmt. and window frame bottom track section 61.85 x 31.75 x 1.20 mm at weight 0.695 kg/Rmt. Top and side track section 61.85 x 31.75 x 130 mm al weight 0.659 kg. Rmt. The shutter should be of bearing bottom 40 x 18 x 1.25 mmm at weight 0.417 kg/Rmi. Inter locking section 40 x 18 x 1.10 mm as weight 0.469 kg RezAnd handle section 40 x 18 x 1.25 mm al weight 0.417 kg/Roma, and top section 40 x 18 x 1.25 mm at weight 0.417 kg/Rmt. As per detailed drawings and as directed by Engineer in charge with all necessary Aluminum sections fixtures and fastenings such as roller bearing in eylon casting and self locking catch fined in vertical section of shuner including 5 mm thick plain glass with all required screws and nuts etc complete. With colourAnodising with her. | Sq. Mt. | 29.4 | 5890/- | 1.73 |

| | | | | | |
|----|--|---------|-----------|--------------|----------|
| 20 | Providing and fixing in position powder coated aluminum louvered windows / ventilator of various sizes with powder coating as per detailed drawing and 22 specifications including aluminum frames 80 x 38 mm x 1.22 mm box type, 5 mm thick sheet glass louvers, of approved quality etc. complete. | Sq. Mt. | 3.24 | 3727/- | 0.12 |
| 21 | Providing and fixing solid core flush door shutter in single leaf 32 mm thick decorative type of exterior grade as per detailed drawings approved face veneers 3 mm thick on both faces or as directed, all necessary beads, mouldings and lipping, wrought iron hold fasts, chromium plated fixtures and fastenings, with brass mortise lock, chromium plated handles on both sides, and finishing with French Polish etc. complete. | Sq. Mt. | 20.16 | 3309.92/- | 0.66 |
| 22 | Providing and fixing in position Gypsum board false ceiling with 12.5 mm thick Gypsum boards, screwed/ fixed to the under structure of suspended G.1. Grid constructed and suspended from the main ceiling consisting of ceiling sections of size 25 x 50 mm maximum center to center distance of 600 millimetre perimeter channel and intermediate channels at maximum center to center distance 1200 millimeter galvanized grid should be fixed to reinforced cement concrete slab. The gypsum board should be fixed to galvanized iron grid with necessary screws. The boards should be taped and filled from underside to give smooth, seamless ceiling. The necessary additional rate should include sections ceiling and intermediate channels. Additional intermediate channels should be fixed to strap hangers for additional support to prevent strapping at every 1200 millimeter item to be completed in all respect including necessary sleeves for ducts finishing of joints cut outs, painting including labour, material, lifts etc. all complete. | Sq. Mt. | 5480.15 | Rs 1901.67/- | 104.21 |
| 23 | Providing and applying Two coats of wall care Putty on plastered surface and Ceiling and Walls to prepare surface even and smooth of approved make, etc complete | Sq. Mt. | 15,651.12 | Rs 90.48/- | 14.16 |
| 24 | Providing and applying plastic emulsion paint of approved quality, colour and shade to old and new surfaces in two coats including scaffolding, preparing the surface. (including the primer coat) etc. complete. | Sq. Mt. | 15,651.12 | Rs 140.4/- | 21.97 |
| | | | | Total Amount | 1,272.29 |
| | Glass Fasad Work | | | | 135.00 |
| | Electrical Work (5% on Total Amount) | | | | 63.61 |
| | Plumbing Work (3% on total amount) | | | | 38.16 |
| | Interior Work (20% on Total Amount) | | | | 278.62 |
| | a) Furniture work for each IT Engineer's work table | Nos | 500 | | |
| | b) Chairs | Nos | 500 | | |



| | | | | |
|---|----------|----------|--------------|----------|
| c) Centralized cooling system | Sq. M | 7806 | | |
| d) Heighted Partition for each cabins | Sq. M | 1750 | | |
| e) Furnishing of all cabins | Nos. | 200 | Rs. 5000/- | 10.00 |
| I) Chairs | | | | |
| II) Table, conference table, DIAS carpet, corner table, storage | Lump sum | Lump Sum | -- | 10.00 |
| Exterior Development and Miscellaneous Items | | | | |
| a) Compound wall | R.m | 360.0 | Rs. 5500/- | 19.80 |
| b) Exterior flooring work | Sq.m | 4795.0 | Rs. 2000/- | 95.90 |
| c) Water coolers, Projectors, Printers and others miscellaneous | | | | 10.00 |
| d) Lifts | Nos | 3 Nos | Rs 1200000/- | 36.00 |
| | | | | 1,969.39 |
| Miscellaneous @ 20% (Including 5% supervision charges) | | | | 49.23 |
| | | | Total Amount | 2,018.63 |

Other confirmations relating to the proposed facility.

We have not entered into any definitive agreements with the below vendor and there can be no assurance that the same vendor would supply at same costs. Payments shall be made in Indian Rupee.

- We have received quotation from M/s Madhav Urade & Associates Engineer, Architects & Govt. Approved Valuer for an amount of Rs. 2018.63 Lakhs valid for 180 days w.e.f December 08, 2023, has been signed by Mr. Madhav Urade.
- We have received quotation from M/s RAK Projects (P) Ltd. for an amount of Rs. 2078.33 Lakhs valid for 120 days w.e.f December 08, 2023, has been signed by Mr. Ranjeet Khadakkar.

| Particulars | Setting-up the Development Facility at Mihan SEZ, Nagpur | |
|---|--|------------|
| | Estimated month of | |
| | Commencement | Completion |
| Land Acquisition | Jan 24 | Feb 24 |
| Land Development | Feb 24 | Mar24 |
| Civil Works | | |
| (i) Building civil works | April24 | Sept 24 |
| (ii) Electricals and fittings | Sept24 | Nov 24 |
| (iii) Glass Fasad Work | Oct24 | Dec 24 |
| (iv) Plumbing Work | Nov 24 | Dec 24 |
| Arrangement of Power (Construction) | April 24 | April24 |
| Arrangement of Water (Construction) | April24 | April 24 |
| Order of Hardware | March 24 | June 24 |
| Electrification & Installation | Sept 24 | Nov 24 |
| Interior / furniture | Nov 24 | March 25 |
| Personnel starts working at the premises | April 25 | April 25 |

Government and other Approvals

In Mihan SEZ, a streamlined approval process is in place with a **single-window clearance system** for obtaining both Centre as well as state approval for setting up unit. All necessary licenses will be applied through MIDC website, ensuring efficiency in the approval process. The tentative timelines for various government approvals are as follows:

| Material Approvals/ Licenses required | Expected Month of |
|---------------------------------------|-------------------|
|---------------------------------------|-------------------|

| | Application | Approval |
|---|-------------|----------|
| Land Acquisition Completion | | |
| 1. Final Allotment letter and Execution of Lease agreement | December 23 | March 24 |
| While construction of civil works | | |
| 2. (a) Plan Layout-Drawing Approval-Local office - MIHAN | March 24 | March 24 |
| (b) Construction permission - MIHAN | March 24 | April 24 |
| On Arrangement of Power, Water, Drainage Connection | | |
| 3. Temporary connection from Mihan for Power, Water, Drainage Connection | April 24 | April 24 |
| On installation of Hardware and Commencement of Operational Deployment | | |
| 4. (a) Consent of Establishment (b) Consent to Operate | March 25 | April 25 |

2. Investment in procuring hardware

A portion of our capital expenditure will be dedicated to procure additional hardware for the upcoming team to support the product development work as stated in Object 3 and for the new facility which we intend to construct in SEZ Mihan, Nagpur. The equipment's are proposed to be acquired in a ready to use condition and is to be put into operation at any of our premises after procurement. As per the current plan, development of the Mihan SEZ facility is expected to be completed by April 2025. Until the facility is fully operational, we will procure hardware in the temporarily rented properties, ensuring that the upcoming team has desktops readily available for product development work as stated in Object 3 on page no. 93 of the DRHP.

The average expected date of supply of the hardware is approximately 15-20 days from the date of placement of orders. We propose to utilize Rs. 486.57 Lakhs in the procurement of server, Microsoft license, Antivirus, computer, Networking accessories, UPS, Generator and Legal software. The estimate cost breakdown is set forth below: -

(Rs. In Lakhs)

| Purpose for Fund raised | Total Requirement | Fund | Amount to be financed from Internal Accruals | Amount already incurred as on December 31, 2023* | Amount to be financed from Net Proceeds | Estimated Utilization of Net Proceeds in F. Y. 2024-25 |
|----------------------------------|-------------------|------|--|--|---|--|
| Investment in Procuring Hardware | 486.57 | | 186.57 | Rs. 56.25 | 300.00 | 300.00 |
| Total | 486.57 | | 186.57 | Rs. 56.25 | 300.00 | 300.00 |

*Certified as amount already incurred from internal accruals as on December 31, 2023 by way of certificate dated January 19, 2024 and January 25, 2024, by Peer reviewed auditor of the company, M/s Abhijit Kelkar & Co, Chartered Accountants (UDIN No. 24178818BKCYBL5772) and statutory auditor of the Issue, M/s. RB Bhusari & Co, Chartered Accountants (UDIN No. 24041230BKEMHW2193).

Details of equipment already purchased out of internal accruals:

| No. | Specifications | Date of Purchase | Qty/ Units purchased | Per Unit Price | Amount which will be financed from Internal Accruals (Rs. in Lakhs) | Vendor Name and Address | Date/ Estimated date of Delivery |
|---------------------------------|---|------------------|----------------------|----------------|---|-------------------------|----------------------------------|
| Computer and Peripherals | | | | | | | |
| 1. | CPU IntelCi3 10 th (10105F), Mbd Asus H510 M-E, SSD Wd 480gb Sn 350Nvme, Mos Logitech M90 USB, Kbd Logitech K-120 USB, Grf Aarvex Gt610 1Gb Ddr3, Cbn Circle Lil, Tft Lenovo 18.5 (HDMI) & Ram | 08-05-2023 | 10 | 45,339 | 4.53 | Dev Trade | 08.05.2023 |



| | | | | | | | |
|--------------|---|---------------|----------|--------------|-------|-----------------------------|------------------------|
| | Aarvex 8gb Ddr4 Dtp (2666) | | | | | | |
| 2. | CPU Intel Ci3- 7 10 th , Mbd Asus H510 M-E, Cpu Intel Ci3-7 th , MDB Cebronics H110, RAM Aarvex 8GB Ddr4 Dtp, Grf Zebion 2gb Ddr3 Gt610, Cbn Coconut Cane with Smpls, Kbd Dell Usb b 216 & Tft Lg 20" HDMI | 19-07-2023 | Lump-sum | 4,25,000 | 4.25 | Dev Trade | 19.07.2023 |
| 3. | Cpu Intel Ci3 10 th (10105F), Mbd Asus H510 M-E, Ssd Wd 480gb Sn350 Nvme, Cmb Logitech Mkt 120, Grf Aarvex Gt 610 2gb Ddr3, Tft Lg 18.5" (19M38AB) Vga & Cbn Fingers Babytower | 19-08-2023 | 10 | 43,601 | 4.36 | Dev Trade | 19.08.2023 |
| 4. | Ltp Lenovo 82TTA00IUH DOS (CI312TH/8/512) & Lenovo Bag pack | 04-10-2023 | 2 | 14,194.5 | 0.28 | Dev Trade | 04-10-2023 |
| 5. | SS210Z12ZZRCAA XG 210 Webserver production Renewal, XS210Z12ZZRCAA XG 210 Xstream Protection Reneal- 1 year | 10-11-2023 | Lump-sum | 70,700 | 0.70 | CACHE TECHNOLOGI ES PVT LTD | 10-11-2023 |
| 6. | Cpu Intel Ci3 10 th (10100F), Mdb Asus H510 M-E, Cpu Intel Ci3-7 th , Mdb Zebronicsa H 110, Ram Aarvex 8gb Ddr4 Dtp (2666) Ssd Aarvex 256gb Sata, Grf Zebion 2gb Ddr3 Gt610, Cbn Coconut cane with Smpls, Kbd Dell Usb Kb216, Mos Dell Usb Ms116 & Tft Lg 20" (20M39H) HDMI | 18-11-2023 | Lump-sum | 3,83,474 | 3.83 | DEV TRADECOM | 18-11-2023 |
| 7. | Ram, SSD, electrical material, Lan cable & connector, UPS and battery, connector, electrical light, Lenovo TFT, Lenovo CPU, computers, CPU, chairs, connector, SSD, coconut cat, cupboard, other equipment's, UPS & Batteries, Pendirve, Kolors kbc plate, cables, hawells capasitors and other materials, Switch regulator, Swith, socket tape roll and electricasl material | Various Dates | Lump-sum | 38,28,389.44 | 38.28 | Various Vendors | Various Delivery dates |
| Total | | | | | 56.25 | | |

Details of Hardware for which orders are yet to be placed:

The details of the equipment proposed to be acquired by us, and the proposed schedule for their acquisition is given below: -

| Sr. No. | Specifications | Qty/ Units to be purchased | Per Unit Price | Total Estimated cost*# Amount in Lakhs |
|---------------------------------|--|----------------------------|----------------|--|
| Computer and Peripherals | | | | |
| 1. | Lenovo make commercial Desktop: - Intel Core i3 (12 th Gen), 8GB RAM, 512 GB SSD hard disk, Keyboard, mouse, 18.5 "TFT monitor. | 455 | 34,000 | 154.70 |
| 2. | Windor 11 (Professional) operating system | 434 | 13,000 | 56.42 |
| 3. | 48 Port Gigabyte (Digisol make) network switch (manage) | 10 | 38,500 | 3.85 |
| 4. | 42U server rack with accessories (Net rack make) | 3 | 46,500 | 1.40 |
| 5. | 6u wall mount network rach (netrack) | 5 | 4,350 | 0.28 |
| 6. | 24 Port patch panel (Digisol) | 24 | 2,200 | 0.53 |
| 7. | 120 KVA UPS (Vertiv make) | 2 | 20,05,000 | 40.10 |
| 8. | 20 KVA UPS (Vertiv make) | 2 | 8,50,000 | 17.00 |
| 9. | 200 KVA generator (Kirloskar make) | 1 | 23,50,000 | 23.50 |

| | | | | |
|-------------------------------------|--|-----|----------|---------------|
| 10. | Visual Studio | 47 | 35,000 | 16.45 |
| 11. | Lenovo/Dell Make rack server: Intel Xeon 16 core gold processor, 512 GB RAM, 4 tb SSD Hard disk (2no.), RPS (2no.), HBA supported card 16 GBm RAID 01. | 7 | 4,97,500 | 34.83 |
| 12 | Lenovo/Dell Make rack server: Intel Xeon 16 core gold processor, 512 GB RAM, 4 tb ssd Hard disk (2no.), RPS (2no.), HBA supported card 16 GBm RAID 01. | 2 | 4,72,000 | 9.44 |
| 13 | Microsoft window server std. 2022 | 15 | 75,500 | 11.32 |
| 14 | Microsoft SQL server std 2022 core base (2core) license | 16 | 2,80,000 | 44.80 |
| 15 | Microsoft window server std 2022 cal license | 405 | 2,700 | 10.93 |
| 16 | Quick heal End point security anti-virus | 474 | 975 | 4.62 |
| 17 | Quick Heal (server edition) | 15 | 1,400 | 0.21 |
| Total Estimated Project Cost | | | | 430.32 |

Note-

#GST or any other applicable tax shall be paid from our internal accruals. The quotations are subject to additional costs including freight, transportation costs as applicable shall be paid out of Internal Accruals.

**Excluding the GST and any other applicable taxes*

**Below are the Quotations obtained:*

- The above Quotation is an extract of Quotation obtained from M/s Unlogic Systems (India) Pvt. Ltd for an amount of Rs. 430.32 Lakhs valid for 120 days w.e.f December 30, 2023, has been signed by Mr. Nilesh Bondade.
- We have received quotation from M/s Datawise for an amount of Rs. 435.25 Lakhs valid for 120 days w.e.f December 30, 2023, has been signed by Mr. S.S. Chaudhary.

The Quotation received from the vendor mentioned above is valid as on the date of this Prospectus. However, we have not entered into any definitive agreements with any of the vendor and there can be no assurance that the same vendor would be engaged to eventually supply the above Hardware or at the same costs. The actual cost of procurement and actual supplier/dealer may vary. The Hardware models and quantity to be purchased are based on the present estimates of our management. The Management shall have the flexibility to revise such estimates (including but not limited to change of vendor or any modification/addition/deletion of machineries or equipment) at the time of actual placement of the order. In such case, the Management can utilize the surplus of proceeds, if any, arising at the time of actual placement of the order, to meet the cost of such other machinery, equipment or utilities, as required. Furthermore, if any surplus from the proceeds remains after meeting the total cost of machineries, equipment and utilities for the aforesaid purpose, the same will be used for our general corporate purposes, subject to limit of 25% of the amount raised by our Company through this Issue.

The quotations relied upon by us in arriving at the above cost are valid for a specific period of time and may lapse after the expiry of the said period. Consequent upon which, there could be a possible escalation in the cost of hardware proposed to be acquired by us at the actual time of purchase, resulting in increase in the estimated cost. The quantity of hardware to be purchased is based on the present estimates of our management. All quotations received from the vendors mentioned above are valid as on the date of this Prospectus. If we engage someone other than the identified third-party vendors from whom we have obtained quotations or if the quotations obtained expire, such vendor's estimates and actual costs for the items listed above may differ from the current estimates. No second-hand or used hardware is proposed to be purchased out of the Net Proceeds. Also, Orders for 100.00% of the total proposed servers, computers, Microsoft licenses amounting to Rs. 430.32 lakhs are yet to be placed.

The expenditure on hardware acquisition is strategically tied to our human resource recruitment plan. Hardware purchases will align with the recruitment timeline, ensuring a timely and efficient scaling of resources. Following is the tentative schedule for the placement of orders in relation to the procurement of equipment proposed below:



(Rs. In Lakhs)

| Procurement of Hardware | Amount to be utilized |
|--------------------------------------|-----------------------|
| May- November (amount already spent) | Rs. 56.25 |
| April, 2024 | Rs. 145.62 |
| May, 2024 | Rs. 82.92 |
| June, 2024 | Rs. 79.15 |
| October-2024 | Rs. 36.69 |
| January-2025 | Rs. 85.94 |
| Total | Rs. 486.57 |

3. Funding for expenditure related to enhancement and upgrading existing Product development

We are engaged in Core Banking Software, IT Solutions, ERP Implementation and Customized Software Solutions Development, SAP B1 and Offshore IT services for the BFSI sector with a focus on delivering secured core banking solutions, our Product development Team (viz. Developers, DBA, Quality Analyst team) comprising of 101 employees through its core competencies continuously developing/upgrading its software's. We have invested in developing more than ten (10+) banking related products for commercial, cooperative Banks and Financial Institutions which comprise of Core Banking Software, Loan Origination software, GST compliance software, Financial Accounting & Billing Software, GST Suidha provider, SAP B1 Services (for Implementation, Support and Add-on Development), Various add-on modules for Statutory Report Generation, ATM Reconciliation, Anti-Money Laundering, Agency Banking, Mobile Banking leveraging end to end solutions to address the evolving needs of banking Solutions.

Our technology driven products and services i.e Core Banking System represent our core competency and are our key competitive advantage. To remain competitive, we do continuous improvement in Existing Product Development has enabled us to introduce upgraded/modified product range. We are confident in our ability to provide cutting-edge solutions that meet the complex and dynamic needs of the BFSI industry. As product innovation is at the core of our growth, we emphasize on constant innovation and enhancing our products, including our technology stack. We constantly endeavour to develop our existing portfolio. We strive to create enterprise specific solutions for our customers, upgrading the existing technology including in-house software and solutions. We invest a significant amount in enhancing the Banks experience and adapting to ever changing regulatory compliances for the BFSI sector.

We have around 101 employees in the product development team, which is approximately 38.40% of our overall employee strength, and we intend to add more capable and experienced employees in the product development team, in order for us to make better products and solutions.

Since inception, our company's vision has been to cater differentiated solutions in digital transformation space. Our team in order to achieve this vision, has devised and developed a product portfolio consisting of products namely, TrustbankCBS, MicroFinS, TrustLOS, SoftGST, TrustFAB and add on modules i.e TrustADF, SoftRecon, TrustAML, TrustMB which cater to differentiated needs of our end users. We have invested in large technical teams with relevant skill sets to build, support and manage our existing products and have also invested in the required tools and platforms to make such existing products user friendly and easily available to our end users. This can be demonstrated through the capital expenditure incurred by us on intangible assets development i.e., Software development in the preceding three years. A break-up of the capital expenditure incurred on intangible assets for the period ended on September 30, 2023, for the financial years ended on 2023, 2022, 2021 has been provided below:

(Rs. In Lakhs)

| Particulars | For the period ended on September 30, 2023 | | Financial year ended March 31, 2023 | | Financial year ended March 31, 2022 | | Financial year ended March 31, 2021 | |
|-------------|--|-----------------------------|-------------------------------------|-----------------------------|-------------------------------------|-----------------------------|-------------------------------------|-----------------------------|
| | Rs. In Lakhs | %of revenue from operations | Rs. In Lakhs | %of revenue from operations | Rs. In Lakhs | %of revenue from operations | Rs. In Lakhs | %of revenue from operations |

| | | | | | | | | |
|--|--------|--------|--------|--------|--------|--------|--------|--------|
| Expenditure incurred on Intangible Assets under Development: Software Development | 587.93 | 31.24% | 437.93 | 19.43% | 262.81 | 14.90% | 262.81 | 10.97% |
| Cost break-up is given below: | | | | | | | | |
| Employee cost | 328.45 | 17.45% | 298.13 | 13.22% | 164.58 | 9.33% | 156.85 | 6.55% |
| Purchase of software/service licenses/lease | 259.48 | 13.79% | 139.80 | 6.20% | 98.23 | 5.57% | 105.96 | 4.42% |

Our company in order to achieve consistent growth needs to continuously invest in our Product development team and resources to develop, enhance, customize the existing products. We propose to utilize Rs. 1767.60 Lakhs in the development or enhancement of our existing software. we will need to hire large technical teams with right skillset to manage this software. The break-down of the expenditure is as set forth below: -

(Rs. In Lacs)

| Purpose for Fund raised | Total Requirement | Fund | Amount to be financed from Internal Accruals | Amount already incurred as on December 31, 2023* | Amount to be financed from Net Proceeds | Estimated Utilization of Net Proceeds in F. Y. 2024-25 |
|--|--------------------------|-------------|---|---|--|---|
| Funding for expenditure related to Enhancement of Existing Software Development | 1767.60 | | 267.20 | 229.51 | 1500.40 | 1500.40 |
| Total | 1767.60 | | 1093.39 | 229.51 | 1500.40 | 1500.40 |

*Our company has deployed Rs. 229.51 from internal accruals as on December 31, 2023 by way of certificate dated January 19, 2024 and January 25, 2024, by Peer reviewed auditor of the company, M/s Abhijit Kelkar & Co, Chartered Accountants (UDIN No. 24178818BKCYBL5772) and statutory auditor of the Issue, M/s. RB Bhusari & Co, Chartered Accountants (UDIN No. 24041230BKEMHW2193).

Details of Software identified for enhancement:

We intend to utilize **Rs. 1767.60** Lakhs from the internal accruals and Net Proceeds of the Offer in Fiscal Year 2025 towards investment in product development or updating existing products as mentioned below:

We have developed and productized the **“TrustBankCBS”, “TrustLOS”, “SoftGST”** product (“Existing Product”) and are looking further to enhance its capabilities by adding more functionalities in existing CBS, Loan Origination Solution, GST Software and Back-office module which are as follows:

Enhancements and development to be made in our “TrustBankCBS”

1. RBI Statutory Compliance Reporting (Reporting Tool):

We are actively developing the reporting tool to generate various reports mandated by the RBI. A significant investment of Rs. 75.40 Lakhs has already been incurred to this development as on January 20,2024 constituting a part of the total of Rs. 214.10 Lakhs. So, it is a reporting tool to generate various reports mandated by the RBI. Currently in most of Banks all the reports are being generated manually in excel which is a tedious task, requires more human resources and are prone to errors. We have implemented an automated solution to it through this software. Currently this reporting tool is integrated to our existing product TrustBankCBS. This shall be productised as a standalone software which can be integrated with our TrustBankCBS as well as any other CBS available in the Market. We are creating a separate databank(database) to help generating these compliance reports to avoid burden on the existing database which is used for production environment (which helps day to day bank transactions).



Challenges in current reporting software: In present system, client master data and balance related data for report is taken from transactional system (real time) transaction database. When user access large report such as NPA, Balance sheet, overdue etc more system resources such as memory and processing is used in transactional system thereby putting pressure on transactional system. As a result, system gives sluggish performance for retail users. It is observed that the digital transaction such as UPI, IMPS, ATM have more decline rate when system resources are engaged in generating large reports.

To Mitigate the digital transaction decline due to heavy load on database, we are planning to creating a new version i.e separate databank(database) in which all data will be taken from databank i.e. staging database

- The report format and logic will remain same.
- The data fetching is currently done through a service and all reports are generated from Databank. At present, some data is fetched from transactional database (system) and some from Databank. This service for fetching data from our own system will be atomised using scheduler.
- Will enhance data analytics and useful dashboards from databank staging table.

It will hugely mitigate the transaction failure, compliance reporting on time and etc. The Reporting Tool will be changed as per the compliance applicable to Banks depending upon constitution / type and size of Bank. Although the reporting formats and logic for all type of Banks in India is more or less the same except few logical calculations. Further Few additional information is required from large commercial banks. The Banks which are required to comply with RBI includes Commercial Banks, Large Private Banks, Small Finance Bank, Payment Bank, DCCB, Scheduled Cooperative Banks and Cooperative Banks. Once Separate reporting tool is prepared for compliance reporting, service for fetching data from third party CBS Software will be developed product wise. Data fetching service (software) for each product will be developed so that this reporting tool can be used with any CBS.

2. TrustBankCBS Customization for Credit Unions in North America USA

Please note that our company is already serving to clients at North America Region, please read the Business Chapter titled "Geographical Wise Revenue Breakup" at page no. 162 of the DRHP, to know more about the business of the company, and its income from foreign clients.

Customization Areas: The Basic Core banking remains the same. We have identified six areas for the customization in our TrustBankCBS to make it localised for the North America region as follows:-

- a) KYC i.e integration with social security API: - This integration ensures that banks/credit unions can verify the identity of their customers accurately and efficiently by accessing official government databases. It helps banks comply with regulatory requirements, mitigate the risk of identity theft and fraud, and enhance the overall security of their banking operations, Within the CBS software, the KYC module typically includes functionalities to collect, store, and verify customer information, such as personal details, identification documents, and biometric data. Integration with social security APIs allows the software to automatically validate customer-provided information against official records maintained by government agencies, such as the Social Security Administration in the United States.
- b) Wire transfer integration like we have RTGS / NEFT integration with NPCI in commercial Banks in India.
- c) User Interface label changes and some charges Configuration as per their rules and policies.
- d) Integration with Compliance reporting tool customised as per requirements of the State, federal, IRS policies.
- e) Integrating CBS (Core Banking Solution) software with credit bureaus through simple API integration is a common practice for banks seeking to streamline credit assessment processes, enhance risk management, and ensure regulatory compliance. Integration with Credit bureau to fetch the customers lending records and cibil scores to mitigate the credit risk.
- f) Credit Card / Debit Card integration through Switch for seamless payment processing: Integrating credit card and debit card transactions through a switch, local settlement bank integration, and reconciliation mapping within their CBS software, banks in North America can offer seamless and secure card-based payment services while ensuring compliance with regulatory standards enforced by entities such as the Federal Reserve, the Consumer Financial Protection Bureau (CFPB), and card networks.

3. CBS customization for NBFC in INDIA

We are looking for the customization of the existing CBS i.e "TrustBankCBS" to capture the Mandated CBS requirements of

NBFCs, in response to the Reserve Bank of India's circular No. RBI/2021- 22/175 dated February 23, 2022 which mandates that NBFCs with 10 or more fixed-point service delivery units must implement a Core Financial Services Solution by September 30, 2025.

Our company is actively developing TrustBankCBS for NBFCs. A significant investment of Rs. 39 Lakhs has already been incurred to this development, constituting a part of the total of Rs. 160.30 Lakhs to be incurred. We anticipate being fully prepared to cater to NBFCs by July 2024, aligning with the opportunity of mandatory CBS requirement. Currently, customized TrustBankCBS system has been implemented at one of the public sectors NBFC i.e Nabfins Ltd. which is involved in microfinance and direct lending for non-collateral (unsecured microfinance Lending) which includes lending to Joint Liability Group (JLG) and Self-Help Group (SHG). So, we are customizing TrustBankCBS for Deposit taking NBFCs and for non-deposit taking as well as that will be a comprehensive end-to-end solution. The goal is not only to meet regulatory requirements but to provide extensive and efficient solution that caters to the unique needs of NBFCs. This strategic initiative positions our company in the evolving CBS market for NBFCs in India. For the Current Progress and Investment refer below table: -

| Total Fund Requirement (Rs. In Lakhs) | Amount to be financed from Internal Accruals (Rs. In Lakhs) | Amount already incurred as on January 20,2024 (Rs. In Lakhs) | Stage of the Product as on date | Tentative Timelines for Completion | Whether new developed features to be offered Free of cost to existing customer | Whether new developed features will generate revenue form new clients |
|--|--|---|--|---|---|--|
| Rs. 160.30 | Rs.45 | Rs. 39 | Approx. 30% | By July, 2024 | We have only one NBFC customer i.e. NABFINS. We will provide and charge for the new version CBS which is on latest technology on SAAS basis to our existing customer. | Yes, for NBFC it shall be offered in CAPEX and OPEX SAAS mode |

Current Scenario

- NBFCs in India currently use multiple software for various functionalities, leading to duplication and lack of integration.
- The integrated solution will provide value by eliminating the need for multiple, disconnected software solutions.

Components to be used from Existing CBS

- Admin module, administrative rights, password policy
- Account opening (all types of deposit and loan accounts)
- Various loan and deposit scheme parameterization
- Report writer
- Database design
- Interest Calculation
- NPA identification, marking
- Loan origination
- API integration for PAN, AADHAR integration
- C-KYC

New Development under process: Complete Restructuring, Reorientation of software as per Business process, work flow in NBFC.



- The integrated solution to provide Loan origination, loan management, deposit and fund management, Loan servicing Recovery/ collection management using TAB Banking.
- Online digital Payment integration.
- Integration with Commercial and Large Private Banks for collection and payout (loan servicing) NACH mandate creation and NACH integration for loan servicing.
- Transaction reconciliation with Partner Bank / settlement Bank.
- RBI Compliance reporting for NBFC
- Some components such as customer on boarding (recently RBI have mandated C-KYC for NBFC same as Banks), Interest calculation and posting, NPA Delinquency management, will be reused from original CBS software.
- CBS customization for NBFCs is built on the latest technology stack, including MS SQL Server 2022, ASP.net framework 4.8, JavaScript, and C#.

4. Customization additions in Back-office modules

Apart from providing core banking solution through TrustBankCBS, we are planning to assist them in their Back Office tasks through back-office module software:

Components used from existing CBS: Admin module and report writer will be common for all modules

- Admin module, administrative rights, password policy
- Report writer
- Interest Calculation
- NPA Data

For the Current Progress and Investment refer below table: -

| Total Fund Requirement (Rs. In Lakhs) | Amount to be financed from Internal Accruals (Rs. In Lakhs) | Amount already incurred as on January 20,2024 (Rs. In Lakhs) | Stage of the Product as on date | Tentative Timelines for Completion | Whether new developed features to be offered Free of cost to existing customer | Whether new developed features will generate revenue form new clients |
|---------------------------------------|---|--|---------------------------------|------------------------------------|--|--|
| Rs. 267.2 | Rs. 50 | Rs. 47.11 | Approx. 25% | By July, 2024 | We will be charging extra premium from existing clients | YES, it will be offered to other banks who are not using our CBS on CAPEX mode |

New Development under Process: -

- **New Development in NPA Recovery Management:** Key components of NPA recovery include:
 - ✓ Data Centralization, Automated Classification, Workflow Automation, Communication Tools, Customizable Workflows, Document Management, Analytics and Reporting,
 - ✓ Integration Capabilities with core banking systems, CRM platforms, credit bureaus, and other third-party data sources. Activity Calendar.
 - ✓ Compliance Management: Ensuring compliance with regulatory requirements such as RBI guidelines (for Indian banks), SARFAESI Act, GDPR, etc., through built-in compliance checks, audit trails, and reporting features.
 - ✓ Dash Boards for Department Head and Top Management
 - ✓ Pre-defined reminders using SMS and Email service for exceptions and to do list from Calendar.
- **Procurement Completely new Development:** For this development, Design from our ERP Software will be taken with some database procedures
 - ✓ Procurement will have all standard flow starting from purchase requisition, purchase order, goods receipt note (GRN), goods return, approval processes, and GST-related postings for input tax and TDS.
 - ✓ Fixed Assets will offer standard functionalities including asset creation, transfer, retirement, and scrap generation with associated accounting entries. Additionally, it will support asset revaluation, subsidy handling, barcoding, physical

verification, depreciation calculations, Fixed Asset Register (FAR) reporting, and other management information system (MIS) reports. The module functionality shall also cover asset AMC, warranty, and insurance details, with automated alert notifications for AMC and insurance renewal reminders.

- ✓ GST compliance, Audit & Compliance.
- **HR Payroll System:** It will manage employee information (validate information), calculates salaries and deductions, ensures tax compliance, facilitates direct deposits, allow employees to access their pay information, generates reports for regulatory purposes, integrates with accounting systems, maintains security, and provides audit trails for transparency.
 - ✓ It will include Time and Attendance Tracking, Garnishments and Deductions: Multi-State Payroll, Customizable Payroll Reports, Automatic Updates and Compliance Mobile Accessibility, Geo tracking, Leave Management, Expense Reimbursement, Employee Loans and Advances Employee Performance Incentives, Benefits Administration, Compliance Reporting, Integration with Accounting Systems Security and Confidentiality, Audit Trails.
- **Enhancements in Digital Banking: TAB Banking, Mobile Banking, WhatsApp Banking:** - Existing API will be used to fetch data from CBS which will be used to create following additions in existing mobile app and TAB banking. Although, WhatsApp Banking is totally new development.
 - ✓ Digital banking solutions are essential for banks to provide a seamless experience across all devices. Mobile banking includes integration with multiple IMPS switches, enhanced security as per latest circular from RBI for Android & iOS apps, BBPS and UPI integration, addition of Positive Pay to mobile passbook.
 - ✓ WhatsApp banking integrates the messaging platform to offer services like account information, transactions, service requests, notifications, and customer support directly through WhatsApp.
 - ✓ TAB Banking stands for "Tablet Banking," which refers to banking services accessed through tablet devices. It allows Bank's Business correspondent to perform various banking activities such as Customer on boarding, account opening, checking account balances, transferring funds, paying bills, applying for loans, and more, using a tablet device instead of a traditional computer or visiting a physical bank branch.
- **Shares:** For a cooperative bank, managing member shares involves several key functions, including member creation, shares transactions, dividend calculation, and generating shares certificates and reports.
 - Existing features**
 - ✓ Features of Shares: Member Creation, Shares Transaction, Dividend Calculation, dividend posting/ servicing, shares surrender, shares transfer, MIS Reports.
 - New ADDITION**
 - ✓ Dividend payout through various options i.e Transfer to own Saving Bank A/C, Dividend Warrant printing, Transfer to other Bank account using NEFT.
 - ✓ C-KYC for shareholder, we have to do some modification in existing CKYC only.
 - ✓ Compliance Reporting for election process in cooperative organization
 - ✓ Local Language voters list, all reports required for local language shall be customized using google translator
- **QR code-based two-factor authentication (2FA):** Existing calling and connecting procedure to CBS used for OTP based authentication shall be used rest all will be a new development.

(2FA) is a security method that adds an additional layer of verification to the traditional username and password login process. It involves using a mobile device or another authenticator app to generate a one-time password (OTP) in the form of a QR code, which the user then scans using a compatible application or device.

- ✓ Workflow for implementing (2FA) in a banking software system involves User Enrolment, QR Code Generation, QR Code Presentation, QR Code Scanning, OTP Generation, Login Process, OTP Verification: during login includes Access Granted, Session Management, Recovery and Support.
- ✓ Benefits include Enhanced Security, Ease of Use, Offline Access, and Reduced Risk of Phishing.
- **IMPS and UPI Switch white labelling and offering as Switch.** This will be a Completely new Development
 - ✓ IMPS (Immediate Payment Service) and UPI (Unified Payments Interface) are two popular payment systems in India. IMPS facilitates instant fund transfers 24/7, while UPI offers seamless transactions via a mobile app. Banks can integrate these services into their systems, rebrand them, and offer them to customers. This involves incorporating APIs provided by NPCI (National Payments Corporation of India) and ensuring compliance with regulations for security and reliability).
 - ✓ White Labelling IMPS and UPI Switches allows us to rebrand IMPS and UPI switches provided by third-party switch providers, offering these services under our own brand with this we can charge per transaction fee from the bank. This



enhances brand visibility and customer loyalty without the need to manage technical infrastructure, connectivity, or regulatory compliance, as these aspects are handled by the switch provider.

• **API Aggregation:**

- ✓ At present we are doing PAN, AADHAR and GST authentication. Same functionality will be used in API Aggregation.
- ✓ New development: Creating portal for taking all APIs (PAN Verification, AADHAR verification, driving license verification, GST verification, CIBIL score etc) and providing online billing for consumption of API.
Customer billing portal will be developed which will have pre-paid, self-service login for each customer. The customer will know its consumption of API on daily basis and it will maintain balance with us by paying online every week, thereby minimum balance will be maintained by customer with us. We shall be giving weekly invoice based on consumption of API. Every API will have different rate as per agreement with respective client.

5. CBS For Credit union in South America Version (Spanish Version)

Usage from existing CBS software

- Admin module, administrative rights, password policy
- Retail Transactions
- Product creation (Deposit and Loan)
- Report writer
- Interest Calculation
- Basic Reports

New Changes for Spanish Version

The Basic Core banking remains the same. We have identified six areas for the variations in business process / operations those needs to be localized in TrustBankCBS to make specific Version for South America region: -

- a) KYC i.e integration with social security API, this shall be specific to country, similar we have done earlier in one of the projects in North America.
- b) Fund transfer / Wire transfer integration. We have done RTGS / NEFT integration with NPCI in commercial Banks. This involves API integration which is fairly simple.
- c) User Interface label changes and some charges Configuration as per their rules and policies.
- d) Integration with Compliance reporting tool customised as per requirements of Compliance reporting (State, federal, IRS)
- e) Credit bureau integration to streamline credit assessment processes, enhance risk management, and ensure regulatory compliance. (Simple API integration, which we have also done in India in the current version of CBS)
- f) Debit Cards / ATM switch Integration for seamless payment processing.

For the Current Progress and Investment refer below table: -

| Total Fund Requirement (Rs. In Lakhs) | Amount to be financed from Internal Accruals (Rs. In Lakhs) | Amount already incurred as on January 20,2024 (Rs. In Lakhs) | Stage of the Product as on date | Tentative Timelines for Completion | Whether new developed features to be offered Free of cost to existing customer | Whether new developed features will generate revenue form new clients |
|---------------------------------------|---|--|---------------------------------|------------------------------------|--|---|
| Rs. 159.5 | Rs. 50 | Rs. 48 | Approx. 20% | By November, 2024 | No, it will be offered to all together new clients in north America | Yes, from the Credit unions in north America. |

6. Risk Management Using AI: We currently generating exception/alerts through CBS on pre-configured set points. We currently have exception/ alerts for

- 1) customer profile/ master data
- 2) Exception for transactions, cash, ATM location, bulk deposit, bulk withdrawal, bills payments, third party payments etc

- 3) Compliance / documentation exception / delays
- 4) Suspicious transactions related alerts

This will be a new development which will be offered with existing CBS with some additional license fees. These alerts shall be captured using data logger. This data will be provided to machine learning. The data will be taken from client CRM system, transactional system and some may be keyed in by user some data which is not available in system shall be, so to provide user interface to provide this data. Based on various algorithms this data will be analyzed using machine learning (ML) and AI which can predict possible leakage in revenue, probable NPA, Compliance issues etc. This is a global requirement and the product made can be clubbed with offerings in any of customized CBS solutions.

We are planning to develop Risk Management Using AI. A Risk Management Using AI will be a software which will be designed solution to help banks and financial services to effectively manage risks. It will help in identifying, assessing, and mitigating potential risks that could impact the stability, solvency, and profitability of financial institutions. Effective risk management is essential to maintain financial stability and protect the interests of stakeholders, including depositors, investors, and policy holders.

- AI will be used in credit risk management pre disbursement i.e. origination stage and post disbursement i.e. Loan Management / service stage is prime importance.
- RBI have mandated all Banks to put forward proper risk management policy and the software by 2025.

In new risk management following steps will be there

- ✓ Event identification
- ✓ Event logger
- ✓ Scheduler to pull data
- ✓ ML machine learning data
- ✓ predictive analysis using AI
- ✓ credit risk analysis
- ✓ operational risk analysis
- ✓ Business risk analysis
- ✓ cyber risk analysis based on various abnormal connections, access at router / network

For the Current Progress and Investment refer below table: -

| Total Fund Requirement (Rs. In Lakhs) | Amount to be financed from Internal Accruals (Rs. In Lakhs) | Amount already incurred as on January 20,2024 (Rs. In Lakhs) | Stage of the Product as on date | Tentative Timelines for Completion | Whether new developed features to be offered Free of cost to existing customer | Whether new developed features will generate revenue form new clients |
|--|--|---|--|---|--|--|
| Rs. 147.1 | - | - | Nil | By September, 2024 | No Existing Client as it is a new development, but it will be offered to all the existing clients with extra charges as the RBI mandated risk management to be incorporated by all co-operative banks by April 2024. | YES, it will be offered to other banks who are not using our CBS on CAPEX mode |

Our company has analyzed that there are six types for risk assed for every account, this includes: -

- 1) **Business Risk:** Our Software will check Constitution of Business, Business Experience in years, Activity, Length of relationship with Bank, Nature of Banking



- 2) Market Risk: We will provide user interface to enter globally / locally available relevant market research data regarding Growth potential in concern industry, number of Impact of cyclic fluctuation on sales
- 3) Operational Risk: Our Software will check Submission of Monthly Data, operations in account, Servicing of interest, Account Turnover, Return of cheques, Cash Transactions in account
- 4) Credit Risk- Our Software will check Repayment of installments, Balance period / Tenure of loan, Collateral Security, Value of Collateral security
- 5) Legal Risk: We will provide user interface for other data related to customer which is not available in CBS such as Insurance cover, Documentation, Accounting Quality
- 6) Financial Risk: We will provide user interface for other data related to customer which is not available in CBS such as Profitability, gross profit, net profit, Current Ration, sales / income growth, growth in PAT, Growth in Net worth

Hence, we will offer following key features through our Risk Management using AI.

- Efficient Detection: AI surpasses rule-based methods in efficiently detecting suspicious transactions.
- Machine Learning Approach: Utilizes machine learning for creating accurate models based on historical data.
- Learning from Past Incidents: One of the key features is the ability to learn from historical data, improving accuracy over time.
- Identification of Relationships: Capable of spotting and understanding relationships and similarities between data points.
- Anomaly Detection: Applies anomaly detection to identify events that deviate from expected patterns in a dataset.
- Supervised or Unsupervised Learning: The system can learn with or without supervision, enhancing flexibility in the learning process.
- Improved Breadth of Detection: Enhances the breadth of detection by uncovering new risk patterns and potential threats.
- Complex Event Prediction: Learns to detect anomalies, classify, and predict specific events, even in complex scenarios.
- Overcoming Human Limitations: Surpasses human capabilities in handling complexity and subtleties often overlooked.
- Efficient Handling of Obviousness: Addresses the complexity and obviousness of data, improving overall detection accuracy.

7. Universal digital Reconciliation

We are planning to create a separate software for universal digital reconciliation to automate reconciliation. Universal Digital Reconciliation (UDR) aims to streamline and automate reconciliation processes across various digital transaction channels like ATM, IMPS, and UPI, even when they are tightly coupled with an existing Core Banking System (CBS). Despite integration challenges with Core Banking Systems (CBS), UDR effectively aggregates and standardizes transaction data from multiple sources, employing sophisticated algorithms to ensure accurate matching across channels. It provides real-time monitoring to quickly identify and address discrepancies, while maintaining integration with CBS for validation. We will offer it as a separate module for universal reconciliation which we can further offer Reconciliation as a service or on-premise mode to multiple banks who has opted for our CBS or any other CBS service from other vendor but they want this enhancement on their software.

Components used from existing software

- Admin module, administrative rights, password policy
- CBS Transaction file Transactions
- File and field mapping program
- DATA extraction program
- NPCI file conversion program

Overview of UDR Functionality: - New addition which will be done by our company in this development.

- Data Aggregation: UDR consolidates transaction data from various sources, utilizing standardized methods for data extraction from systems, including those tightly integrated with CBS.
- Normalization and Standardization: It ensures data consistency in proper format or structure by normalizing and standardizing transaction information, facilitating easy comparison and reconciliation across channels.
- Automated Matching: Advanced algorithms automatically identify matches across transactions by comparing key attributes, streamlining the reconciliation process.

In case of ATM various cases such as CASH not dispensed but debited from account. Cash dispensed but not debited to account, less cash dispensed etc can be settled quickly using daily reconciliation.

- Real-time Monitoring: UDR actively monitors transactions flows in real-time to detect discrepancies, Automated alerts and notifications are generated to flag potential discrepancies for prompt investigation and resolution.
- CBS Integration: it remains integrated with the existing CBS for validation and updates with CBS. UDR can validate reconciled transactions against the CBS records to ensure accuracy and consistency.
- Enhanced Reporting: UDR provides enhanced reporting and analytics, offering insights into transaction trends, reconciliation outcomes, and performance metrics. These reports complement existing CBS reporting functionalities, providing a comprehensive view of digital transaction reconciliation processes.
- Customization and Configuration: UDR Flexible settings allow banks to tailor reconciliation workflows, exception processes, and rules to meet specific their specific needs, even within complex CBS environments.
- Scalability and Adaptability: Designed to handle high volumes of data, UDR adapts to increasing transaction volumes and regulatory changes, ensuring efficient reconciliation across multiple digital channels.
- UDR can efficiently reconcile transactions across multiple channels within the existing CBS infrastructure, accommodating growing transaction volumes and evolving regulatory requirements.

For the Current Progress and Investment refer below table: -

| Total Fund Requirement (Rs. In Lakhs) | Amount to be financed from Internal Accruals (Rs. In Lakhs) | Amount already incurred as on January 20,2024 (Rs. In Lakhs) | Stage of the Product as on date | Tentative Timelines for Completion | Whether new developed features to be offered Free of cost to existing customer | Whether new developed features will generate revenue form new clients |
|---------------------------------------|---|--|---------------------------------|------------------------------------|--|---|
| Rs. 129.60 | - | - | Approx 10%* | By August, 2024 | We will be charging extra premium from existing clients | YES, it will be offered to other banks who are not using our CBS on OPEX mode |

* Company has expended Rs. 12 Lac uptill now.

Enhancements and development to be made in our "TrustLOS"

8. Loan Origination for North American Market

We are customising our current Loan Origination System (LOS) software i.e "TrustLOS" for the loan origination to make it for the North American Market. Loan origination software in the North American market which will involves the process of applying for and initiating a loan. This process typically includes several steps: Pre- Applications, Application Submission, Underwriting, Approval or Rejection, closing, Funding, Repayment.

Components used from existing LOS

Data base design, 80% of user interface, work flow, decision making calculation engine, product configuration tool, exception handler, admin module

New Development

The current Loan Origination System (LOS) software i.e "TrustLOS" shall be restructured, reoriented considering US compliance, data, workflow, and regulatory requirement to make it plug and play North American Market. The typical process for SME loans in USA includes steps such as Pre- Applications, Application Submission, Underwriting, Approval or Rejection, closing, Funding, Repayment.

- KYC i.e integration with social security API, state-wise driving license. API are used to integrate with application for completing KYC of borrower/ customer. It involves KYC process, borrower applies for a loan, they provide personal information such as their name, Social Security number (SSN), date of birth, and other relevant details. The loan origination system then uses this information to query the Social Security Administration's API, driving license API and validates the person.
- Credit bureau integration (Simple API integration). Integrating with credit bureaus APIs by which lenders can efficiently assess the creditworthiness of loan applicants, make informed lending decisions.
- Payment gateway integration for collection of fees/ charges / processing fees. This involves API integration with payment



gateway services like Fiserv. Integrating a payment gateway into a loan origination system allows lenders to collect various fees, charges, and processing fees associated with loan applications and disbursements.

- D) User Interface label changes and some charges Configuration.
- E) Compliance reporting (State, federal, IRS): Compliance reporting within a loan origination system involves ensuring that the system generates and submits required reports to various regulatory bodies, including state agencies, federal authorities, and the Internal Revenue Service (IRS).
- F) Hosting solution on Snowflake platform/ Azure/ AWS: - Hosting a loan origination system on cloud platforms like Snowflake, Azure, or AWS offers numerous advantages in terms of scalability, reliability, security, and cost-effectiveness. Hosting partner remains responsible for data privacy, data protection, encryption etc.

For the Current Progress and Investment refer below table: -

| Total Fund Requirement (Rs. In Lakhs) | Amount to be financed from Internal Accruals (Rs. In Lakhs) | Amount already incurred as on January 20,2024 (Rs. In Lakhs) | Stage of the Product as on date | Tentative Timelines for Completion | Whether new developed features to be offered Free of cost to existing customer | Whether new developed features will generate revenue form new clients |
|--|--|---|--|---|---|--|
| Rs. 181.40 | - | - | Nil | By September, 2024 | No Existing Client | It will be offered on SAAS per case basis on Azure Platform. |

9. Loan Origination on ONDC platform

We are planning to customise our current Loan Origination System (LOS) software i.e “TrustLOS” for the loan origination on ONDC Platform. Open Network Digital Commerce is Govt of India supported digital commerce platform which enables Buyers and sellers to work on common platform. This will enable online application of loan by buyer app for applying loan to any bank and financial institution. Buyer app will provide opportunity to end user MSMEs and salaried base Middle class to carter to the financial needs using ONDC network. On the other side Seller app will be Bank’s app on digital commerce platform which will digitally receive request from end customer who have applied for loan using buyer app for loan application. Thus, the current Loan Origination System (LOS) software will be bifurcated into two distinct applications: the Buyer App for customers and the Seller App for banking services.

For Seller App

Components to be used from existing LOS For Seller app:

We have TrustLOS that will work as seller module on which banks can process the details which they receive from the buyer’s module on the basis of data entered by customers. Major change in seller module is that to integrate Seller module with ONDC platform by integrating using ONDC API. Components used from existing TrustLOS are

- Bank side APP Data base design
- 90% of user interface remains same
- work flow, decision making calculation engine
- product configuration tool
- exception handler
- admin module

New Development in seller app

Major change in seller module is that to integrate Seller module with ONDC platform by integrating using ONDC API. Seller APP will be sort of listener who will take data from ONDC pipe / channel and further process internally using seller app. ONDC have presently introduced API for GST invoice-based Loan and Personal loan, same are being integrated and developed to offer to various Banks. Subsequently APIs for other loan type shall be made available by ONDC and same shall be developed / integrated with our Buyer and Seller application.

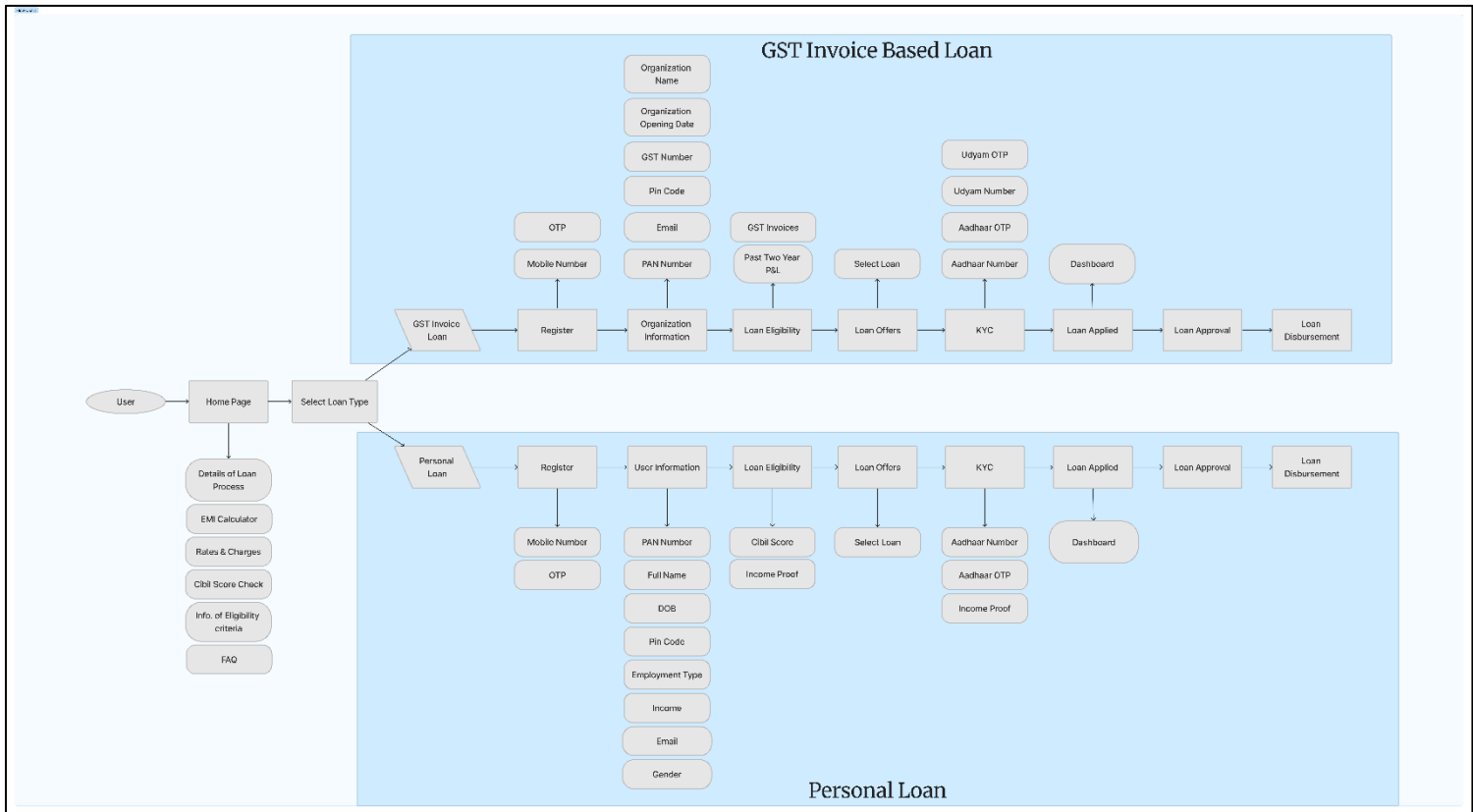
For Buyer App

Completely New Developments for Buyer App

The home page of buyer app, web application provides users with comprehensive information on the loan process, including detailed steps and requirements. Guides users through loan applications, featuring an EMI calculator, CIBIL score check, eligibility criteria, and FAQs.

Modules in Buyer App:

- Loan Offerings: Personal Loan and GST-based loan for MSMEs
 - ✓ For Personal loan: Guidance will be provided from credit request to loan disbursement, including a detailed loan application dashboard.
 - ✓ GST Invoice-Based Loans: Tailored for MSMEs, requiring GST and business-related information for loan eligibility and offers including the past two years' Profit and Loss statements and GST invoices, ensuring a comprehensive assessment for loan eligibility based on their business financials.
- Loan Status Dashboard: Real-time tracking.



For the Current Progress and Investment refer below table: -

| Total Fund Requirement (Rs. In Lakhs) | Amount to be financed from Internal Accruals (Rs. In Lakhs) | Amount already incurred as on January 20,2024 (Rs. In Lakhs) | Stage of the Product as on date | Tentative Timelines for Completion | Whether new developed features to be offered Free of cost to existing customer | Whether new developed features will generate revenue form new clients |
|---------------------------------------|---|--|---------------------------------|------------------------------------|--|---|
| Rs. 167 | Rs. 17.2 | Rs. 11 | Approx 20% | By June, 2024 | No existing Client | Yes, for Banks will be charged onetime Fee plus AMC for customer. |



Enhancements and development to be made in our “SOFTGST”

10. GST on ONDC Platform

Company is having SoftGST product which is currently provided on SAAS platform to for all GST registered entities including Banks. The same product will be customized for compliance reporting and return filing for customers on ONDC Platform. We are planning to develop or modify existing “SOFTGST” to align with ONDC Platform standards. We will Implement API integrations for seamless data exchange between SoftGST and ONDC Platform which will help in Integrating the functionalities for filing GSTR 1, GSTR 3B, GSTR 9, Reconciliation API directly from the SoftGST interface. Enable users to submit returns electronically to relevant authorities through the ONDC Platform.

- The API shall be made available to all small vendors for integration of e-way bill, e invoice in their existing platform.
- Return filing utility shall be provided with bulk upload, excel integration for small traders.
- Reconciliation utility for third party software shall be enabled so that the service can be embedded in their existing Software.

Steps involved for Integration of SOFTGST on ONDC Platform

1. **ONDC Platform Integration:** Research and understand the technical requirements and specifications of the ONDC Platform. Familiarize with the API documentation and data exchange protocols.
2. **SoftGST Product:** Identify areas that need customization for compliance reporting and return filing on the ONDC Platform.
3. **Customization Planning:** Formulate a customization plan outlining the specific requirements for ONDC Platform integration which include Define the scope of work, including modifications needed for compliance reporting and return filing.
4. **Technical Development:** Development by modify existing ones to align with ONDC Platform standards. Implement API integrations for seamless data exchange between SoftGST and ONDC Platform.
5. **Compliance Reporting Implementation:** Configure SoftGST to generate reports according to ONDC Platform guidelines. Ensure accuracy and compliance with regulatory requirements for reporting purposes.
6. **Return Filing Features:** Integrate functionalities for filing GST returns directly from the SoftGST interface. Enable users to submit returns electronically to relevant authorities through the ONDC Platform.
7. **Quality Assurance:** Conduct comprehensive testing to validate the customized features and integrations. Perform user acceptance testing (UAT) to ensure the product meets stakeholders' expectations.
8. **Documentation and Training:** Prepare user manuals and documentation explaining the usage of customized features. Provide training sessions to stakeholders, including bank personnel and end-users, on utilizing the modified SoftGST.
9. **Go-Live:** Coordinate with ONDC Platform administrators for deployment of the customized SoftGST product. Monitor system performance and address any issues during the initial rollout phase.
10. **Continuous Improvement:** Gather feedback from stakeholders and users for further enhancements. Improving the product based on evolving requirements and regulatory changes.

Our R&D team plays an integral role in designing and developing technology and diversifying our product portfolio and we rely on skilled personnel and technical professionals for our software enhancement. We propose to utilize our existing team of professionals as well as hire new skilled professionals and technical staff to carry out the development process and enable us to achieve the desired outcome.

Estimated Cost of Development

We propose to utilize Rs. 1767.60 Lakhs in the development or enhancement of software’s. Out of that Rs.267.20 Lakhs will be used by the company from internal accruals. The cost proposed to be incurred for the development of each software is provided below:

(In Lakhs)

| Sr. No. | Particulars | Total Fund Requirement*1 | Amount to be financed from Internal Accruals | Amount already incurred as on January 20,2024 | Estimated Amount to be financed from Net Proceeds in F. Y. 2024-25 |
|---------|-------------|--------------------------|--|---|--|
| | | | | | |

| | | | | | |
|--------------|--|-----------------|---------------|---------------|----------------|
| 1. | Reporting and data Analytics (India) | 214.10 | 85.00 | 75.40 | 129.10 |
| 2. | CBS Customization for credit union North America USA | 157.10 | 20.00 | 9.00 | 137.10 |
| 3. | LOS (Loan origination) on ONDC Platform for India | 167.00 | 17.20 | 11 | 149.80 |
| 4. | LOS, LMS, Collection, Accounting for NBFC In India | 160.30 | 45.00 | 39.00 | 115.30 |
| 5. | Loan Origination for North American Market | 181.40 | - | - | 118.40 |
| 6. | Customization in Back-office modules (India) | 267.20 | 50.00 | 47.11 | 217.20 |
| 7. | Universal digital reconciliation | 129.60 | - | - | 129.60 |
| 8. | Risk Management using AI | 147.10 | - | - | 147.10 |
| 9. | SOFTGST on ONDC platform | 184.30 | - | - | 184.30 |
| 10. | CBS for Credit union in South America (Spanish) | 159.50 | 50.00 | 48.00 | 109.50 |
| Total | | 1,767.60 | 267.20 | 229.51 | 1500.40 |

*1 Total Manpower Cost required for the Product development Comprise of –

| Sr. No. | Description (Role and Profile along with experience) | No. of resources | Time Period | Cost per month (per resource) | Total Cost Per Annum |
|----------------------|--|------------------|-------------|-------------------------------|----------------------|
| F.Y 2024-2025 | | | | | |
| 1. | Chief Technical Officer / Product Architect (Minimum 15 years of Experience in product designing, 2 developments in Banking (BFSI) Sector) | 4 | 12 | 2,50,000 | 1,20,00,000 |
| 2. | Chief Business Officer / Business Analyst (Minimum 15 years of experience as a Business Analyst, and domain knowledge in Banking) | 3 | 12 | 1,50,000 | 54,00,000 |
| 3. | Development Manager (Minimum 10-15 years of experience in .Net, C#, VB, C++, HTML, CSS, JAVA, Knowledge of Banking domain) | 8 | 12 | 1,40,000 | 1,34,40,000 |



| | | | | | |
|--------------|--|------------|----|----------|---------------------|
| | is an added advantage) | | | | |
| 4. | Senior Executive Team Leads (Minimum 7-10 years of experience in .Net, C#, VB, C++, HTML, CSS, JAVA, Knowledge of Banking domain is an added advantage) | 16 | 12 | 1,10,000 | 2,11,20,000 |
| 5. | Tech Developers / Executive (Minimum 3-5 years of Experience in Tech Support/Implementation, should have knowledge of SQL, PLSQL, HTML, CSS) | 90 | 12 | 75,000 | 8,10,00,000 |
| 6. | Patch / version Management (Minimum 3-5 years of experience in Patch Management, should have knowledge of testing, applying updates to software's to enhance security & functionality, testing procedure and scheduled down time, monitoring & reporting, Risk assessment, Security protocols) | 4 | 12 | 90,000 | 43,20,000 |
| 7. | Translator (Knowing English and Spanish) | 1 | 12 | 1,30,000 | 15,60,000 |
| 8. | Testing team (Minimum 2-3 years of relevant Experience in Testing, Test Automation framework, Microsoft TFS, SQL/NoSQL, Selenium/Web Driver, JAVA Script, Agile, JIRA) | 79 | 12 | 40,000 | 3,79,20,000 |
| Total | | 205 | | | 17,67,60,000 |

Our company has received quotations from:

- M/s Brainhunt Ventures Pvt. Ltd, duly signed by Mr. Suhas Birewar, the quotation is valid till 23.04.2024
- M/s Effiman Services Pvt. Ltd. signed by Mr. Ranjeet Pande, the quotation is valid till 23.04.2024.

4. To meet out the Global & Domestic Business Development, Sales and Marketing expenses for the company.

Marketing and sales initiative to acquire new customers, grow deeper relation with current customers and expand brand awareness is one of our core components of the overall fundraising. The Sales and Marketing Expenditure is an important component of the overall fundraising objective of our company and is aimed at augmenting our company's sales and marketing capabilities in the BFSI vertical. We have identified growth opportunities in this market and intend to utilize the proceeds from the proposed offer to expand our sales and marketing efforts.

The company is currently serving District Central Cooperative Banks, Urban Cooperative Banks, Rural Bank, Commercial Banks, Credit Cooperative societies, NBFC in India. Our domestic sales strategy is designed to cater to the growing demand for innovative software solutions to BFSI organizations in India. We prioritize customer-centric approaches, focusing on building strong relationships, understanding client needs, and delivering solutions that provide tangible value. This approach includes:

Market Segmentation: We carefully analyze the segments in BFSI Vertical, organization sizes, and geographical locations. This segmentation allows us to tailor our offerings to meet the specific needs of different customer groups. Various BFSI Segments catered by us including Urban Co-operative Banks, District Co-operative Banks, Co-operative Societies (Urban Societies, Multi-state), Micro-Finance Institutions, NBFC.

Territory / States Segmentation: Targeting major areas, where a concentration of BFSI organizations exists and presents significant opportunities for software adoption. We have classified the territory into: Metropolitan Cities like Mumbai, Delhi, Bengaluru, Chennai, Kolkata and States like Maharashtra, Karnataka, Gujrat, Telangana where more than 75% of BFSI exists.

Our domestic sales and territory strategy in India is a dynamic and adaptive approach that aligns with the evolving needs of BFSI Segments across the country. By combining a customer-centric sales approach with strategic territorial targeting, we aim to position Trust Fintech Limited as a leading provider of innovative BFSI software solutions in the Indian market.

For Global Sales and Marketing Expenditure, we intend to expand our capabilities in multiple countries including Canada, North America, South America. Till now we are having SSP (Sales and service Partners) through whom international enquiries are handled. With this we are able to have footprint in more than 10 countries across Western U.S, West Africa, South Africa, East Africa, Russia, Central Africa including California, Gambia, Ghana, Liberia, Nigeria, Sri Lanka, Tanzania, Zimbabwe, Siberia, Central Africa Republic. Now, we see the need to establish a direct presence in USA. Recently we have received order from one of our partners in USA to implement our TrustBankCBS in one of the credit unions in that region. We have analyzed present Banking technology / fintech use in USA, Canada and South American countries. Considering our product maturity of TrustBankCBS (in terms of technology, features) and Market Size, we are planning to employ full time two Marketing Manager in East & West Coast of USA. Our Promoter, Mr. Sanjay Chafale (US citizen) will head two Marketing Manager and will take charge and deliver marketing of US operations and shall join as full time Marketing Manager from 1st April 2024.

Details for Expenditure made in last 3 years and in stub period i.e. September 30, 2023 on Sales and Marketing Expenditure are as follows: -

(Rs. In Lakhs)

| Sr. No. | Particulars | Financial Year ended on 2021 | Financial Year ended on 2022 | Financial Year ended on 2023 | For the Period ended on September 30, 2023 |
|--------------|-----------------------------------|------------------------------|------------------------------|------------------------------|--|
| 1. | Human resource cost for Marketing | 108.20 | 123.16 | 155.54 | 122.23 |
| 2. | Selling and Distribution expense | - | - | 2.60 | 0.25 |
| 3. | Hotel Rent | - | - | 1.75 | 0.93 |
| 4. | Travelling & Conveyance | 6.94 | 11.56 | 11.07 | 7.58 |
| 5. | DA Expense | - | - | 1.86 | 0.39 |
| 6. | Discount & Sale Promotion | 14.58 | 2.34 | - | - |
| Total | | 129.72 | 137.06 | 172.80 | 131.38 |

We propose to utilize Rs. 902.60 Lakhs from the Net Proceeds of the offer to fund the sales and marketing requirements of our Company in Fiscal Year 2025. Details for Proposed Domestic & Global Sales and Marketing Expenditure are as follows: -

(Rs. In Lakhs)

| Sr. No. | Particulars | Amount to be financed from Net Proceeds | Estimated Utilization of Net Proceeds in F. Y. 2024-25 |
|---------|--|---|--|
| 1. | Domestic - Sales and Marketing Expense | | |
| | Human Resource – Cost *1 | 321.60 | 321.60 |
| 2. | Global - Sales and Marketing Expense | | |
| | Cost of Marketing Manager | 373.50# | 373.50 |
| | Advertisement - Participation in road shows of North America | 83.00# | 83.00 |
| | Travelling, Meeting Expenses, insurance cost / social security for the Marketing Managers. | 124.50# | 124.50 |



| | | |
|--------------|---------------|---------------|
| Total | 902.60 | 902.60 |
|--------------|---------------|---------------|

Notes: -

Exchange rate of Rs. 83 per USD has been considered, it is subject to the foreign currency exchange rate.

*1 Below are the details of Human Resources which will be hired for the purpose of Domestic Sales and Marketing: -

| Sr. No. | Description (Role and Profile along with experience) | No. of resources | Time Period | Cost per month (per resource) | Total Cost per Month |
|-----------------------|---|-------------------------|--------------------|--------------------------------------|-----------------------------|
| F.Y 2024- 2025 | | | | | |
| 1. | Sales Head (Min. Exp. of 10-15 Years as a Sales Head, should have knowledge of Banking domain, familiarity with CRM software & sales analytics tools, knowledge of latest Sales, Trends & Technologies. Strong presentation & public speaking skills, create sales forecasts, analyze performance data, hit sales quotas, Meeting sales goals, building relationships, Maximizing new business development opportunities) | 1 | 12 | 4,00,000 | 48,00,000 |
| 2. | Sales Managers (Min. Exp. of 5-10 Years, should have knowledge of Banking domain, familiarity with CRM software & sales analytics tools, knowledge of latest Sales, Trends & Technologies. Strong presentation & public speaking skills) | 6 | 12 | 2,00,000 | 1,44,00,000 |
| 3. | Marketing Executives (Min. Exp. of 3-5 Years, should have knowledge of Banking domain, familiarity with CRM software & sales analytics tools, knowledge of latest Sales, Trends & Technologies. Strong presentation & public speaking skills) | 12 | 12 | 90,000 | 1,29,60,000 |
| Total | | | | | 3,21,60,000 |

Objectives of Global Sales and Marketing Expenditure:

- **Expand Customer Base:** One of the primary objectives of the Sales and Marketing Expenditure is to expand our company's customer base. By investing in various marketing campaigns, companies can reach out to potential customers and create brand awareness. This, in turn, will lead to an increase in sales and revenue.
- **Increase Brand Awareness:** Investing in Sales and Marketing Expenditure is an effective way to increase brand awareness. Through various marketing activities such as social media marketing, Email Marketing, digital ads through search engines, search engine optimization, social media awareness campaigns, industry analyst recognition, print advertorials. We intend to create a strong brand image in the minds of consumers. This can help increase our company's market share and make it easier to attract new customers.
- **Build Relationships with Existing Customers:** Another objective of Sales and Marketing Expenditure is to build strong relationships with existing customers. Companies can use various marketing tools such as loyalty programs, customer feedback surveys, and personalized communication with relationship manager to keep their existing customers engaged and satisfied. This can lead to increased customer loyalty and repeat business.

Benefits of Global Sales and Marketing Expenditure:

- **Increased Revenue:** The sales and marketing expenditure will enable us to reach new customers in Domestic & international markets, resulting in increased revenue and profitability.
- **Competitive Advantage:** Investing in Sales and Marketing Expenditure can give company a competitive advantage over their competitors. By creating a strong brand image and building relationships with customers, companies can differentiate themselves from their competitors. This can make it easier to attract new customers and retain existing ones.
- **Improved Customer Engagement:** Another benefit of Sales and Marketing Expenditure is improved customer engagement across touchpoints both physical and digital. By using various marketing tools such as social media, email marketing, and personalized communication, we will be able to engage with their customers on a more personal level.
- **Enhanced Brand Image:** The initiatives undertaken as part of the sales and marketing expenditure, we intend to create a strong brand image that is synonymous with quality and innovation.

5. GENERAL CORPORATE EXPENSES

Our management, in accordance with the policies of our Board, will deploy ₹ 1398.01 Lakhs from Net Proceeds towards the general corporate expenses to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in utilizing the remaining Net Proceeds not exceeding 25% of the amount raised by our Company through this Issue, for general corporate purpose including but not restricted to, meeting operating expenses, branding, promotion, advertisements and meeting exigencies, which our Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act.

Further, our management confirms that –

- any issue related expenses shall not be considered as a part of General Corporate Purpose; and
- the amount deployed towards general corporate expense, as mentioned above in this Prospectus, shall not exceed 25% of the amount raised by our Company through this Issue.

TO MEET THE EXPENSES OF THE ISSUE

The total expenses of the Issue are estimated to be approximately ₹ 725.18 Lakhs which include, among others, underwriting and management fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as follows:

| Expenses | (₹ in Lakhs) | | |
|---|--------------------|--|--|
| | Estimated expenses | As a % of the total estimated Issue expenses | As a % of the total Gross Issue Proceeds |
| Book Running Lead Manager fees | 15 | 2.07% | 0.24% |
| Underwriting commission | 317.24 | 43.75% | 5.00% |
| Brokerage and Selling commission | 317.24 | 43.75% | 5.00% |
| Advertising and marketing expenses | 20.00 | 2.76% | 0.32% |
| Fees payable to Registrar to the Issue | 7.00 | 0.97% | 0.11% |
| Brokerage and selling commission payable to SCSBs, Registered Brokers, RTAs and CDPs, as applicable | 0.2 | 0.03% | 0.00% |
| Processing fees to the SCSBs and to the Sponsor Banks for ASBA Forms procured by Registered Brokers, RTAs or CDPs | 0.00 | 0.00% | 0.00% |
| Printing and distribution of issue stationery | 2.00 | 0.28% | 0.03% |
| Others | | | |
| a. Listing fees | 0.75 | 0.10% | 0.01% |
| b. NSE Processing | 0.25 | 0.03% | 0.00% |
| c. Book Building software fees | 3.50 | 0.48% | 0.06% |
| d. Other regulatory expenses | 1.00 | 0.14% | 0.02% |



| | | | |
|---------------------------------------|---------------|----------------|---------------|
| e. Fees payable to legal counsel | 1.00 | 0.14% | 0.02% |
| f. Miscellaneous | 40.00 | 5.52% | 0.63% |
| Total Estimated Issue Expenses | 725.18 | 100.00% | 11.43% |

@ please note that the cost mentioned is an estimate quotation as obtained from the respective parties and it may include GST and excludes, interest rate and inflation cost. The amount deployed so far toward issue expenses shall be recouped out of the issue proceeds.

Structure for commission and brokerage payment to the SCSBs Syndicate, RTAs, CDPs and SCSBs

1. ASBA applications procured directly from the applicant and Bided (excluding applications made using the UPI Mechanism, and in case the Offer is made as per Phase I of UPI Circular) - Rs 10/- per application on wherein shares are allotted.
2. Syndicate ASBA application procured directly and bided by the Syndicate members (for the forms directly procured by them) - Rs 10/- per application on wherein shares are allotted.
3. Processing fees / uploading fees on Syndicate ASBA application for SCSBs Bank - Rs 10/- per application on wherein shares are allotted.
4. Sponsor Bank shall be payable processing fees on UPI application processed by them – Rs Nil for first 1,00,000 /- per successful UPI and Rs 6.5/- thereafter.
5. No additional uploading/processing charges shall be payable to the SCSBs on the applications directly procured by them.
6. The commissions and processing fees shall be payable within 30 Working days post the date of receipt of final invoices of the respective intermediaries.
7. Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.
8. Offer Expenses other than the listing fees shall be shared among our Company and the Selling Shareholder on a pro rata basis, in proportion to the Equity Shares Allotted.

Appraisal by Appraising Fund:

None of the Objects have been appraised by any bank or financial institution or any other independent third-party organization. The funding requirements of our Company and the deployment of the proceeds of the Issue are currently based on management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

Shortfall of Funds

Any shortfall in meeting the fund requirements will be met by way of internal accruals and or unsecured Loans.

Bridge Financing Facilities

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

Interim Use of Proceeds

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

Monitoring Utilization of Funds

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

Our Board and the management will monitor the utilization of the Net Proceeds through its audit committee. Pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

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

Variation in Objects

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

Other Confirmations

There are no material existing or anticipated transactions with our Promoters, our Directors, our Company’s Key Managerial Personnel, in relation to the utilization of the Net Proceeds. No part of the Net Proceeds will be paid by us as consideration to our Promoters, our directors or Key Managerial Personnel, except in the normal course of business and in compliance with the applicable laws.

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BASIS FOR ISSUE PRICE

The Price Band and the Issue Price will be determined by our Company in consultation with the BRLM, on the basis of the Book Building Process and the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 each and the Issue floor Price is ₹ 95 /- which is 9.5 times of the face value of Equity Shares and the Issue Cap Price is ₹ 101/- which is 10.1 times of the face value of Equity Shares. Investors should refer to “Risk Factors”, “Our Business”, “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 28, 141, 225 and 259 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 Issue Price are:

- Experienced Promoter and management team with strong industry expertise and successful track record
- Established Global Presence
- Experienced Promoters (experience of over 31 years in Software Delivery)
- Versatile, Technically Sound and young operation Team, which understands creativity at its excellence.
- Well versed and equipped with advance technology.
- Track record of growth and profitability.

For further details, see “Risk Factors” and “Our Business” on pages 28 and 141 respectively.

Quantitative Factors

The information presented in this section is derived from our Restated Financial Statements. For details, see “Financial Information” on page 225. Investors should evaluate our Company and form their decisions taking into consideration its earnings, and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the Issue price are as follows:

1. Basic and Diluted Earnings per Share (EPS), as adjusted for changes in capital

| Year ended | Basic EPS (in ₹)*2 | Diluted EPS (in ₹)*2 | Weight |
|-------------------------|--------------------|----------------------|--------|
| FY 2020-21 | 4.21 | 4.21 | 1 |
| FY 2021-22 | 2.58 | 2.58 | 2 |
| FY 2022-23 | 7.76 | 7.76 | 3 |
| Weighted Average | 5.44 | 5.44 | |
| September 30, 2023 | 14.04 | 14.04 | |

Note:

1. Basic EPS and Diluted EPS is calculated after considering effect of allotments which was made after September 30, 2023 i.e. Bonus issue of 1,14,06,707 equity shares allotted on January 24, 2024 and Private placement of 9,51,625 equity shares allotted on January 25, 2024. Hence, issued Equity shares as of January 25, 2024 is 1,75,43,200 Equity Shares. Accordingly, EPS after considering Bonus issue and Private Placement shares is Rs. 4.15.

| Formula | UOM | Rs. In Lakhs | Ratio |
|---|-----------|---------------------------|-------|
| Profit after Tax / no. of outstanding equity shares | Per Share | 7,27,94,644 / 1,75,43,200 | 4.15 |

2. The ratios have been computed as under:

Basic and diluted EPS: profit for the year attributable to equity shareholders of the Company divided by total weighted average number of equities shares outstanding during the period. Basic and diluted EPS are computed in accordance with Ind AS 33.

Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights

2. Price / Earning (P/E) Ratio in relation to Issue Price of ₹ 95 to ₹ 101 per Equity Share

| Particulars | P/E at the lower end of the price band (no. of times) | P/E at the higher end of the price band (no. of times) |
|--|---|--|
| a) P/E ratio based on Basic and Diluted EPS of ₹ 7.76 as at March 31, 2023 | 12.24 | 13.02 |
| b) P/E ratio based on Weighted Average EPS of ₹ 5.44 | 17.46 | 18.57 |

3. Industry Price / Earning (P/E) Ratio

| Particulars | P/E Ratio |
|----------------------|----------------------|
| Highest | 649.85 ^{*4} |
| Lowest | 51.50 ^{*4} |
| Average Industry P/E | 350.68 |

(1) The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section. For further details, see “- Comparison with listed industry peers”

(2) Source: Respective audited financials of the Company, as available, for the September 30, 2023. Information on industry peer is on a standalone basis.

(3). There is two listed peer Company namely Network People Services Technologies Limited and Veefin Solutions Limited. Thus, their data are used for comparison.

(4) P/E calculation based on annualised EPS reported in Sept 23 financials and closing market price prevailing for Veefin Solutions Limited and Network People Services Technologies Limited on result declaration date i.e. 6 November 2023 and 20th Oct 2023 respectively.

Net worth = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).

Basic earnings per share (Rs.) = $\frac{\text{Net profit after tax as restated for calculating basic EPS}}{\text{Weighted average number of equity shares outstanding at the end of the period or year}}$

4. Return on Net Worth (RONW):

| Year ended | RoNW (%) | Weight |
|-------------------------|--------------|--------|
| FY 2020-21 | 15.89 | 1 |
| FY 2021-22 | 8.81 | 2 |
| FY 2022-23 | 20.96 | 3 |
| Weighted Average | 16.06 | |
| September 30, 2023 | 27.51 | |

1.* RONW is calculated after considering effect of allotments which was made after September 30, 2023 i.e. Bonus issue of 1,14,06,707 equity shares allotted on January 24,2024 and Private placement of 9,51,625 equity shares allotted on January 25,2024. Hence, issued Equity shares as of January 25, 2024 is 1,75,43,200 Equity Shares. Accordingly, RONW after considering Bonus issue and Private Placement shares is 22.83%.

| Formula | UOM | Rs. In Lakhs | Ratio |
|---------------------------------|------------|--------------------------|--------|
| Net Profit after Tax/ Net Worth | Percentage | 7,27,94,644/31,88,97,910 | 22.83% |

2. The ratios have been computed as under:

Return on net worth (%) = $\frac{\text{Net profit after tax as restated, attributable to the owners of the company}}{\text{Net worth as restated, including share capital and reserves and surplus, as stated at the end of the}}$



year

Net worth = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).

5. Net Asset Value* (NAV) per Equity Share

| Particulars | Rs. |
|---|-------|
| As of March 31, 2021 | 26.66 |
| As of March 31, 2022 | 29.24 |
| As of March 31, 2023 | 37.00 |
| NAV post issue: | |
| September 30,2023 | 51.04 |
| At the lower end of the price band of ₹ 95 | 38.43 |
| At the lower end of the price band of ₹ 101 | 40.02 |
| Issue price per share | 101 |

1. * NAV is calculated after considering effect of allotments which was made after September 30, 2023 i.e. Bonus issue of 1,14,06,707 equity shares allotted on January 24, 2024 and Private placement of 9,51,625 equity shares allotted on January 25, 2024. Hence, issued Equity shares as of January 25, 2024 is 1,75,43,200 Equity Shares. Accordingly, NAV after considering Bonus issue and Private Placement shares is Rs.18.18.

| Formula | UOM | Rs. In Lakhs | Ratio |
|---|-----------|---------------------------|-------|
| Net Worth/ no. of outstanding equity shares | Per Share | 31,88,97,910/ 1,75,43,200 | 18.18 |

2. The ratios have been computed as under:

| | |
|----------------------------------|---|
| Net asset value per equity share | Net worth as restated, including share capital and reserves and surplus, as restated at the end of the year |
| | _____ |
| | No. of equity shares outstanding at the end of the year |
| Basic earnings per share (Rs.)= | Net profit after tax as restated for calculating basic EPS |
| | _____ |
| | Weighted average number of equity shares outstanding at the end of the period or year |

6. Comparison of Accounting Ratios with Industry Peers

| For the Period of September 30, 2023 | | | | | | | | | |
|--------------------------------------|--|----------------|---------------------------|---------------|-----------------|----------------------------|----------|-------------------|--|
| Sr. No. | Name of Company | Face Value (₹) | Total income (₹ in Lakhs) | Basic EPS (₹) | Diluted EPS (₹) | P/E (based on Diluted EPS) | RoNW (%) | NAV per share (₹) | |
| 1. | Trust Fintech Limited | 10 | 1,882.14 | 14.04 | 14.04 | 7.19 | 27.51 | 51.04 | |
| Peer Group | | | | | | | | | |
| 2. | Network People Services Technologies Limited | 10 | 5329.77 | 15.72 | 15.72 | 17.78* | 30.18 | 59.58 | |
| 3. | Veefin Solutions Limited | 10 | 585.78 | 0.17 | 0.17 | 220.95* | 0.79 | 31.11 | |

Notes:

*P/E calculation based on annualised EPS reported in Sept 23 financials and closing market price prevailing for Veefin Solutions Limited and Network People Services Technologies Limited on result declaration date i.e. 6 November 2023 and 20th Oct 2023 respectively.

#There are no close peer companies of Trust Fintech Limited as none of the listed companies in this space deals in core banking products. However, for comparison purpose we have compared the captioned companies who are in Fintech

Businesses.

Source: All the financial information for listed industry peer mentioned above is on a standalone basis and is sourced from the filings made with stock exchanges available on www.bseindia.com and www.nseindia.com and has also been extracted from www.moneycontrol.com, www.screener.in for the Period ended on September 30, 2023.

Source for Trust Fintech Limited: Based on the restated financial statements of the Company for the period ended the September 30, 2023.

7. The Issue Floor Price is ₹ 95/- which is 9.5 times the face value of Equity Shares and the Issue Cap Price is ₹ 101 /- which is 10.1 times the face value of Equity Shares.

The price band/floor price/issue price will be determined by the issuer in consultation with the BRLM, on the basis of book-building on the basis of assessment of the market demand from investors for the Equity Shares and shall be justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with “Risk Factors”, “Our Business” and “Financial Information” on pages 28, 141 and 225 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in “Risk Factors” and you may lose all or part of your investments.

Key Financial and Operational Performance Indicators (“KPIs”)

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analyzing the growth of various verticals in comparison to our peers.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated December 01, 2023, and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of the draft red herring prospectus. Further, the KPIs herein have been certified by M/s. Abhijit Kelkar & Co., Chartered Accountants, Peer Reviewed Auditor of the Company by their certificate dated January 25, 2024.

For details of our other operating metrics disclosed elsewhere, refer “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators” on pages 141 and 259 respectively.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilization of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue Section, whichever is later. Any change in these KPIs, during the aforementioned period, will

be disclosed by the Company. Uptill that, the ongoing KPIs shall continue to be certified as certified by M/s. Abhijit Kelkar & Co., Chartered Accountants, Peer Reviewed Auditor of the Company, by their certificate dated January 25, 2024.

Key Performance Indicators of our Company:

| Particulars | For the period ended on September 30, 2023 | Financial year ended March 31, 2023 | Financial year ended March 31, 2022 | Financial year ended March 31, 2021 |
|---|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Revenue from Operations (In Lakhs) | ₹ 1,882.14 | ₹ 2,254.34 | ₹ 1,763.25 | ₹ 2,394.66 |
| Accounts Receivable turnover ratio (In Times) | 1.63 Times | 3.39 Times | 4.02 Times | 4.61 Times |
| Working Capital (Rs. in Lakhs) | ₹ 1,465.06 | ₹ 980.53 | ₹ 941.10 | ₹ 725.89 |
| Current Ratio (Times) | 3.70 Times | 3.46 Times | 4.07 Times | 4.58 Times |
| EBITDA (In Lakhs) | ₹ 996.330 | ₹ 594.310 | ₹ 227.290 | ₹ 311.240 |
| EBITDA margin (%) | 52.91% | 26.18% | 12.63% | 12.87% |
| ROCE (%) | 28.54% | 20.07% | 11.03% | 22.26% |



| | | | | |
|-------------------------------|----------|-------------|-------------|----------|
| PAT margin (%) | 38.66% | 17.72% | 7.43% | 9.08% |
| ROE (%) | 23.61% | 18.99% | 9.22% | 17.26% |
| Net working capital days | 117 Days | 155.57 Days | 172.54 Days | 127 Days |
| Debt To Equity Ratio (Times)* | 0 Times | 0 Times | 0.08 Times | 0 Times* |

*There is no debt in organization as on September 30, 2023.

Formula used to derive the above ratios is as under: -

| Ratio | Numerator | Denominator |
|------------------------------------|--|------------------------------|
| Accounts receivable Turnover ratio | Average Trade Receivables | Revenue From Operations |
| Working Capital | Formula: - Current Assets – Current Liabilities | |
| Current Ratio | Formula: - Current Assets/ Current Liabilities | |
| EBITDA margin (%) | EBITDA | Revenue from Operations |
| ROCE (%) | Earnings before interest and taxes | Capital Employed |
| PAT margin (%) | Net Profit | Net Sales |
| ROE (%) | Net Profits after taxes - Preference Dividend (if any) | Average Shareholder's Equity |
| Net working capital days | Average Working Capital x Number of days in the year | Revenue from Operations |
| Debt To Equity Ratio | Total Debts | Equity shares outstanding |

Explanation for KPI Metrics

| KPI | Explanation |
|------------------------------------|---|
| Revenue from Operations | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business |
| Accounts Receivable turnover ratio | The accounts receivable turnover ratio is a simple metric that is used to measure how effective a business is at collecting debt and extending credit. It is calculated by dividing net credit sales by average accounts receivable. The higher the ratio, the better the business is at managing customer credit. |
| Working Capital | Working capital is the amount of current assets that's left over after subtracting current liabilities. It's what can quickly be converted to cash to pay short-term debts. Working capital can be a barometer for a company's short-term liquidity. A positive amount of working capital indicates good short-term health. |
| Current Ratio | The current ratio measures a company's ability to pay current, or short-term, liabilities (debts and payables) with its current, or short-term, assets, such as cash, inventory, and receivables. |
| EBITDA | EBITDA provides information regarding the operational efficiency of the business |
| EBITDA Margin | EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business. |
| ROCE | ROCE (%) is used by our management to assess the company's efficiency for utilisation of its capital to generate profits |
| PAT Margin | PAT Margin (%) is an indicator of the overall profitability and financial performance of our business. |
| ROE | ROE (%) is measure of profitability of a business in relation to its equity |
| Net Working Capital Days | Net Working Capital Days is used by our management to track the number of days it takes for the company to convert its working capital into revenue |
| Debt to Equity Ratio | The debt-to-equity ratio (D/E ratio) depicts how much debt a company has compared to its assets. It is calculated by dividing a company's total debt by total shareholder equity. Note a higher debt-to-equity ratio states the company may have a more difficult time covering its liabilities. |

COMPARISON OF KPI WITH LISTED INDUSTRY PEERS

| Key Financial Performance | Trust Fintech Limited | | | | Network People Services Technologies Ltd. | | | | Veefin Solutions Ltd. | | | |
|------------------------------------|-----------------------|----------------|----------------|----------------|---|----------------|----------------|----------------|-----------------------|----------------|----------------|----------------|
| | September 30, 2023* | March 31, 2023 | March 31, 2022 | March 31, 2021 | September 30, 2023* | March 31, 2023 | March 31, 2022 | March 31, 2021 | September 30, 2023* | March 31, 2023 | March 31, 2022 | March 31, 2021 |
| Revenue from Operations | ₹ 1,882.14 | ₹ 2,254.34 | ₹ 1,763.25 | ₹ 2,394.66 | 5,241.37 | 4,078.69 | 1,916.18 | 1,520.48 | 583.95 | 1303.84 | 618.89 | 76.06 |
| Accounts Receivable turnover ratio | 1.63 Times | 3.39 Times | 4.02 Times | 4.61 Times | 17.71 Times | 13.87 Times | 3.11 Times | 3.21 Times | 0.76 Times | 3.25 Times | 14.60 Times | 8.11 Times |
| Working Capital (Rs. in Lakhs) | ₹ 1,465.06 | ₹ 980.53 | ₹ 941.10 | ₹ 725.89 | 2,818.4 | 1,578.24 | 1,125.44 | 21.67 | 719.97 | 494.19 | (193.93) | (758.72) |
| Current Ratio | 3.70 Times | 3.46 Times | 4.07 Times | 4.58 Times | 3.13 Times | 2.74 Times | 2.55 times | 1.01 times | 2.77 | 2.00 Times | 0.40 times | 0.22 times |
| EBITDA | ₹ 996.33 | ₹ 594.310 | ₹ 227.290 | ₹ 311.240 | 1,652.31 | 1203.65 | 348.47 | 293.53 | 86.60 | 468.42 | 73.93 | 8.72 |
| EBITDA margin (%) | 52.91% | 26.18% | 12.63% | 12.87% | 31.52% | 29.51% | 18.18% | 19.30% | 14.83% | 35.92% | 11.94% | 11.46% |
| ROCE (%) | 28.54% | 20.07% | 11.03% | 22.26% | 32.74% | 29.53% | 8.90% | 20.46% | 1.45% | 10.67% | 4.53% | 1.43% |
| PAT margin (%) | 38.66% | 17.72% | 7.43% | 9.08% | 19.06% | 15.85% | 7.77% | 7.03% | 5.78% | 28.16% | 8.95% | 7.89% |
| ROE (%) | 23.61% | 18.99% | 9.22% | 17.26% | 30.18% | 22.82% | 6.76% | 16.01% | 0.79% | 8.75% | 6.12% | 13.77% |
| Net working capital days | 117 Days | 155.57 Days | 172.54 Days | 127 Days | 196.27 | 120.97 | 29.93 | 3.50 | 450.02 | 115.88 | (115.57) | (393.82) |
| Debt To Equity Ratio | 0 Times | 0 Times | 0.08 Times | 0 Times | 0.004 Times | 0.01 Times | 0.00 times | 0.06 times | 0.008 Times | 0.02 Times | 0.40 times | 4.54 times |

*Not annualized.



****All the information for listed industry peers mentioned above are on a Standalone basis and is sourced from their respective audited/ unaudited financial results and/or annual report.**

JUSTIFICATION FOR BASIS FOR OFFER PRICE**The price per share of the Company based on the primary/ new issue of shares.**

The details of the Equity Shares excluding shares issued under ESOP/ESOS and issuance of bonus shares during the 18 months preceding the date of this certificate where such issuance is equal to or more than 5 per cent of the fully diluted paid-up share capital of the Issuer Company (calculated based on the pre-issue capital before such transaction), in a single transaction or multiple transactions combined together over a span of rolling 30 days; and

| Date of allotment | No. of equity shares allotted | Face value (Rs.) | Issue Price (Rs.) | Nature Reason / of allotment | Nature of consideration | Total consideration (Rs.) |
|---|-------------------------------|------------------|-------------------|------------------------------|-------------------------|---------------------------|
| 25.01.2024 | 9,51,625 | 10 | 57 | Preferential Issue | Cash | 5,42,42,625 |
| Total | 9,51,625 | | | | | 5,42,42,625 |
| Weighted average cost of acquisition (WACA) for primary transactions | | | | | | 57 |

The price per share of our Company based on the secondary sale / acquisition of shares (equity / convertible securities)

There have been no secondary sale / acquisitions of Equity Shares or any convertible securities, where the promoters, members of the promoter group, selling shareholders, or shareholder(s) having the right to nominate director(s) in the board of directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Weighted average cost of acquisition, floor price and cap price:

| Type of transaction | Weighted average cost of acquisition (₹ per Equity Share) | Floor Price is ₹ 95 /- | Cap Price is ₹ 101 /- |
|--|---|------------------------|-----------------------|
| (i) Weighted average cost of acquisition of primary issuances | Rs. 57.00/- | 1.67 /- | 1.77 /- |
| (ii) Weighted average cost of acquisition for secondary transactions | - | - | - |

Justification for Basis for Issue Price

Explanation for Issue Price being Rs. 101 price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in i and ii above) along with our Company's key performance indicators and the Fiscals 2023, 2022 and 2021.

Certain factors for justification of the Offer Price are set out below:

- Our company is a SaaS Product focused company which has carved a niche in providing Core Banking Software, IT Solutions, ERP Implementation and Customized Software Solutions Development, SAP B1 and Offshore IT services for the BFSI sector. We have invested in developing more than 10+ (ten) banking related products for Commercial and Cooperative Banks and Financial Institutions, which comprise Core Banking Software, Loan Origination software, GST compliance software, Financial Accounting & Billing Software, GST Suvidha provider, SAP B1 Services (for Implementation, Support and Add-on Development), Various add-on modules for Statutory Report Generation, ATM Reconciliation, Anti-Money Laundering, Agency Banking, Mobile Banking leveraging end to end solutions to address the evolving needs of banking Solutions.
- Our company proudly holds several quality certifications including ISO 27001:2013, ISO 9001:2015, and CMMI Level 5 reaffirming our commitment to management of information security, comprehensive IT solutions, and advanced software



services. Also, TrustBankCBS Software is tested for “VAPT” by CERT-IN certified auditors which demonstrates security and robustness of the software. With 25+ years of operational excellence and a dedicated team of 250+, we provide advanced software services to Public Sector Banks, Co-Operative Banks, District Co-Operative Banks, Regional Rural Banks, Large Credit Societies, NBFC, Large commercial Banks (Add-on Business), PACS, Credit Unions in USA and South American countries that meet international quality. Currently, we are serving customers in more than 15 States of India and in more than 10 countries including California, Nepal, Gambia, Ghana, Liberia, Nigeria, Sri Lanka, Tanzania, Zimbabwe, Siberia, Central Africa Republic.

- Our organization currently operates through its offices located in Nagpur, Pune, and Mumbai spread across total area of 1064.42 sq. mtr. accommodating a workforce of over 250+ employees. The Nagpur property is currently over utilized and lacks the capacity to accommodate additional personnel.

Explanation for Issue Price being Rs. 101 price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in i and ii above) in view of the external factors which may have influenced the pricing of the Issue.

There are no external factors which have influenced the determination of Offer Price.

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STATEMENT OF POSSIBLE TAX BENEFITS

To,
The Board of Directors
Trust Fintech Limited
Plot No.11/4, I.T. Park,
Gayatri Nagar, Parsodi, Nagpur
Maharashtra -440022

Dear Sirs,

Sub: Statement of possible Special tax benefit ('the Statement') available to Trust Fintech Limited (Formerly known as Trust Systems and Software (India) Limited) and its shareholders prepared in accordance with the requirements under Schedule VI-Clause 9L of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (the 'Regulations')

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

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and its Shareholders and do not cover any general tax benefits. Further, these benefits are neither exhaustive nor conclusive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue. We are neither suggesting nor are we advising the investor to invest money or not to invest money based on this statement.

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

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

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

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws.

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

We shall not be liable to Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct. The enclosed Annexure is intended solely for your information and for inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus/Prospectus or any other issue related material in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent. Signed in terms of our separate report of even date.



Yours faithfully,

**For and behalf of Abhijit Kelkar & Co
Chartered Accountants
FRN: 121920W**

**CA Kalpesh Bhute
Partner
Mem No. 178818
UDIN No: 24178818BKCYBD1266**

Place: Nagpur

Date:

07/01/2024

Annexure to the statement of possible Tax Benefits

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

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

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

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

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

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

Notes:

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

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

Signed in terms of our separate report of even date.

Yours faithfully,
For and behalf of Abhijit Kelkar & Co
Chartered Accountants
FRN: 121920W

CA Kalpesh Bhute

Partner
Mem No.:178818
UDIN

Date: 07/01/2024

Place: Nagpur

No:

24178818BKCYBD1266



SECTION VIII – ABOUT US

INDUSTRY OVERVIEW

The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on information.

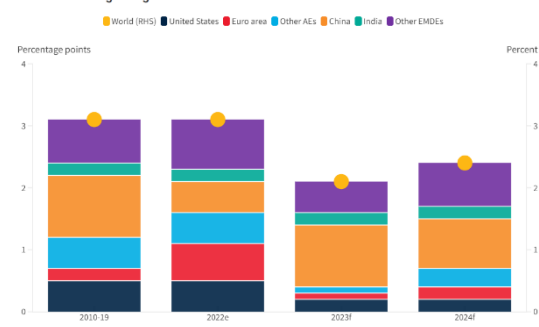
GLOBAL ECONOMIC OUTLOOK IN FIVE CHARTS

The global economy is set to slow substantially in 2023. The lagged and current effects of monetary tightening, as well as more restrictive credit conditions, are expected to weigh on activity in the second half of the year, with weakness persisting into 2024. Excluding China, growth in emerging market and developing economies (EMDEs) is set to decline markedly, with the outlook weakest in countries with elevated fiscal and financial vulnerabilities. The resurgence of recent banking sector turmoil represents a serious risk. Widespread financial stress could have especially severe economic consequences.

1. Global growth is slowing

The global economy is forecast to slow substantially this year, with a pronounced deceleration in advanced economies. Monetary tightening is expected to have its peak impact this year for many major economies. Global growth is forecast to decline to 2.1 percent in 2023, a full percentage point less than in 2022, before a tepid recovery to 2.4 percent in 2024. In emerging market and developing economies (EMDEs) excluding China, growth is projected to fall to 2.9 percent in 2023, from 4.1 percent in 2022, as tight global financial conditions and subdued external demand weigh on activity. Global growth could weaken more than anticipated in the event of further financial sector stress, or if persistent inflation prompts tighter-than-expected monetary policy.

Contributions to global growth

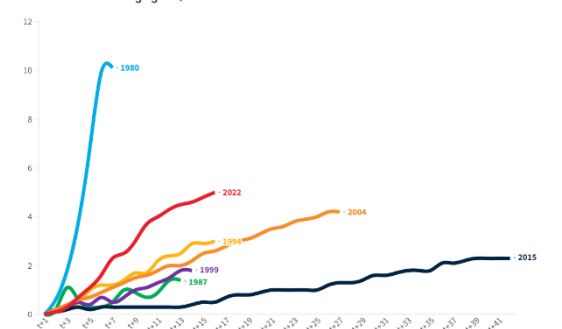


Source: World Bank Group
 Note: AEs = advanced economies; EMDEs = emerging market and developing economies. Aggregate growth rates calculated using real U.S. dollar GDP weights at average 2010-19 prices and market exchange rates. Data for 2023-24 are forecasts.

2. Monetary policy will weigh on growth this year and next

The substantial near-term deceleration expected in advanced economies is mainly due to the lagged effects of the sharp rise in policy rates over the past year and a half, aimed at reining in high inflation. Tight monetary policy in the United States, in particular, can adversely affect EMDEs in several ways. It slows the U.S. economy, which reduces demand for EMDE exports, and tends to lead to higher interest rates in EMDEs.

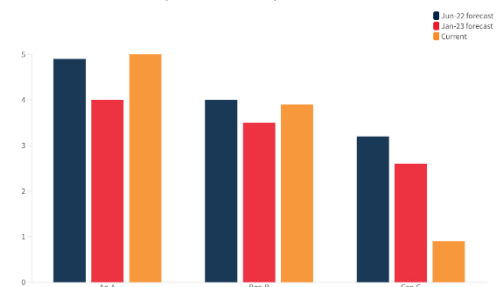
Federal Reserve hiking cycles, cumulative



Source: Bloomberg; Federal Reserve Bank of St. Louis
 Note: Based on the effective Federal Funds Rate. Monthly data. Last observation is May 2023.

3. Restrictive financial conditions pose severe challenges for vulnerable EMDEs

The majority of EMDEs have so far withstood global monetary tightening with limited financial stress. However, in EMDEs with pronounced vulnerabilities (as reflected by low credit ratings) sovereign risk spreads have widened sharply, domestic currencies have depreciated, and already-limited fiscal space has dwindled further. Growth projections for



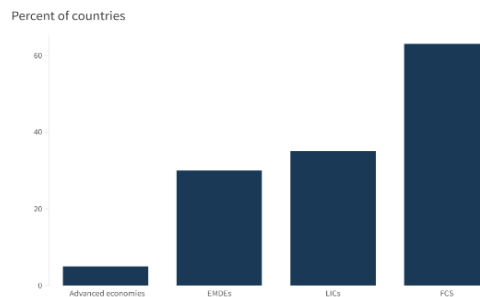
Source: Moody's Analytics; World Bank
 Note: EMDEs = emerging market and developing economies. Comparison of GDP-weighted growth across editions of the Global Economic Prospects report, by credit ratings. Sample includes 9 Aa-A, 62 Baa-B, and 25 Caa-C EMDEs.

these economies have been revised markedly lower, to less than 1 percent in 2023.

4. The pandemic recovery remains weak

In per capita terms, the latest forecasts suggest a weak recovery from the overlapping shocks of the past three years. Nearly a third of EMDEs, including two-thirds of countries in fragile and conflict-affected situations, are expected to have lower per capita incomes in 2024 than they did in 2019. Fragility continues to aggravate humanitarian crises, entrenching extreme poverty.

Countries with lower GDP per capita in 2024 than in 2019

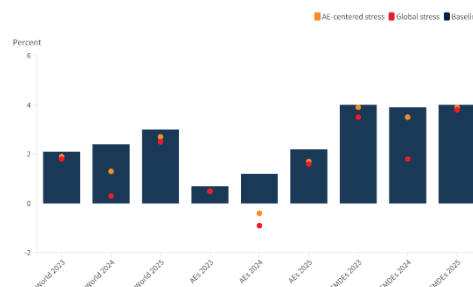


Source: World Bank Group
Note: Figure shows the share of countries in respective groups with real per capita GDP in 2024 lower than in 2019.

5. Further episodes of financial stress are a serious risk to the global economy

Several large banks in advanced economies have failed this year. More—and more disorderly—bank failures represent a key risk. The negative effects would be greatest if banking turmoil were to escalate into a systemic crisis, transmitted around the world via cross-border financial linkages. This would result in a severe downturn in the global economy in 2024—global growth could decline to just 0.3 percent. A severe credit crunch confined mostly to advanced economies would do lesser though still serious damage, reducing global growth in 2024 to 1.3 percent.

Global growth under different scenarios



Source: Consensus Economics, Oxford Economics, World Bank.
Note: AEs = advanced economies; EMDEs = emerging market and developing economies. Global growth is computed by aggregating GDP at 2015 market exchange rates and prices from the Oxford Economics Hoops.

Source: <https://blogs.worldbank.org/developmenttalk/global-economic-outlook-five-charts-1>

THE FORECAST BY IMF

Global growth is projected to fall from an estimated 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024. While the forecast for 2023 is modestly higher than predicted in the April 2023 World Economic Outlook (WEO), it remains weak by historical standards. The rise in central bank policy rates to fight inflation continues to weigh on economic activity. Global headline inflation is expected to fall from 8.7 percent in 2022 to 6.8 percent in 2023 and 5.2 percent in 2024. Underlying (core) inflation is projected to decline more gradually, and forecasts for inflation in 2024 have been revised upward.

The recent resolution of the US debt ceiling standoff and, earlier this year, strong action by authorities to contain turbulence in US and Swiss banking, reduced the immediate risks of financial sector turmoil. This moderated adverse risks to the outlook. However, the balance of risks to global growth remains tilted to the downside. Inflation could remain high and even rise if further shocks occur, including those from an intensification of the war in Ukraine and extreme weather-related events, triggering more restrictive monetary policy. Financial sector turbulence could resume as markets adjust to further policy tightening by central banks. China's recovery could slow, in part as a result of unresolved real estate problems, with negative cross-border spillovers. Sovereign debt distress could spread to a wider group of economies. On the upside, inflation could fall faster than expected, reducing the need for tight monetary policy, and domestic demand could again prove more resilient.

In most economies, the priority remains achieving sustained disinflation while ensuring financial stability. Therefore, central banks should remain focused on restoring price stability and strengthening financial supervision and risk monitoring. Should market strains materialize, countries should provide liquidity promptly while mitigating the possibility of moral hazard. They should also build fiscal buffers, with the composition of fiscal adjustment ensuring targeted support for the most vulnerable. Improvements to the supply side of the economy would facilitate fiscal consolidation and a smoother decline of inflation toward target levels.



For advanced economies, the growth slowdown projected for 2023 remains significant: from 2.7 percent in 2022 to 1.5 percent in 2023, with a 0.2 percentage point upward revision from the April 2023 WEO. About 93 percent of advanced economies are projected to have lower growth in 2023, and growth in 2024 among this group of economies is projected to remain at 1.4 percent.

- In the United States, growth is projected to slow from 2.1 percent in 2022 to 1.8 percent in 2023, then slow further to 1.0 percent in 2024. For 2023, the forecast has been revised upward by 0.2 percentage point, on account of resilient consumption growth in the first quarter, a reflection of a still-tight labor market that has supported gains in real income and a rebound in vehicle purchases. However, this consumption growth momentum is not expected to last: Consumers have largely depleted excess savings accumulated during the pandemic, and the Federal Reserve is expected to raise rates further.
- Growth in the euro area is projected to fall from 3.5 percent in 2022 to 0.9 percent in 2023, before rising to 1.5 percent in 2024. The forecast is broadly unchanged, but with a change in composition for 2023. Given stronger services and tourism, growth has been revised upward by 0.4 percentage point for Italy and by 1.0 percentage point for Spain. However, for Germany, weakness in manufacturing output and economic contraction in the first quarter of 2023 means that growth has been revised downward by 0.2 percentage point, to -0.3 percent.
- Growth in the United Kingdom is projected to decline from 4.1 percent in 2022 to 0.4 percent in 2023, then to rise to 1.0 percent in 2024. This is an upward revision of 0.7 percentage point for 2023, reflecting stronger-than-expected consumption and investment from the confidence effects of falling energy prices, lower post-Brexit uncertainty (following the Windsor Framework agreement), and a resilient financial sector as the March global banking stress dissipates.
- Growth in Japan is projected to rise from 1.0 percent in 2022 to 1.4 percent in 2023, reflecting a modest upward revision, buoyed by pent-up demand and accommodative policies, then slow to 1.0 percent in 2024, as the effects of past stimuli dissipate.

For emerging market and developing economies, growth is projected to be broadly stable at 4.0 percent in 2023 and 4.1 percent 2024, with modest revisions of 0.1 percentage point for 2023 and -0.1 percentage point for 2024. However, this stable average masks divergences, with about 61 percent of the economies in this group growing faster in 2023 and the rest—including low-income countries and three of the five geographic regions described in what follows—growing more slowly.

- Growth in emerging and developing Asia is on track to rise to 5.3 percent in 2023, then to moderate to 5.0 percent in 2024, reflecting a modest (0.1 percentage point) downward revision for 2024. The forecast for China is unchanged at 5.2 percent for 2023 and 4.5 percent for 2024, but with a change in composition: Consumption growth has evolved broadly in line with April 2023 WEO projections, but investment has underperformed due to the ongoing real estate downturn in that country. Stronger-than-expected net exports have offset some of the investment weakness, although their contribution is declining as the global economy slows. Growth in India is projected at 6.1 percent in 2023, a 0.2 percentage point upward revision compared with the April projection, reflecting momentum from stronger-than-expected growth in the fourth quarter of 2022 as a result of stronger domestic investment.
- Growth in emerging and developing Europe is projected to rise to 1.8 percent in 2023, reflecting a 0.6 percentage point upward revision since April, and to rise further to 2.2 percent in 2024. The forecast for Russia in 2023 has been revised upward by 0.8 percentage point to 1.5 percent, reflecting hard data (on retail trade, construction, and industrial production) that point to a strong first half of the year, with a large fiscal stimulus driving that strength.
- Latin America and the Caribbean is expected to see growth decline from 3.9 percent in 2022 to 1.9 percent in 2023, although this reflects an upward revision of 0.3 percentage point since April, and to reach 2.2 percent in 2024. The decline from 2022 to 2023 reflects the recent fading of rapid growth during 2022 after pandemic reopening, as well as lower commodity prices; the upward revision for 2023 reflects stronger-than-expected growth in Brazil—marked up by 1.2 percentage points to 2.1 percent since the April WEO—given the surge in agricultural production in the first quarter of 2023, with positive spillovers to activity in services. It also reflects stronger growth in Mexico, revised upward by 0.8 percentage point to 2.6 percent, with a delayed post-pandemic recovery in services taking hold and spillovers from resilient US demand.

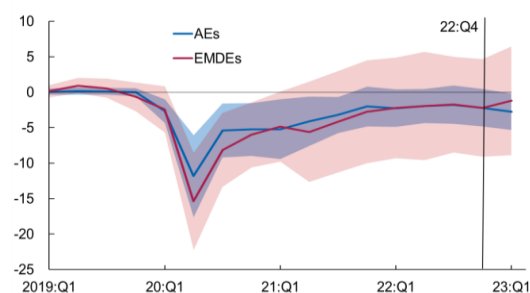
- Growth in the Middle East and Central Asia is projected to decline from 5.4 percent in 2022 to 2.5 percent in 2023, with a downward revision of 0.4 percentage point, mainly attributable to a steeper-than-expected growth slowdown in Saudi Arabia, from 8.7 percent in 2022 to 1.9 percent in 2023, a negative revision of 1.2 percentage points. The downgrade for Saudi Arabia for 2023 reflects production cuts announced in April and June in line with an agreement through OPEC+ (the Organization of the Petroleum Exporting Countries, including Russia and other non-OPEC oil exporters), whereas private investment, including from “giga-project” implementation, continues to support strong non-oil GDP growth.
- In sub-Saharan Africa, growth is projected to decline to 3.5 percent in 2023 before picking up to 4.1 percent in 2024. Growth in Nigeria in 2023 and 2024 is projected to gradually decline, in line with April projections, reflecting security issues in the oil sector. In South Africa, growth is expected to decline to 0.3 percent in 2023, with the decline reflecting power shortages, although the forecast has been revised upward by 0.2 percentage point since the April 2023 WEO, on account of resilience in services activity in the first quarter.

Forces Shaping the Outlook

The global recovery from the COVID-19 pandemic and Russia’s invasion of Ukraine is slowing amid widening divergences among economic sectors and regions.

The World Health Organization (WHO) announced in May that it no longer considers COVID-19 to be a “global health emergency.” Supply chains have largely recovered, and shipping costs and suppliers’ delivery times are back to pre-pandemic levels. But forces that hindered growth in 2022 persist. Inflation remains high and continues to erode household purchasing power. Policy tightening by central banks in response to inflation has raised the cost of borrowing, constraining economic activity. Immediate concerns about the health of the banking sector have subsided, but high interest rates are filtering through the financial system, and banks in advanced economies have significantly tightened lending standards, curtailing the supply of credit. The impact of higher interest rates extends to public finances, especially in poorer countries grappling with elevated debt costs, constraining room for priority investments. As a result, output losses compared with pre-pandemic forecasts remain large, especially for the world’s poorest nations. Despite these headwinds, global economic activity was resilient in the first quarter of 2023, with that resilience driven mainly by the services sector. The post-pandemic rotation of consumption back toward services is approaching completion in advanced economies (including in tourism-dependent economies of southern Europe), and it accelerated in a number of emerging market and developing economies in the first quarter (Figure 1). However, as mobility returns to pre-pandemic levels, the scope for further acceleration appears more limited.

Figure 1. Value Added in the Services Sector: Distance to Pre-Pandemic Trends (Percent)



Sources: Haver Analytics; and IMF staff calculations.
 Note: The lines denote means and the bands represent one standard deviation around the means. For 18 AEs, the sample comprises AUS, CAN, CHE, CZE, DEU, DNK, ESP, FRA, GBR, ISR, ITA, KOR, NOR, NZL, SGP, SWE, TWN, and USA. For 16 EMDEs, the sample comprises ARG, BRA, CHL, CHN, COL, HUN, IDN, IND, MEX, MYS, PER, PHL, RUS, THA, TUR, and ZAF. Economy list uses International Organization for Standardization (ISO) country codes. AEs = advanced economies; EMDEs = emerging market and developing economies.

At the same time, nonservices sectors, including manufacturing, have shown weakness, and high-frequency indicators for the second quarter point to a broader slowdown in activity. Amid softening consumption of goods, heightened uncertainties regarding the future geoeconomic landscape, weak productivity growth, and a more challenging financial environment, firms have scaled back investment in productive capacity. Gross fixed capital formation and industrial production have slowed sharply or contracted in major advanced economies, dragging international trade and manufacturing in emerging markets with them. International trade and indicators of demand and production in manufacturing all point to further weakness. Excess savings built up during the pandemic are declining in advanced economies, especially in the United States, implying a slimmer buffer to protect against shocks, including those to the cost of living and those from more restricted credit availability.

The fight against inflation continues. Inflation is easing in most countries but remains high, with divergences across economies and inflation measures. Following the buildup of gas inventories in Europe and weaker-than-expected demand in China, energy and food prices have dropped substantially from their 2022 peaks, although food prices remain elevated. Together with the normalization of supply chains, these developments have contributed to a rapid decline in headline inflation in most countries. Core inflation, however, has on average declined more gradually and remains well above most



central banks' targets. Its persistence reflects, depending on the particular economy considered, pass-through of past shocks to headline inflation into core inflation, corporate profits remaining high, and tight labor markets with strong wage growth, especially in the context of weak productivity growth that lifts unit labor costs. However, to date, wage-price spirals—wherein prices and wages accelerate together for a sustained period—do not appear to have taken hold in the average advanced economy, and longer-term inflation expectations remain anchored. In response to the persistence of core inflation, major central banks have communicated that they will need to tighten monetary policy further. The Federal Reserve paused rate hikes at its June meeting but signaled further ones ahead, and the Reserve Bank of Australia, Bank of Canada, Bank of England, and European Central Bank have continued to raise rates. At the same time, in some other economies, particularly in East Asia, where mobility curbs during the pandemic restricted demand for services longer than elsewhere, core inflation has remained low. In China, where inflation is well below target, the central bank recently cut policy interest rates. The Bank of Japan has kept interest rates near zero under the quantitative and qualitative monetary easing with yield curve control policy.

Acute stress in the banking sector has receded, but credit availability is tight. Thanks to the authorities' swift reaction, the March 2023 banking scare remained contained and limited to problematic regional banks in the United States and Credit Suisse in Switzerland. Accordingly, since the April 2023 WEO, global financial conditions have eased (Box 1), a sign that financial markets may have become less concerned about risks to financial stability coming from the banking sector. But tight monetary policy continues to put some banks under pressure, both directly (through higher costs of funding) and indirectly (by increasing credit risk). Bank lending surveys in the United States and Europe suggest that banks restricted access to credit considerably in the first quarter of 2023, and they are expected to continue to do so in coming months. Corporate loans have been declining lately, as has commercial real estate lending.

Following a reopening boost, China's recovery is losing steam. Manufacturing activity and consumption of services in China rebounded at the beginning of the year when Chinese authorities abandoned their strict lockdown policies; net exports contributed strongly to sequential growth in February and March as supply chains normalized and firms swiftly put backlogs of orders into production. Nonetheless, continued weakness in the real estate sector is weighing on investment, foreign demand remains weak, and rising and elevated youth unemployment (at 20.8 percent in May 2023) indicates labor market weakness. High-frequency data through June confirm a softening in momentum into the second quarter of 2023.

Source: <https://www.imf.org/-/media/Files/Publications/WEO/2023/Update/July/English/text.ashx>

INDIAN ECONOMY

Weak global demand and the effect of monetary policy tightening to manage inflationary pressures will constrain the economy in FY 2023-24, limiting real GDP growth to 6%. Moderating inflation and monetary policy easing in the second half of 2024 will help discretionary household spending regain momentum. This, along with improved global conditions, will help economic activity to accelerate, with growth of 7% in real GDP in FY 2024-25.

Despite an impressive growth and development record, daunting challenges remain. Creating good jobs is the most promising pathway to reduce poverty, which is particularly high in the female population. Increasing investment in education and vocational training, and updating labour laws, would help to achieve this objective. India is particularly vulnerable to extreme heatwaves and must make progress in mobilising resources for investment in the green economy.

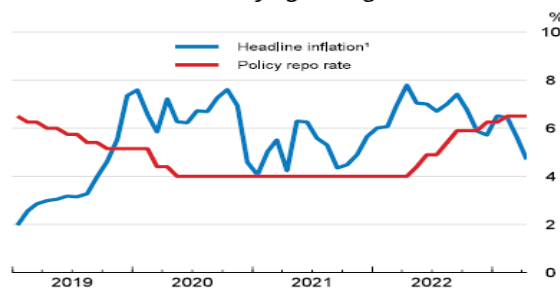
Moderating demand and high inflation have slowed economic activity FY 2022-23 ended on a positive note, due to higher-than-expected agriculture output and strong government spending. However, high inflation, in particular for energy and food, and the ensuing monetary tightening to anchor expectations are weighing on purchasing power and household consumption, particularly in urban areas. Tighter financial market conditions are reflected in weakening credit-supported demand for capital goods, a good proxy for business investment. The merchandise trade deficit was 40% larger in FY 2022-23 than in FY 2021-22, with trade in petroleum accounting for over two-fifths of the deterioration. Although services export growth remains brisk and the sectoral surplus rose by 35%, it is insufficient to offset the imbalance in goods' trade. Low labour productivity is affecting the competitiveness of "Made in India" goods and participation in global value chains. The current account deficit narrowed in the October-December quarter to 2.2% of GDP, from 2.7% in the same period in FY 2021-22. Headline inflation has fallen below 6% (the central bank's upper bound of the tolerance band) since March 2023, mostly due to lower food prices, as well as base effects. Employment and wage estimates suggest improving labour market conditions in rural areas, while export-oriented service firms report increasing difficulties filling vacancies.

India 1

Real GDP growth is plateauing



Inflation remains a concern despite monetary tightening

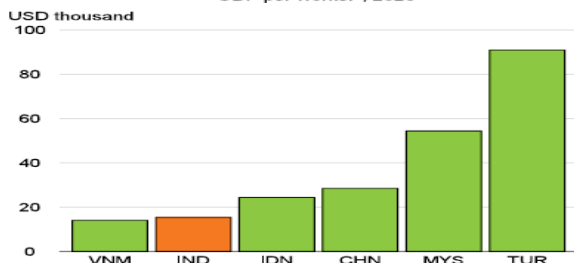


1. Headline inflation refers to the change in price of all goods in the basket. OECD seasonal adjustment based on monthly consumer price index (index 2012 = 100) from the Ministry of Statistics and Programme Implementation (MOSPI).

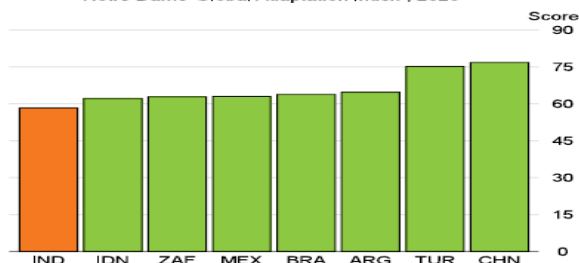
Source: OECD Economic Outlook 113 database; CEIC; and RBI.

India 2

Labour productivity is low
GDP per worker¹, 2020



India is vulnerable to climate change
Notre Dame-Global Adaptation Index², 2020



1. GDP per worker at constant prices using 2017 PPP.

2. The Notre Dame-Global Adaptation Index is a composite indicator which summarises two sub-indices: 1) a country's vulnerability to climate change and other global challenges and 2) a country's readiness to improve resilience. The index is recalculated based on the best performing country's score (Norway = 100).

Source: APO Productivity Databook 2022; and University of Notre Dame, Notre Dame Global Adaptation Initiative.

Domestic growth prospects are strongly influenced by global developments. India has seized the opportunity of discounted Urals oil, which has increased Russia's share in its energy imports. The sourcing of fertilisers from Russia has also increased considerably, more than doubling in volume in the case of urea. Overall, Indian imports from Russia rose from USD 9.9 billion (1.6% of total imports) in FY 2021-22 to USD 46.2 billion (6.5%) in FY 2022-23.

Macroeconomic policies remain restrictive

Monetary policy is focused on anchoring inflation expectations and bringing headline inflation consistently within the 2-6% tolerance band. A long cycle of policy rate increases came to a halt in April. Following one further small increase, rates are expected to remain unchanged until the end of the calendar year, when evidence will confirm whether core inflation, which is less sensitive to weather conditions and geopolitical tensions, has durably diminished. The projections assume mild interest rate declines from mid-2024.

During the projection period, the priority for fiscal policy is to control government debt, so as to keep it at sustainable levels, reduce interest payments, and thereby free resources for public investment in physical and human capital and initiatives to adapt to population aging. The Pradhan Mantri Garib Kalyan Anna Yojana scheme provided free foodgrains to eligible beneficiaries during the pandemic, but targeting was imprecise – as testified by the number of beneficiaries (820 million), well in excess of most estimates of the poor population (between 400 and 500 million) – and the cost excessive. Its suppression in 2023 reinforces the need to update the 2011 Census in order to guarantee coverage of eligible families. The next 25 years until the 2047 centenary of Independence will be crucial for India to fight poverty and the government strategy (so-called Amrit Kaal) will require a large increase in capital investment outlays.

The economy will not escape the global slowdown

After reaching 7.2% in FY 2022-23, real GDP growth is expected to slow to 6% in FY 2023-24, before rising to 7% in FY 2024-25. While indicators suggest that India's growth is stable for now, headwinds from the impact of rapid monetary policy tightening in the advanced economies, heightened global uncertainty and the lagged impact of domestic policy tightening



will progressively take effect. With slower growth, inflation expectations, housing prices and wages will progressively moderate, helping headline inflation converge towards 4.5%. This will allow interest rates to be lowered from mid-2024. The trade restrictions (including export bans on various rice varieties) imposed in 2022 to fight inflation are assumed to be withdrawn. The current account deficit will narrow, reflecting abating import price pressures.

Most risks to the projections are tilted to the downside. While banks' solvency ratios and financial results have improved and the authorities have enhanced loan-loss provisioning and established a 'bad bank', any deterioration of banks' asset quality could threaten macro-financial stability. In the run-up to the 2024 elections, fiscal consolidation may be delayed, and the conclusion of trade agreements may become more difficult. A potentially below-normal monsoon season could also impact growth. Declining geopolitical uncertainty, on the other hand, would boost confidence and benefit all sectors, as would a faster-than-expected conclusion of free-trade agreements with key partners and the incorporation therein of services.

Climate change and gender gaps require targeted policies

More than half of the Indian population lives in the Indo-Gangetic Plain and is exposed to the increasingly frequent and extreme heatwaves caused by climate change. It is estimated that almost 100 000 extra lives are lost every year due to hot weather and the flooding that can follow. The economic costs are also large, including labour losses, a meagre wheat harvest, greater livestock mortality and power outages. Reducing global greenhouse gas emissions, including in India, will help limit such losses in the long term. However, measures that can immediately reduce the impact of extreme weather events are also needed, such as improved infrastructure to prevent flooding. Sustainable development also requires further progress in gender equality across many dimensions, including access to health, education and capital. Impressive results have been attained, for instance in financial inclusion, but substantial gaps remain. Policy formulation and execution should fully incorporate gender considerations and specific indicators. Enhanced policy efforts to increase childcare assistance, vocational training and life-long education for working women would also be welcome. Better enforcement of the land rights of women would strengthen their economic position and, by making it possible to use this asset as collateral, may also facilitate investments in climate mitigation and adaptation.

Source: <https://issuu.com/oecd.publishing/docs/india-oecd-economic-outlook-june-2023?fr=sNDBIZDUwNTY2MTA>

Road Ahead

In the second quarter of FY 2022-23, the growth momentum of the first quarter was sustained, and high-frequency indicators (HFIs) performed well in July and August of 2022. India's comparatively strong position in the external sector reflects the country's generally positive outlook for economic growth and rising employment rates. India ranked fifth in foreign direct investment inflows among the developed and developing nations listed for the first quarter of 2022.

India's economic story during the first half of the current financial year highlighted the unwavering support the government gave to its capital expenditure, which, in FY 2022–23 (until August 2022), stood 46.8% higher than the same period last year. The ratio of revenue expenditure to capital outlay decreased from 6.4 in the previous year to 4.5 in the current year, signaling a clear change in favour of higher-quality spending. Stronger revenue generation as a result of improved tax compliance, increased profitability of the company, and increasing economic activity also contributed to rising capital spending levels.

Despite the continued global slowdown, India's exports climbed at the second highest rate this quarter. With a reduction in port congestion, supply networks are being restored. The CPI-C and WPI inflation reduction from April 2022 already reflects the impact. In August 2022, CPI-C inflation was 7.0%, down from 7.8% in April 2022. Similarly, WPI inflation has decreased from 15.4% in April 2022 to 12.4% in August 2022. With a proactive set of administrative actions by the government, flexible monetary policy, and a softening of global commodity prices and supply-chain bottlenecks, inflationary pressures in India look to be on the decline overall.

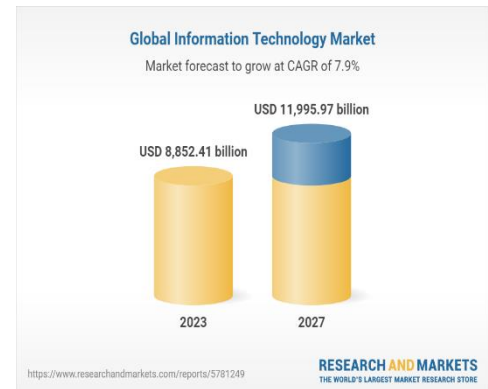
(Source: <https://www.ibef.org/economy/indian-economy-overview>)

Global IT Industry Outlook

The global Information Technology market size grew from USD 8179.48 billion in 2022 to USD 8853.41 billion in 2023 at a compound annual growth rate of 8.2%. The information technology service market is comparatively concentrated, with a number of big, global players. Around 30% of the total market share in 2019 is made top five competitors in the market. IBM is the largest competitor, followed by Accenture, HPE, Microsoft, and SAP.

In the scope considered, players are offering solutions such as ABB Ltd., Siemens AG, and Cognex Corporation, among others. The industry 4.0 product offerings of ABB Ltd. include robotics, PLC automation, control room solutions, and motors and generators, among others. Similarly, Siemens AG provides building technologies, industrial automation, and mobility, among others.

Increasing trends of digitization and internet penetration due to the increasing focus of various industries on efficiency and profitable productivity are driving the growth opportunities of the market. Recent advances in digital technologies and industrial computerization have begun to expand the possibilities for industrial value chain interruption. With the advent of the fourth industrial revolution (i4.0), companies are experiencing improved efficiencies, reduced cost benefits, increased production, personalized offerings, and most importantly, the development of new revenue and business models. As the Internet of Things (IoT) has grown in popularity in recent years, digital twins have attracted a lot of attention. A digital twin is a virtual model that follows the lifecycle of a physical entity or mechanism. This technology has allowed OEM manufacturers and automakers to remotely track and manage equipment and systems by providing near real-time insights between the physical and digital worlds. To spot bottlenecks, streamline processes, and innovate product growth, digital twin technology provides an unparalleled insight into assets and production.



Segmentation

- **BY Type:** IT Services, Computer Hardware, Telecom, Software Products
- **By Organization Size:** Large Enterprise, Small and Medium Enterprises
- **End User Industry:** Financial Services, Retail & Wholesale, Manufacturing, Healthcare, Other end user intermediary

Global CBS Industry Outlook

The global core banking software market size was valued at USD 12.51 billion in 2022. The market is projected to grow from USD 14.54 billion in 2023 to USD 47.37 billion by 2030, exhibiting a CAGR of 18.4% during the forecast period.

Core Banking Software (CBS) is a back-end solution that banking organizations deploy to maintain the flow of banking activities such as transactions, payments, and other financial records. It offers online centralized banking activities in real-time to users. Various banks are implementing CBS to assist their users in performing multiple bank-related activities such as debts, loan processes, money transactions, and access to their respective accounts. The increasing investments by key players in fintech technologies, CBS, and others are expected to drive the growth of the market. In addition, the rising need for the management of customer accounts from a single server is set to boost the core banking software market growth. The rising adoption of technologies such as the cloud, Big Data, and Artificial Intelligence (AI) is changing the landscape of the banking industry. The integration of such technologies with the banking process assists to advance their visualization capabilities, resolve customer queries, and make complicated data usable. The technologies help in increasing connectivity and providing advanced security methods in banks & financial institutions. According to SAS insights, 30% of the employees in the banking industry rely and trust AI driven outputs and utilize them for enhanced business analysis.



Driving Factor

Rising Adoption of Cloud-based Solutions among Enterprises to Aid Growth:

One of the significant market drivers is the rising adoption of SaaS-based or cloud-based banking platforms provided by software specialists such as Finastra, FIS global, and Temenos AG. Cloud-based platforms allow banking organizations to monitor payments, transactions, and other banking activities. Thus, the rising demand for productivity and improvement in enterprises will encourage the growth of the market. Key players are focusing on launching new products to gain a competitive edge in the market. For instance, in January 2023, Kenya based Fintech Company – Kwara acquired IRNET Coop to deploy a cloud-based core banking platform. It also gained their existing consumer base as IRNET was a subordinate partner of Kenya Union of Savings and Credit Cooperatives (KUSCC). These new products would provide comprehensive banking functionality to its consumers. It aims to accelerate the adoption of the cloud among enterprises.

According to Enterprise Cloud Index (ECI) 2022, cloud adoption in BFSI industries is expected to double in three years, boosting the market from 26% to 56%. Therefore, the rising adoption of cloud-based solutions and banking platforms by various banks is expected to drive the market growth in the forthcoming years. Also, the rising usage of Big Data, Payment as a Service (PaaS), cyber security, and remote banking solutions is expected to boost the market expansion during the forecast period.

Restraining Factors

Information Security and Privacy Concerns Associated with Banking System May Hinder Market Growth

With the soaring popularity of advanced core banking software, security concerns about unencrypted data, application vulnerabilities, mobile malware, and information loss are also increasing. Information security and privacy concerns can reduce the revenues in credit unions, corporate banks, and financial institutes. According to IBM X-force 2021 report, 22.4% of cyber-attacks were targeted toward financial and insurance organizations. Out of these attacks, 70% were directed toward banks, 16% were aimed at insurance organizations, and the remaining 14% were targeted at other financial organizations. Thus, with growing advancements, the concern for data safety is increasing.

Segmentation

- **By Deployment Analysis**

Based on deployment, the market is bifurcated into SaaS/hosted and licensed. Among these, the SaaS/hosted segment is estimated to hold the largest market share with highest CAGR in the estimated study timeframe. The

growth is attributable to enterprises' rising demand for cloud-based banking systems. Such solutions would assist end-users in improving banking activities, including calculating interests, servicing loans, processing withdrawals, and deposits. According to the Future of Cloud in Banking report, 60% of banks in North America are increasing their cloud investments in the upcoming years. Similarly, 82% in EMEA and 83% in APAC regions for cloud investments direct the market toward a healthy growth in cloud adoption.

- **By Banking Type Analysis**

Based on banking type, the market is classified into small banks, midsize banks, large banks, community banks, and credit unions. During the forecast period, it is expected that large banks will hold the largest core banking software market share. The growth is expected to be driven by the rising adoption of interconnected devices and increasing use of the internet to analyse and oversee banking operations.

- **By End-user Analysis**

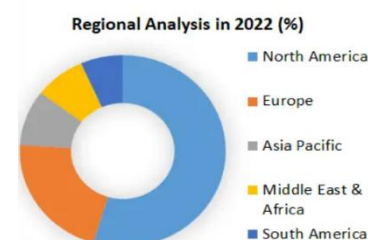
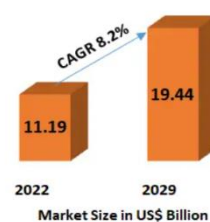
By end-user, the market is divided into retail banking, treasury, corporate banking, and wealth management. The corporate banking segment is likely to hold the dominant share during the predicted period owing to increasing adoption of online and mobile banking software among users to track and monitor banking activities in real-time. Wealth management segment is projected to exhibit the highest growth rate and is expected to gain traction in the coming years. Major factors for the growth of this sector are rising digitalization & process automation and increasing demand for investment modules. Besides, the rising implementation of such banking solutions across retail banking and treasury is expected to propel the market growth.

Top impacting factors

1. **Surge in adoption of core banking technology:** The banking industry has become a fastest adopter of technologies such as cloud computing, application programming interfaces (APIs), data analytics, artificial intelligence, robotic process automation (RPA), chatbots, machine learning, and blockchain, among others. In addition, with an implementation of core banking solutions, banks are able to perform effective customer analysis while simultaneously enabling customers to carry out their usual banking transactions effectively. Therefore, to modernize banking functionality, several banks are implementing core banking solutions to provide more integrated & value-added services. Hence, adoption & implementation of core banking solutions among banks drive the core banking solutions market growth.
2. **Huge maintenance cost & shortage of skilled workforce:** Increase in non-availability of low skilled labor, which are needed to perform highly advance tasks in the banking sector has become one of the major factors limiting the market growth. In addition, to maintain unprecedented levels of speed, accuracy, and cost efficiency banking operations with an implementation of core banking solutions is lacking in the banking industry. Moreover, high initial investments & maintenance cost of the software are expected to hamper the core banking solutions market growth.
3. **Growth in mergers & acquisitions among banks & financial institutions across regions:** With growth in core banking mergers & acquisitions, key players are seeking to accelerate their existing product development processes in the market. In addition, banks & financial institutions are adopting new approaches for on-going business operations rather than rebuilding from scratch. Therefore, to meet customer expectations & enhance automated banking services on a single platform, banks & financial institutions require modernization of core banking systems. As a result, while executing mergers & acquisitions to operate faster, smarter, and provide real-time digital customer experience, banks & financial institutions are expected to adopt & implement core banking solutions. These factors, therefore, anticipated to create an immense opportunity to the core banking solutions market in upcoming years.

Core Banking Software Market Regional Insights:

The global market is studied across five regions, North America, Asia Pacific, Europe, the Middle East & Africa, and South America.





The North America region dominated the market with 29 % share in 2022. The huge scope adoption of advanced core banking software by top banks in the region will fuel the development of the regional market. Moreover, small and medium enterprises in the locale are executing these solutions for the successful progression of financial activities. The rapid increasing sizes of organisations and the developing areas of use of these solutions will additionally help the development of the provincial market through the forecast period. The region has seen increasing interest for advanced cloud-based core banking software systems recently.

The Asia-Pacific region is expected to witness significant growth at a CAGR of 4.7% through the forecast period. Asia Pacific is will arise as the quickest developing provincial market over the forecast period. Market development in Asia Pacific is probably going to be fundamentally determined by the rising adoption of mobile and online business applications in the financial area. Moreover, various banks in the region are focusing on taking on core banking system as these systems assist them with managing high volume of data and banking activities without interference. Besides, the developing economies of Asia Pacific nations, like China and India would drive the adoption of core banking system in the region. A rising focus on R&D exercises and developments in innovation across these nations will additionally fuel the development of the market.

Competitive Landscape

The following are key players in the global CBS market:

- Temenos headquarters SA
- Fiserv Inc.
- EdgeVerve systems limited
- Capital Banking Solutions
- Ncr Corporation
- Finastra International Limited
- Fis
- SAP SE
- Oracle Corporation
- Mambu Gmbh
- Temenos AG

Source: (<https://www.fortunebusinessinsights.com/core-banking-software-market-104392>)

Source: (<https://www.alliedmarketresearch.com/core-banking-solutions-market-A08726>)

Indian IT Market

The IT sector has become one of the most significant growth catalysts for the Indian economy, contributing significantly to the country's GDP and public welfare. The IT industry accounted for 7.4% of India's GDP in FY22, and it is expected to contribute 10% to India's GDP by 2025.

As innovative digital applications permeate sector after sector, India is now prepared for the next phase of growth in its IT revolution. India is viewed by the rest of the world as having one of the largest Internet user bases and the cheapest Internet rates, with 76 crore citizens now having access to the internet.



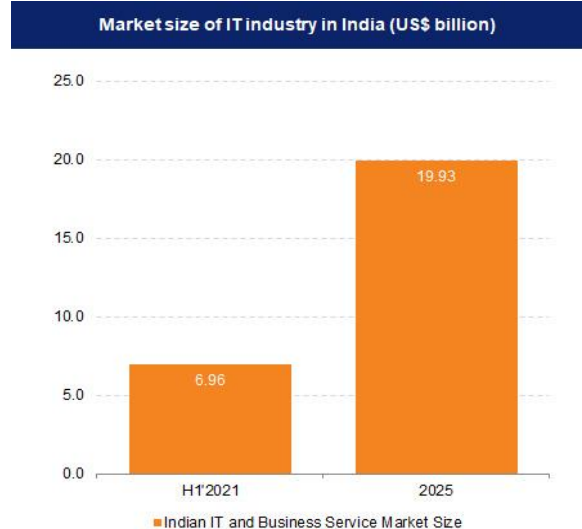
The current emphasis is on the production of significant economic value and citizen empowerment, thanks to a solid foundation of digital infrastructure and enhanced digital access provided by the Digital India Programme. India is one of the countries with the quickest pace of digital adoption. This was accomplished through a mix of government action, commercial innovation and investment, and new digital applications that are already improving and permeating a variety of activities and different forms of work, thus having a positive impact on the daily lives of citizens. India's rankings improved six places to the 40th position in the 2022 edition of the Global Innovation Index (GII).

Market Overview:

According to National Association of Software and Service Companies (Nasscom), the Indian IT industry's revenue touched US\$ 227 billion in FY22, a 15.5% YoY growth.

According to Gartner estimates, IT spending in India is expected to increase to US\$ 101.8 billion in 2022 from an estimated US\$ 81.89 billion in 2021.

Indian software product industry is expected to reach US\$ 100 billion by 2025. Indian companies are focusing on investing internationally to expand their global footprint and enhance their global delivery centres.





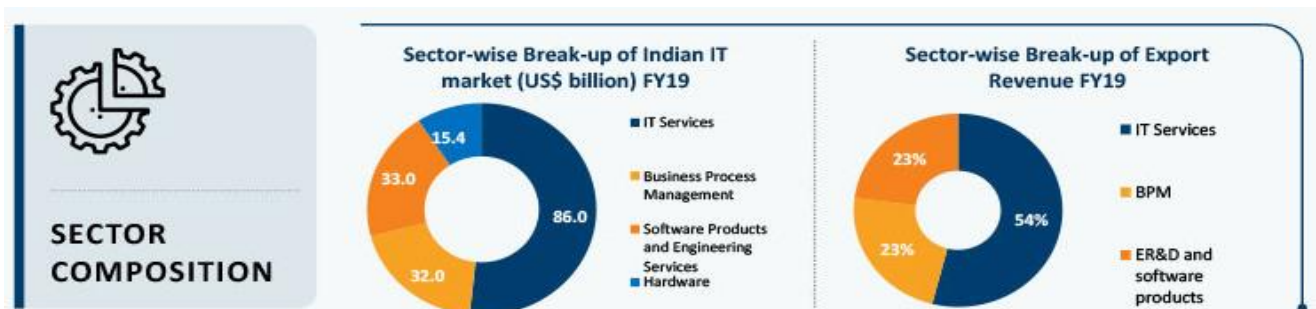
The data annotation market in India stood at US\$ 250 million in FY20, of which the US market contributed 60% to the overall value. The market is expected to reach US\$ 7 billion by 2030 due to accelerated domestic demand for AI.

Exports from the Indian IT industry stood at US\$ 149 billion in FY21. Export of IT services has been the major contributor, accounting for more than 51% of total IT export (including hardware). BPM and engineering and R&D (ER&D) and software products export accounted for 20.78% each to total IT exports during FY21. The ER&D market is expected to grow to US\$ 42 billion by 2022.

The IT industry added 4.45 lakh new employees in FY22, bringing the total employment in the sector to 50 lakh employees.

Sector Composition of Indian IT Market:

1. **IT Services:** ITS involves a range of engagement types that include consulting, systems integration, IT outsourcing/managed services/hosting services, training and support/ maintenance.
2. **Business Process Management:** Owns and manages the selected processes based on defined and measurable performance metrics. The evolution of this subsector marks the shift in the delivery of business processes from high-cost destinations to low-cost ones. This shift is enabled by advancements in information and communication technologies.
3. **Software Products:** SPD are programmes or code sets of any type, commercially available through sale, lease, rental or as a service. Packaged software revenues typically include fees for initial and continued right-to-use packaged software licenses.
4. **Engineering research & Development:** Associated with the creation of a product or service, as well as those associated with maximising the life span and optimising the yield associated with a product or asset. This not only includes design elements of the product or service itself, but also encompasses the infrastructure, equipment and processes engaged in manufacturing/ delivering them.



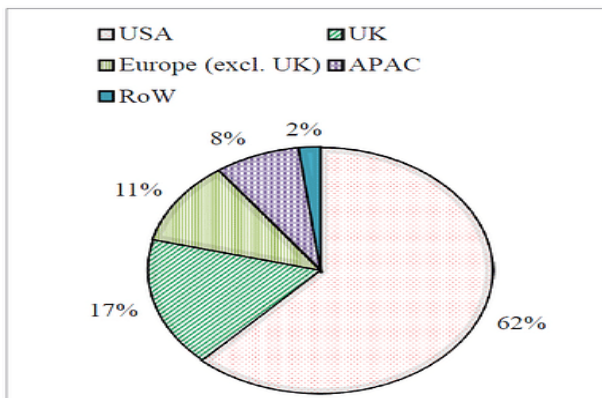
Exports in Indian IT Sector:

According to NASSCOM's report, India's IT industry has been exceptionally resilient during the pandemic, driven by increased technology spending, accelerated technology adoption, and digital transformation. This is evident in the swift and wide-scale remote working adoption of one of the world's largest IT workforces. Capitalising on the learnings from the first wave, the industry's response to the second wave has moved beyond addressing the immediate challenges to significantly enhancing capabilities to become a future-ready organisation. An obsession with customer-centricity, domain-specific solutions, a digital-first talent pool, and a laser-sharp focus on creating future-ready solutions have been the key pillars that enabled technology firms to respond proactively to emerging customer demand throughout the pandemic.

IT revenues registered YoY growth of 15.5 per cent during FY22 compared to 2.1 per cent growth in FY21, with all sub-sectors showing double-digit revenue growth. Within the IT sector, IT services constitute the majority share (greater than 51 per cent). Exports (including hardware) witnessed a growth of 17.2 per cent in FY22 compared to 1.9 per cent growth in FY21, owing to the increased reliance of businesses on technology, the roll-out of cost-reducing deals and the use of core operations. Growth in exports was seen across all the major markets, with the USA, Europe (excl. UK), and

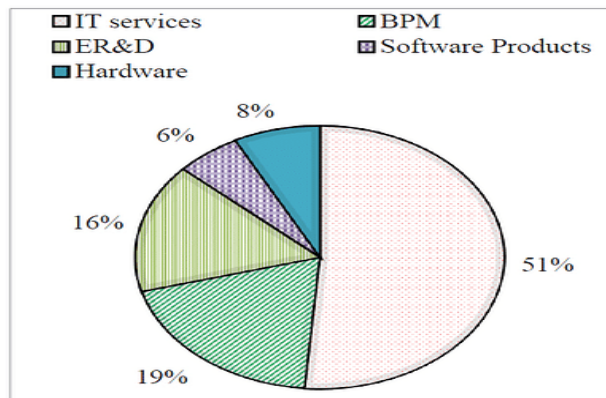
the UK continues to be the major markets. Many firms are now focusing on new markets, more prominently the Middle East and Latin America leading to market diversification, which will increase the IT-BPM sector's resilience in the coming years. The industry recorded nearly 10 per cent estimated growth in direct employee pool in FY22 with a highest-ever net addition to its employee base. The domestic technology industry is estimated to grow at 10 per cent

Figure X.12: Geographic distribution of IT-BPM exports (excluding hardware)



Source: NASSCOM

Figure X.13: Segment-wise break-up of Revenues in FY22



on account of enterprise digital acceleration and transformation.

Major Growth Drivers in the IT Market:

1. Increasing penetration of digital tech and “Made in India digital-first solutions for the world.”

In India, the proportion of digital revenue as a percentage of total revenue has increased from around 26-28 per cent in FY20 to 30-32 per cent in FY22. In recent years, India has emerged as a global powerhouse for Engineering R&D (ER&D) and innovation and is steadfastly committed to ushering future growth and innovation for global enterprises. Many Global Competency Centres (GCCs) have been incorporated in India in the last six years. GCCs in India are increasingly performing complex R&D functions and are leveraging futuristic technologies and developing digitally innovative products as well building either the largest or the second-largest ER&D hubs in India. Patent filing has increased drastically, with over 138,000 patents filed between 2015- 21, with over 85,000 filed in emerging technologies.

2. Margin defence through operational excellence

Margin defence has been the critical focus amidst supply challenges as growing demand for tech talent puts pressure on margins with a limited opportunity to pass on the cost increase. Key margin levers include increased capacity utilisation, a higher share of offshore revenue, a declining share of travel and facility costs, and operating leverage.

3. India is a digital talent nation

India has emerged as a digital talent nation with a high share of the working population and growing undergraduate enrolments. Employment across technology companies witnessed an increase, with an uptrend in the digital talent base. New talent hiring from tier-2 cities, with a focus on reskilling non-tech talent, has led India to evolve as a significant subcontractor base, with more women getting back into the workforce.

4. Leading in hybrid work models

Indian tech industry led the adoption of hybrid work models. The technology used for augmenting employee experience and integrating tech solutions in aspects such as employee onboarding, communication, collaboration, and employee well-being & enablement has been the major driver. The HR functions at organisations are undergoing a transformation journey; the organisations are moving forward with an objective to deliver cost savings while expanding services and improving experiences by using a combination of labour arbitrage, optimised workforce models, elimination of low-value vendor spends, increasing talent liquidity and reducing people space cost.



Government Initiative: Some of the major initiatives taken by the government to promote the IT and ITeS sector in



India are as follows:

- In the Union Budget 2023-24, the allocation for IT and telecom sector stood at Rs. 97,579.05 crore (US\$ 11.77 billion).
- In September 2022, the new Telecommunications Bill 2022 was published for public consultation by the Ministry of Communications as a move toward creating a new telecom framework in India.
- In August 2022, the Indian Computer Emergency Response Team (CERT-In), in collaboration with the Cyber Security Agency of Singapore (CSA), successfully planned and carried out the "Synergy" Cyber Security Exercise for 13 countries to build network resilience against ransomware attacks.
- In June 2022, STPI Director General Mr. Arvind Kumar stated that exports through STPI units have increased from Rs. 17 crore (US\$ 2.14 million) in FY92 to Rs. 5.69 lakh crore (US\$ 71.65 billion) in FY22.
- In May 2022, it was announced that Indians can now avail their Digilocker services through Whatsapp to get easy access to their official documents.
- In April 2022, the Indian Computer Emergency Response Team (CERT-In) issued Directions to strengthen the cybersecurity in the country.
- In the Union Budget 2022-23, the allocation for IT and telecom sector stood at Rs. 88,567.57 crore (US\$ 11.58 billion).
- The government introduced the STP Scheme, which is a 100% export-oriented scheme for the development and export of computer software, including export of professional services using communication links or physical media.
- In November 2021, the government launched the Internet Exchange in Uttarakhand to enhance the quality of internet services in the state.
- The Karnataka government has signed three MoUs worth US\$ 13.4 million (Rs. 100.52 crore) to help the state's emerging technology sector.
- In September 2021, the Indian government announced a plan to build a cyber-lab for the 'Online Capacity Building Programme on Crime Investigation, Cyber Law and Digital Forensics' to strengthen cyber security capabilities.
- In September 2021, the Ministry of Electronics and Information Technology (MeitY) organised a workshop under the theme of 'Connecting all Indians' to promote public and private stakeholders' interest in the country and expand internet access to remote areas.
- In September 2021, the Indian government launched the Meghalaya Enterprise Architecture Project (MeghEA) to boost service delivery and governance in the state by leveraging digital technologies, to make Meghalaya a high-income state by 2030.

- In September 2021, the Indian government launched Phase II of Visvesvaraya PhD Scheme to encourage research in 42 emerging technologies in information technology (IT), electronics system design & manufacturing (ESDM) and information technology enabled services (ITES).
- In September 2021, the Indian government inaugurated five National Institute of Electronics & Information Technology (NIELIT) Centres in three North-Eastern states to boost availability of training centres and employment opportunities.
- On July 2, 2021, the Ministry of Heavy Industries and Public Enterprises launched six technology innovation platforms to develop technologies for globally competitive manufacturing in India. The six technology platforms have been developed by IIT Madras, Central Manufacturing Technology Institute (CMTI), International Centre for Automotive Technology (iCAT), Automotive Research Association of India (ARAI), BHEL, and HMT, in association with IISc Bangalore.
- The Department of Telecom, Government of India and Ministry of Communications, Government of Japan, signed an MoU to enhance cooperation in areas of 5G technologies, telecom security and submarine optical fibre cable system.

ROAD AHEAD:

- India is the topmost offshoring destination for IT companies across the world. Having proven its capabilities in delivering both on-shore and off-shore services to global clients, emerging technologies now offer an entire new gamut of opportunities for top IT firms in India.
- The Indian IT & business services industry is expected to grow to US\$ 19.93 billion by 2025. Spending on information technology in India is expected to reach US\$ 144 billion in 2023. By 2026, widespread cloud utilisation can provide employment opportunities to 14 million people and add US\$ 380 billion to India's GDP.
- As per a survey by Amazon Web Services (2021), India is expected to have nine times more digitally skilled workers by 2025.
- IT spending in India is expected to increase to US\$ 110.3 billion in 2023 from an estimated US\$ 81.89 billion in 2021.
- In November 2021, Mr. Piyush Goyal, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, lauded the Indian IT sector for excelling its competitive strength with zero government interference. He further added that service exports from India has the potential to reach US\$ 1 trillion by 2030.

Source: <https://www.ibef.org/industry/information-technology-india>

Source: <https://www.indiabudget.gov.in/economicsurvey/> (Economic Survey 2022-23)



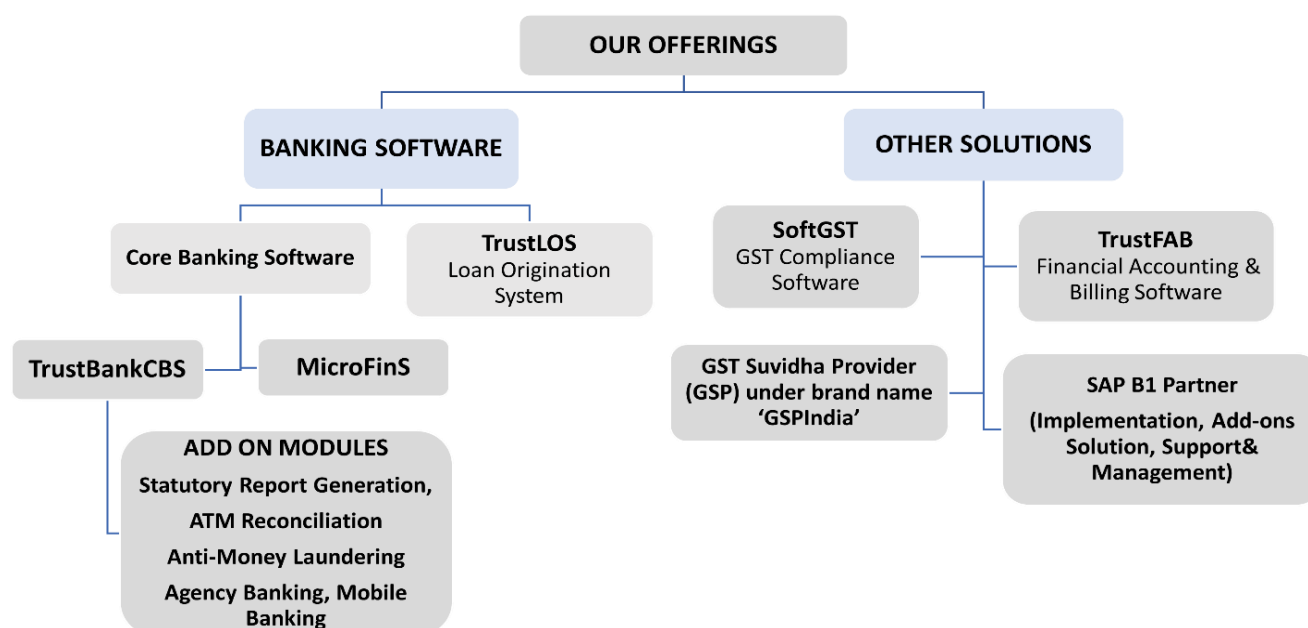
OUR BUSINESS

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, investors should read this Prospectus. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with investment in the Equity Shares, you should read “Risk Factors” on page 28 for a discussion of the risks and uncertainties related to those statements, as well as “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 225 and 259 respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Restated Financial Statements.

BUSINESS OVERVIEW:

Trust Fintech Limited is a Nagpur based SaaS Product focused company which has carved a niche in providing Core Banking Software, IT Solutions, ERP Implementation and Customized Software Solutions Development, SAP B1 and Offshore IT services for the BFSI sector. TFL was founded by Mr. Hemant Chafale, Mr. Heramb Ramkrishna, Mr. Mandar Kishor Deo with a focus on delivering secured core banking solutions & world-class technology solutions to a virtually integrated banking and financial eco-system. The company has evolved in the last 25 years and adapted to the technological and market shifts to reach the current business model and product version. Trust Fintech is consistently expanding its business footprints in India and Globally by adapting to ever-changing regulatory compliances for the global BFSI sector.

We have invested in developing more than 10+ (ten) banking related products for Commercial and Cooperative Banks and Financial Institutions, which comprise Core Banking Software, Loan Origination software, GST compliance software, Financial Accounting & Billing Software, GST Suvidha provider, SAP B1 Services (for Implementation, Support and Add-on Development), Various add-on modules for Statutory Report Generation, ATM Reconciliation, Anti-Money Laundering, Agency Banking, Mobile Banking leveraging end to end solutions to address the evolving needs of banking Solutions. Since we provide banking solutions, therefore all the product solutions are built by keeping in mind the RBI compliance requirements, which the banks have to follow and also the product is designed in configurable architect, which gives the flexibility to incorporate the changes which may be required to be complied by the banks, pursuant to the change in the policy and compliances as notified by the RBI. Also, our Core Banking Product (TrustBankCBS) is flexible enough to customize for the Central Bank requirements, by customizing this software, we have served this software in India Shrilanka, Nepal, California, Gambia, Tanzania, Ghana, Liberia, Nigeria, Zimbabwe, and few more countries.



Our company is majorly involved in the Implementation, and deployment of Core banking Software i.e TrustBankCBS or MicroFinS. TrustBankCBS mainly serves the needs of medium to large banks & financial institutions and MicroFinS serves the needs of Small & growing Co-operative Societies, SACCOS & similar banking institutions. Our flagship product, **TrustBankCBS**,

is a web-based software. It is available **“on-premises with infrastructure”** i.e. it offers the flexibility to the customer to deploy TrustBankCBS on their own premises with customized infrastructure. Alternatively, it is also available as off-the-shelf banking software solution in a **'Software as a Service'** (SaaS) model. This covers bundled solutions of software and hosting infrastructure on a rental basis for those preferring a hassle-free solution.

TrustBankCBS, with its diverse in-built modules, streamlines banking operations by offering end-to-end solutions. It facilitates seamless customer onboarding, KYC compliance, and robust loan management. The system enhances front-office and back-office efficiency, ensuring smooth retail and corporate banking services. It provides features like digital banking interfaces, statutory compliance reports, and anti-money laundering tools, contributing to operational transparency and regulatory adherence. With modules for treasury management, funds automation, and business intelligence, TrustBank CBS empowers banks to operate efficiently, meet compliance requirements, and deliver a superior customer experience.

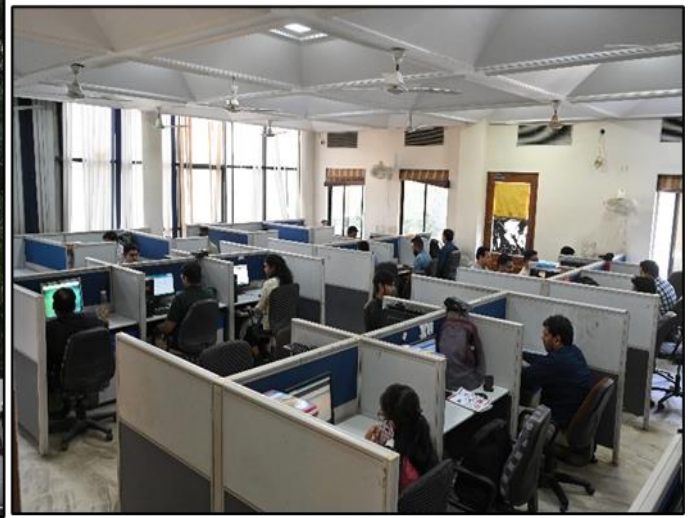
On the other hand, MicroFinS is a cloud-based Core Banking Solution for the Savings & Credit for Co-operative Society (SACCOS), Credit Unions, Microfinance Institutions. Developed on an open-source platform i.e. PHP, MYSQL Running on Ubuntu Linux OS. MicroFinS offers a suite of solutions, covering diverse accounts, deposits, centralizable configurations, business intelligence, loans, and statutory compliances. Its graphical Business Intelligence reports enable quicker decision-making, while features like configurable loan products and centralized parameters streamline operations, making it a valuable asset for SACCOS with a focus on affordability and efficiency.

Our company proudly holds several quality certifications including ISO 27001:2013, ISO 9001:2015, and CMMI Level 5 reaffirming our commitment to management of information security, comprehensive IT solutions, and advanced software services. Also, TrustBankCBS Software is **tested for “VAPT” by CERT-IN** certified auditors which demonstrates security and robustness of the software. With 25+ years of operational excellence and a dedicated team of 250+, we provide advanced software services to Public Sector Banks, Co-Operative Banks, District Co-Operative Banks, Regional Rural Banks, Large Credit Societies, NBFC, Large commercial Banks (Add-on Business), PACS, Credit Unions in USA and South American countries that meet international quality. Currently, we are serving customers in more than 15 States of India and in more than 10 countries including California, Nepal, Gambia, Ghana, Liberia, Nigeria, Sri Lanka, Tanzania, Zimbabwe, Siberia, Central Africa Republic.

Our organization currently operates through its offices located in Nagpur, Pune, and Mumbai spread across total area of 1064.42 sq. mtr. accommodating a workforce of over 250+ employees. The Nagpur property is currently over utilized and lacks the capacity to accommodate additional personnel.

Pictures of our Nagpur office is provided below: -





Key Highlights

- Established in 1998; Serving BFSI Vertical since inception.
- ISO 27001, ISO 9001:2015 Certified Company.
- Global Footprint in 10+ Countries.
- Strong Team of 250+ Dedicated Professionals.
- Empanelled by Government of India as a GSP - GST Service provider.
- Empanelled with Govt. of Maharashtra as IT Service Provider for state-wise computerization.
- Empanelled by NeGD as agency for Integration of Different Applications with e-Governance system (Under Digital India).
- Empanelled vendor of NAFCUB to provide CBS and all other related services to Urban Cooperative Banks.
- Microsoft Gold Partner as an "Independent Software Vendor (ISV)".
- CMMi Level 5 Certified Company.
- Global Partner Network for Sales & Support to Customers.

Product Wise Revenue Breakup:

Segment Wise Revenue Breakup of last 3 years and for the period ended as on September 30, 2023 are as under:

| Sr.No. | Segment | For the Period ended as on September 30, 2023 | | For the year ended as on March 31, 2023 | | For the year ended as on March 31, 2022 | | For the year ended as on March 31, 2021 | |
|--------|------------------|---|-------|---|-------|---|-------|---|------|
| | | Revenue | %age | Revenue | %age | Revenue | %age | Revenue | %age |
| 1. | TrustBankCBS AMC | 487.89 | 25.92 | 441.84 | 19.60 | 359.25 | 20.37 | 183.15 | 7.65 |

| | | | | | | | | | |
|-----|-----------------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|
| 2. | TrustBankCBS One time | 460.93 | 24.49 | 753.61 | 33.43 | 370.93 | 21.04 | 1,321.43 | 55.18 |
| 3. | TrustBankCBS Rental | 386.46 | 20.53 | 672.95 | 29.85 | 712.02 | 40.38 | 396.34 | 16.55 |
| 4. | Export TrustBankCBS | 429.30 | 22.81 | 211.57 | 9.38 | 134.13 | 7.61 | 172.61 | 7.21 |
| 5. | Addon AMC | 45.88 | 2.44 | 96.08 | 4.26 | 103.63 | 5.88 | 149.16 | 6.23 |
| 6. | SAB B1 | 31.83 | 1.69 | 9.36 | 0.42 | 11.98 | 0.68 | 37.60 | 1.57 |
| 7. | Soft GST | 31.02 | 1.65 | 65.60 | 2.91 | 66.31 | 3.76 | 44.66 | 1.86 |
| 8. | LOS one time | 6.80 | 0.36 | 0.00 | 0.00 | 1.14 | 0.06 | 1.50 | 0.06 |
| 9. | MicroFinS | 1.18 | 0.06 | 2.89 | 0.13 | 1.33 | 0.08 | 82.45 | 3.44 |
| 10. | Export MicroFinS | 0.85 | 0.04 | 0.45 | 0.02 | 2.53 | 0.14 | 5.77 | 0.24 |
| | Total | 1,882.14 | 100.00 | 2,254.34 | 100.00 | 1,763.25 | 100.00 | 2,394.66 | 100.00 |

Our Offerings Under BANKING SOFTWARE

We offer a bouquet of products under banking software i.e for Core Banking and Loan Origination. TrustBankCBS & MicroFinS are Core Banking Software available with both Capex or Opex Model offerings. On the other side, TrustLOS is loan origination software which is Mobile & Web based Online Interface to facilitate the acquisition of Loan Applications.

CORE BANKING SOFTWARE

Our Company is engaged in the business of Complete Banking Solution. We are focused on delivering smart and comprehensive next-gen business solutions, driven by technology that help enterprises in overcoming their business challenges. Our company have two Core banking Software's i.e TrustBankCBS or MicroFinS serving the needs of BFSI vertical, TrustBankCBS mainly serves the needs of medium to large banks & financial institutions and MicroFinS serves needs of Small & growing Co-operative Societies, SACCOS & similar banking institution, both are elaborated below:

Highlights of CBS

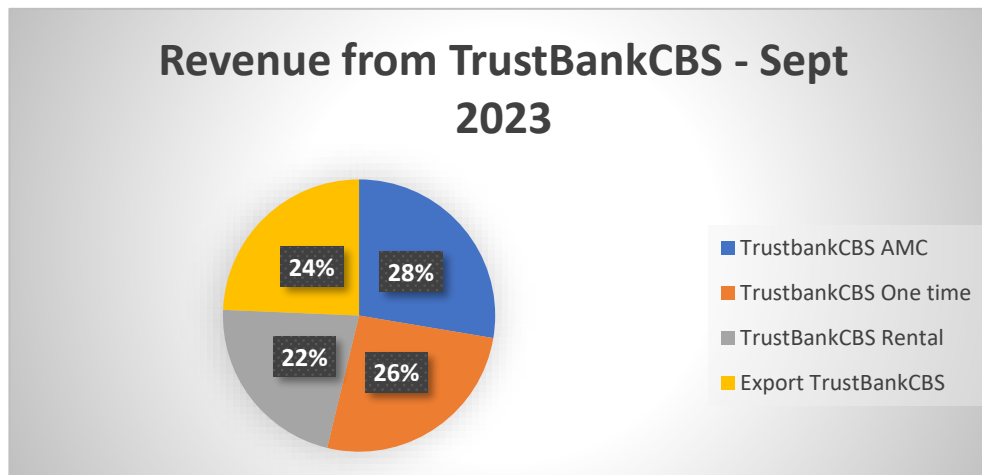
- ❖ **Complete Banking Solution at affordable cost** as TrustBankCBS is built on the Microsoft Platform database and MicroFinS is built on Open-source platforms i.e. php, MySQL rather than Popular no. 1 expensive RDBMS This leads to lower Total cost of Ownership for the Banks.
- ❖ Supports 365 days 24/7 Banking irrespective of day begin or day end.
- ❖ Value date for all digital transactions resulting in **Zero Revenue Leakage** on account of interest.
- ❖ 100% Digital Banking supporting all digital channels in TrustBankCBS.
- ❖ Generates all necessary statutory compliance, reporting in XBRL, ADF, STP.
- ❖ Data Analytics, AI, Decision support system.
- ❖ Loan origination with customizable work flow.
- ❖ TrustBankCBS is Open API Architecture making it possible to integrate with various third-party solutions mainly served to tier 2 CBS.

A. TrustBankCBS

TrustBankCBS Software is **tested for "VAPT" by CERT-IN** certified auditors which demonstrates security and robustness of the software. Our Company engaged in delivering Core Banking Solutions, leveraging end to end solutions to address the evolving needs of secured core banking solution for medium to large banks and financial institutions.



Our flagship product, **TrustBankCBS**, is a web-based software. It is available “**on-premises with infrastructure**” i.e. it offers the flexibility to the customer to deploy TrustBankCBS on their own premises with customized infrastructure, providing greater control and customization. Alternatively, TrustBankCBS is also available as off-the-shelf banking software solution in a '**Software as a Service**' (SaaS) model. This covers bundled solution of software and hosting infrastructure on rental basis for those preferring a hassle-free, rental-based, bundled package with both software and hosting infrastructure. The SaaS platform allows customer to bear minimal Capex cost and economical Opex cost and assures high uptime of core banking application.



TrustBankCBS Offers:

- ❖ Footprint in **10+ Countries**.
- ❖ Strong Global network of Sales & Services Partners.
- ❖ Agile approach: Flexibility of Localization & Customization.
- ❖ “License Purchase” as well as “SaaS” Model.
- ❖ 24 X 7 Banking Services with minimal Capex & Opex Cost; (*Supports 365 days 24/7, if required by the clients*).
- ❖ Value date for all digital transactions resulting in **Zero Revenue Leakage** on account of interest
- ❖ Multi-currency, multi-lingual Solution.

Details of its core/In Built modules, add-ons and interfaces are elaborated below:-

| IN BUILT MODULES | ADD-ON SOLUTIONS |
|--|--|
| <ul style="list-style-type: none"> ❖ C- KYC, V-KYC: For customer onboarding and KYC Compliance. ❖ Loan Origination ❖ Loan Management ❖ Deposit Management ❖ Retail & Corporate Banking - solution for front-office banking services & back-office operations ❖ Digital Banking & Interfaces ❖ Cheque Truncation System ❖ Overdue Management, NPA Management ❖ SMS Alerts ❖ Inspection & Audit Reports ❖ Statutory Compliance- RBI Periodic Statutory Reports (Weekly, Fortnightly, Monthly, Quarterly, Six-Monthly and Annual Statutory Reports) ❖ Online Banking Channels ❖ Investment/Treasury | <ul style="list-style-type: none"> ❖ “TrustADF” Statutory Report Generation: ❖ Fixed Asset Management ❖ Payroll & HR Management ❖ Procurement Management ❖ Loan Recovery Management ❖ Loan Origination System ❖ GST Software and Reporting ❖ Internet Banking (View Mode) ❖ IMPS Mobile App ❖ 4-Way Reconciliation ❖ Anti-Money Laundering ❖ Mobile Passbook Android App ❖ Agency Banking Android App ❖ Personalized Cheque Printing ❖ E-Signer Tool ❖ Bank Reconciliation |
| | INTERGRATIONS & INTERFACES |

- ❖ Trade Finance
- ❖ Financial Accounting
- ❖ Agency Banking
- ❖ Treasury Management Solution
- ❖ Funds Management & Investments Automation.
- ❖ Anti-Money Laundering
- ❖ Business Intelligence
- ❖ Enterprise Applications
- ❖ User Administration & Security
- ❖ Islamic Banking

- ❖ NACH Integration
- ❖ Mandate Management system, ECS
- ❖ PMJJY/PMSBY modules
- ❖ CIBIL Interface
- ❖ PIGMY Device Interface

Our Offerings under TrustBankCBS include these segments: Co-Operative Banks, Microfinance, Small Finance Banks, NBFC, Credit Unions, Offshore Banks, Nidhi Companies, Commercial Banks.

TRUST Urban Co Op Bank Ltd Nagpur
MAIN BR

Quick Access Go

Retail Banking → | Main [adminmb] | 15-Oct-2019 [01 Apr 2019 - 31 Mar 2020] | Version :7.0.0.16

Main Menu

- Central KYC Registry Management
 - + KYC Client
 - + KYC Bulk Upload
 - + KYC Bulk Download
- Mandate Management System
 - + Mandate Request
 - + Create Input File
 - + Acknowledgement Files
 - + Inward Files
 - + MMS Reports
 - + ACH Sponser Bank Transactions
- DBTL
 - Aadhar Mapper
 - Aadhar Mapper Export
 - Aadhar Mapper Success Responce
 - Aadhar Account Link
 - DBTL Account Verification File Upload
 - DBTL Account Verification
 - ACH CR File Upload
 - ACH CR Process
 - ACH CR Return
 - APBS CR File Upload
 - APBS CR Process
 - APBS CR Return
 - ACH Report
 - Aadhar Mapper Report
 - APBS Report
- NPA Follow UP
 - Consultants
 - Case
 - Case History
 - Case Closing

Log In

User Name:

Password:

LOG IN

[Change Password](#)

BIOMETRIC LOGIN

Powered By
Trust Systems & Software (I) Pvt Ltd

Untitled Page - Google Chrome

localhost/trustbank_gbn/RetailBanking/Alerts/Alertviewer.aspx?Mode=Popup

Some Alert Message Here

| Alert Code | Alert |
|------------|------------------------|
| ↗ CCOD | CC/OD Account Expiry |
| ↗ SSD | Stock Statement Due |
| ↗ ID | Insurance Due |
| ↗ NPAPRO | Probable NPA |
| ↗ UNCCAC | Uncredited CC Accounts |
| ↗ MTM | Minor Turns Major |
| ↗ LIENFD | Lien FD Matured |

TrustBankCBS Back Office



NPA RECOVERY

FIXED ASSETS

TRUST BACK OFFICE Back Office Management

Administration | GSTR Data | GST Returns | Fixed Asset | Procurement | E-Waybill | E-Invoice | Visitors GatePass | Inward/Outward | Vehicle Bill Management | Audit & Compliance | Recovery Management | DMS | 001-HEAD OFFICE | Mumbai | Maharashtra | GSTIN: 27AAAAAM3185D2ZR | Welcome - Teller | Logout | Home

Dashboard

Filter Pane: Branch: --Select Branch-- | Loan Case No. []

Dashboard - Status of NPA Customer

Total No. Of NPA Customer: 14 | Customer Verification: 24 | Action Taken By Bank: 18 | Recovery Process: 46

View: Sr No. | NPA Class | Count | Amount

| Sr No. | NPA Class | Count | Amount |
|--------|-------------|-------|------------|
| 1 | Doubtful A | 1 | 100000.00 |
| 2 | Doubtful | 5 | 2900000.00 |
| 3 | Doubtful B | 1 | 500000.00 |
| 4 | Substandard | 5 | 445000.00 |
| 5 | TEST | 2 | 1010000.00 |

TRUST BACK OFFICE Back Office Management

Administration | GSTR Data | GST Returns | Fixed Asset | Procurement | E-Waybill | E-Invoice | Visitors GatePass | Inward/Outward | Vehicle Bill Management | Audit & Compliance | Recovery Management | DMS | 001-HEAD OFFICE | Mumbai | Maharashtra | GSTIN: 27AAAAAM3185D2ZR | Welcome - Teller | Logout | Home

Dashboard

Filter Pane: Branch: --Select Branch-- | Financial Year: 2023-2024

Dashboard

Status of Planned Audits

| 1. | Total No of Audit | 3 |
|----|-------------------|---|
| 2. | Audit Completed | 0 |
| 3. | Audit in Progress | 1 |
| 4. | Audit not Started | 2 |

Result of Completed Audits Findings

| 1. | Unsatisfactory | 1 |
|----|------------------------------|---|
| 2. | Need Significant Improvement | 1 |
| 3. | Need Some Improvement | 0 |
| 4. | Satisfactory | 1 |

TRUST BACK OFFICE Back Office Management

Administration | GSTR Data | GST Returns | Fixed Asset | Procurement | E-Waybill | E-Invoice | Visitors GatePass | Inward/Outward | Vehicle Bill Management | Audit & Compliance | Recovery Management | DMS | 001-HEAD OFFICE | Mumbai | Maharashtra | GSTIN: 27AAAAAM3185D2ZR | Welcome - Teller | Logout | Home

Dashboard

Fixed Assets | Assets AMC | Assets Warranty | Assets Insurance

Fixed Assets - Overview

00 Number of Assets | 00.00 Value of Assets | 00.00 Depreciation | 00.00 Netbook Value

Fixed Assets - Dashboard Details

| Sr. No. | Branch | No. of Asset | Value of Asset | Netbook Value | Depreciation |
|---------|--------|--------------|----------------|---------------|--------------|
| 1 | | | | | |

TRUST BACK OFFICE Back Office Management

Administration | GSTR Data | GST Returns | Fixed Asset | Procurement | E-Waybill | E-Invoice | Visitors GatePass | Inward/Outward | Vehicle Bill Management | Audit & Compliance | Recovery Management | DMS | 001-HEAD OFFICE | Mumbai | Maharashtra | GSTIN: 27AAAAAM3185D2ZR | Welcome - Teller | Logout | Home

Procurement Dashboard

Purchase Requisition | Purchase Order | Goods Receipt Note | Purchase Invoice

Purchase Requisition - Criteria

Branch: Select branch | Department: | Requisition Type: Select Requisition

Chart - Overview

TRUST BACK OFFICE Back Office Management

Administration | GSTR Data | GST Returns | Fixed Asset | Procurement | E-Waybill | E-Invoice | Visitors GatePass | Inward/Outward | Vehicle Bill Management | Audit & Compliance | Recovery Management | DMS | 001-HEAD OFFICE | Mumbai | Maharashtra | GSTIN: 27AAAAAM3185D2ZR | Welcome - Teller | Logout | Home

MIS Reports

Select MIS Reports: Inward Register | Outward Register

Parameter Selection

From Date: 29/05/2023 | To Date: 29/05/2023 | User: --Select User-- | Department: --Select Department--

Action: Export To Excel | Export To PDF | View

Inward Register

| Sr. No. | Branch | Department | Inward No | Inward Date | Inward TL | Delivery Type |
|---------|--------|------------|-----------|-------------|-----------|---------------|
| 1 | | | | | | |

TRUST BACK OFFICE Back Office Management

Administration | GSTR Data | GST Returns | Fixed Asset | Procurement | E-Waybill | E-Invoice | Visitors GatePass | Inward/Outward | Vehicle Bill Management | Audit & Compliance | Recovery Management | DMS | 001-HEAD OFFICE | Mumbai | Maharashtra | GSTIN: 27AAAAAM3185D2ZR | Welcome - Teller | Logout | Home

Visitor GatePass

Visitor Gatepass Dashboard

Daily Visitors | Frequent Visitors | Purpose wise Visitors | Person wise Visitors

Daily Visitors - Criteria

Visit Date From: 29/05/2023 | Visit Date To: 29/05/2023 | Location: --Select Location--

Daily Visitors - Overview

Total Visitors | Visitor In | Visitor Out

Action: Export To Excel | Export To PDF | View | Clear All

Gate Pass Visit - MIS Report Details

Integrated BFSI Solutions- Add-On Module

Below Solutions are integrated by our company as a Add on module or as an addition solution with the core Banking System. Additionally, our company will also offer below software individually without CBS in the future if a customer prefers standalone solutions only. This allows customers to choose specific solutions tailored to their requirements.

1. "TrustADF", Statutory Report Generation

TrustADF is a complete solution for Statutory Report Generation required by BFSI organizations. TrustADF is a Comprehensive suite and has reporting capabilities that empowers Banking / Financial Institution to generate Statutory and analytical reports such as:

- **Reports**
 - RBI/OSS/ALM/AML reports
 - (Statutory Statements)/ RBI Audit (1-10)
- **KRA Dashboards**
- **Graphical Dashboards**
- **Analytika Tool**

TrustADF produce accurate, secure, and up-to-date statutory and analytical reports, addressing ongoing regulatory changes, optimizing business operations, and ensuring compliance with increasingly stringent regulations.

Key Functionality: of TrustADF

- **Data Warehouse Creation:** Establishes a central repository for diverse data sources, ensuring efficient, secure storage, and facilitating data sharing for improved business decision-making.
- **ETL Tool:** Facilitates the extraction and loading of data into the Data Warehouse from various operational databases, a crucial aspect of data warehouse management.
- **Trust MDM (Master Data Management) Tool:** Manages master data by correcting errors and filling missing data items, supporting master data management by eliminating duplicates and ensuring data standardization.
- **Transforming- Cleaning and Conforming:** Processing data to improve its quality, format it, merge from multiple sources, enforce conformed dimensions, Data cleansing.
- **Extracting:** Gathering raw data from source systems and storing it in ETL staging environment, Data profiling, identifying data that changed since last load.
- **Data Loading:** Loading data into data warehouse tables.
- **Statutory Submission & Analysis:** TrustADF ensure timely generation of reporting for statutory submission and analysis across the Bank for sound decision support.
- **Delivery of various reports:** Delivery of various reports utilities comprising reports offered by Stat-ReportHub.

2. "SoftRecon" ATM Reconciliation:

SoftRecon is a 4-way reconciliation software eliminates invitation to Frauds due to limitation of banks to detect the money syphoned thro' cyber and manual frauds, SoftRecon has been implemented by our company integration with CBS System.

- SoftRecon allows Banks to perform the reconciliation for many delivery channels, and vendor systems for daily transactions happening through different delivery channels like ATM (On-Us, Issuer, Acquirer), Mobile Banking, e-Wallets, POS, E-commerce.
- SoftRecon eliminates invitation to Frauds due to the limitation on banks ability to detect the money syphoned through cyber and manual frauds.
- SoftRecon helps to prevent losses to banks and disputes due to a lack of reconciliation of incomplete transactions, reversed transactions.
- The ATM e-reconciliation software help ensures that all ATM transactions (cash replenishment withdrawals, transfers and other transactions) are truly, properly and correctly represented and posted in branch books of accounts.
- The reconciliation system has also become necessary to reconcile ATM cash balances.

About SoftRecon

- File Import (NPCI/Switch/EJ Log Files).
- Reconciliation for Issuer/Acquirer/On-us.
- Dispute Transaction Settlement.
- Force Reconciliation.



- Daily Settlement.

Key Functionality: for SoftRecon

Reports: ATM Ledger, File Transaction, Batch Transaction, Comparison Summary, Reconciled Transaction, Unreconciled Transaction, Force Reconciliation, Entity Transaction Search, ATM Dispute Pass/Unpass, Entity wise Summary, ATM Settlement, Settlement File Data, Daily Settlement Pass/Unpass, Monthly Settlement, Pass/Unpass, ATM Transaction Ledger Report.

Settlement: Settlement Import, Settlement Import, Delete Settlement Import, Data Daily Settlement Transaction, Daily Settlement Transaction Passing, Delete Daily Settlement Unpass Transaction, Monthly Settlement Transaction Passing, Monthly Settlement Transaction Passing, Delete Monthly Settlement Unpass Transaction.

ATM Transaction Reconciliation Flow: Import Text File Data, Import CBS Data, Delete Import Data Before Process Reconcile, Data Force Reconciliation, Dispute ATM Transaction, Dispute ATM Transaction Passing, Delete Dispute ATM Transaction Un Passed Entries.

Configuration & Setup: Text File Configuration (NPC & Switch), Entity Transaction Search Configuration, Daily settlement file Configuration.

3. “TrustAML” Anti-Money Laundering:

TrustAML platform facilitates BFSI to orient its banking operations towards governance and internal control for compliance to domestic and international statutory AML requirements. It offers a single and unified solution in real-time integration with various modules of Core Banking Solution. Also, it adds monitoring, analytical and surveillance capabilities to BFSI for financial crime detection based on the AML Alerts generated from the watch-list, KYC and configured AML exception parameters.

| Key Features: | Functionality: - |
|---|--|
| <ul style="list-style-type: none"> • Customer Identification Process • Suspicious Transaction Monitoring • Case Management • Risk Categorization • Whitelisting Approval Workflow • Alerts, Notifications, Reporting • Regulatory Compliance Statements • Analytics for Suspicious Activity | <ul style="list-style-type: none"> • Automated Data Extraction • Centralized Parameterizations • Latest Data Analysis Tools • Minimization of Total Cost of AML • Better Risk Management • Employee Awareness Training • Process Assessment & Recommendations |

4. Agency Banking:

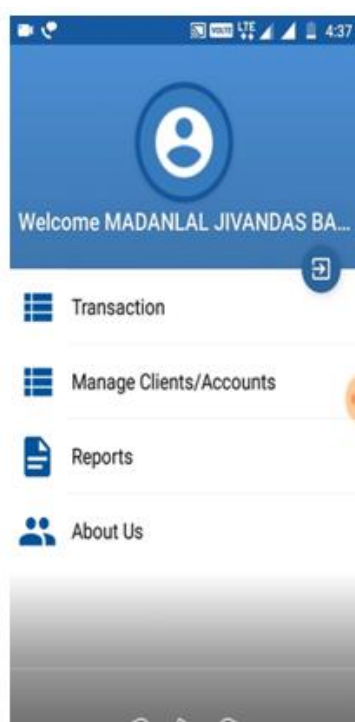
Trust Agency Banking offers a branchless banking solution for BFSI, enabling business growth and customer base expansion without the need for establishing branches or an expensive ATM network. The Android-based app facilitates personalized banking, doorstep services, and seamless customer acquisition through a network of agents. ‘Agency Banking’ is an android App that can be easily installed on an Agent’s Smartphone with OTP based authentication on an Agent’s registered mobile number and IMEI number of the smartphone. The OnField Agent Transactions are reflected real-time in CBS. The real-time SMS alert from deposit to Customer mobile for on-field transactions, brings in transparency and confidence to customers. BFSI can centrally set and control an Agent’s daily collection limit, and transaction amount limit.

Key Functionality: for Trust Agency Banking

- 24 X 7 field operations with Value Date-based transactions
- Android Mobile App for the latest OS and smartphones
- Seamless integration with TrustBankCBS modules
- Pre-configured scenarios based on industry best practices
- Real-time access to account ledgers and balances
- SMS-based transaction alerts and Bluetooth printer integration
- Easy-to-use GUI with a secure solution and reconciliation tools

5. "TrustMB" - Mobile Banking:

"TrustMB" is a comprehensive **Mobile Banking solution for Banks to offer Mobile Banking services to its customers**. TrustMB offers wide range of features and services to give Bank's customers. It offers wide range of features and services to give Bank's customers, complete control over their Banking Operations.



Agency Banking –
Mobile app



MBank - Mobile
App for
Customers

Key Features

- Mobile app support for Android & iOS platforms
- Open architecture with API integration to the Bank's Core Banking System (CBS)
- Compliance with ISO 8583 Messaging Protocol for seamless integration with Mobile Banking Switches
- Integration with Utility Payments Switches (e.g., BBPS) for integrated payment services
- White-labeling option for banks, allowing customization and brand representation
- Enhanced security with IS Audits and VAPT Audits before going live

Key Functionality

- **Transaction Details:** Within Bank Transfer, IMPS Transfer to Mobile Phone, IMPS Transfer to Account, NEFT Transfer to Account, Manage Beneficiaries.
- **Account Details:** Balance Enquiry, Mini Statement, Cheque book Request, Statement Request, Last 5 IMPS Transactions, Show MMID.
- **Set-up and Settings:** Verify Mobile Number, Activate User Profile, Activate MPIN, and Lock Screen
- **Other Functionality:** Alerts, Locate ATMs and Branches.

B. MicroFinS



MicroFinS is a cost-effective, cloud-based Core Banking Solution for Savings & Credit Co-operative Society (SACCOS), Credit Unions, Microfinance Institutions, Multistate Cooperatives. It is developed on an open-source platform i.e. PHP, MYSQL Running on Ubuntu Linux OS. So, it is a complete CBS with minimal total cost of ownership (TCO) compared to alternatives available for the SACCOS. MicroFinS offers a comprehensive suite of solutions, covering diverse accounts, deposits, centralis configurations, business intelligence, loans, and statutory compliances. Its graphical Business Intelligence reports enable quicker decision-making, while features like configurable loan products and centralized parameters streamline operations, making it a valuable asset for SACCOS with a focus on affordability and efficiency.

- **MicroFinS** is cloud-based application that can be hosted on different model i.e. IaaS (Infrastructure as a Service) & SaaS (Software as a Service) which reduces initial investment.
- **MicroFinS** is a Core Banking Solution which can facilitate Anywhere Banking across all branches of the SACCOS, branch-wise as well as consolidated reporting at the Head Office.
- **MicroFinS** is an Ideal Solutions for Small & Growing SACCOS using decentralized branch banking software.

MicroFinS Runs on Multiple Devices viz Desktop, Tablet, Smartphone. It is Browser Based Application & Responsive which can be Runs on Various Browser like Google Chrome, Mozilla Firefox, Internet Explorer Etc.



MicroFinS Features

- ❖ Complete **Banking Automation Solution**.
- ❖ **Consolidated Reporting**
(Branch-wise as well as consolidated reporting at the Head Office)
- ❖ **Anywhere Banking:** Facilitate Anywhere Banking across all branches.
- ❖ Multiple Infrastructre Choice Selection: Choice of Multiple Server OS, Desktop OS, Databases and Runs on Multiple Devices viz Desktop, Tablet, Smartphone.
- ❖ Multilingual Solution
- ❖ Online real-time software
- ❖ SMS banking available
- ❖ All necessary reports available
- ❖ **IAAS & SaaS Models:** Off the shelf application and can be hosted on i.e IaaS (Infrastructure as a Service) & SaaS (Software as a Service) models.
- ❖ Online Training & Support availability

Solution offered through MicroFinS

| | | | | | |
|-------------------|---------------------|------------------|----------------------|-----------------------|----------------------|
| Saving Account | Current Account | Fixed Deposit | Loan Loss Provisions | Cashier and Teller | Clearing |
| Recurring Deposit | Daily Deposit | Agent commission | Term Loan | Loan against Mortgage | Cash Credit |
| Profit & Loss | Balance Sheet | Report Templates | Safe / Lockers | Investment | Interest Calculation |
| Loan Repayment | Overdue | Day Book Report | Transaction Report | Graphical Report | User Administration |
| Demand Draft | Disaster Management | NPA | Fixed Assets | Balancing Report | Cheque Book Report |
| Cashier Report | Account Ledger | General Ledger | Loan / Deposit | Board Meetings | Inward / Outward |
| Legal cases | Deposit Slip | Alerts | Stationery | Overdraft | Shares Management |

LOAN ORIENTATION SOFTWARE – “TrustLOS”

TrustLOS is a Mobile & Web based Online Interface which is being used for credit processing automation by acquisition of Loan Applications. It consists of pre-configured work-flows for Credit Scoring, Documents Checklists and facilitates a uniform, and quick Appraisals process. TrustLOS is an online loan processing interface for BFSI in India.

TrustLOS Solution empowers BFSI with an Online Interface on their website to facilitate the acquisition of Loan Applications. acquisition of Loan Applications, Document Processing, Credit Rating, Loan Approval, Sanction letter.

- TrustLOS facilitates technosavvy users who prefers to submit Loan Applications and Documents online.
- TrustLOS allows BFSI to Launch its Loan Schemes online, Self-service Interfaces of EMI Calculators, Ready reckoners for Loan Eligibility, Documents Checklists thus facilitating 24 X 7 Loan Applications acquisition and Appraisals process.
- A pre-configured work-flows for Credit Scoring, Document Checklist, Approvals help with a 50% reduction in Turnaround time.
- LOS also provides mobile based access to Applicants and Bank Management for status-tracking.
- Third Party Integrations like PAN Verification, Credit Bureau, Core Banking.
- Amount based Approval Workflow of officers, managers and management.
- We provide loan processing services across various verticals like Housing loan, vehicle loan, personal loan, Business loan, Educational loan, Gold Loan, travel loan and many more configurable loan products.

Advantages

- ❖ Process audit ability - record complete process history & maintain log trails.
- ❖ Easy Record Tracking to Review Application & its status.
- ❖ Reduced TAT (Turn Around Time) which is essential for the acquisition of good and secured loan applicants AND excel against competition with other BFSI.
- ❖ 24 X 7 real-time system, Online Customer Acquisition, Increased business opportunities, reduction in operation cost.
- ❖ Cost Saving - Reduce Operational Cost by Efficient Management & Quick Action.
- ❖ Ability to calculate different financial ratios.
- ❖ Generate MPBF (Maximum Permissible Bank Finance).



| Third Party Integration in TrustLOS | Dashboard & Reports | Report |
|---|---|---|
| <ul style="list-style-type: none">➤ Online Pan Verification➤ All Credit Bureau Integration (eg, CIBIL, Himark, Equifax, Experian)➤ SMS / Email notification➤ CBS integration | <ul style="list-style-type: none">➤ User Wise Dashboard➤ Graphical view of all application at glance➤ Tracking any application status based on Client, Product, City, Branch, Applied amount etc. | <ul style="list-style-type: none">➤ Loan Application Form➤ Appraisal Note➤ Sanction Letter➤ Loan Agreement➤ Turn Around Time Report |

Photos of TrustLOS:

The Photos has been provided on next page intentionally

LOS (Log-in)

Active Loan Application Dash board

LOS - Loan App Dashboard

| Branch | Applicant Name | CASE No | Loan Type | Product Name | Applied Amount | Recommended Amount | Value Of Security | Tenure (months) | Employment Type | Current Stage |
|-------------|-----------------|---------------|------------------|-------------------|----------------|--------------------|-------------------|-----------------|-----------------|-----------------------|
| Main Branch | Rahul Chahar | LN/2021/16284 | Agriculture Loan | Aisan Credit Card | 95000.00 | | 0.00 | 12 | Salaried | Document Verification |
| AHMEDNAGAR | Ajit K Kumar | LN/2021/16262 | Housing Loan | Housing Loan | 500000.00 | | 0.00 | 33 | Salaried | Credit Scorir |
| HO OFFICE | Aniket K Shah | LN/2021/16261 | Housing Loan | Housing Loan | 200000.00 | | 0.00 | 55 | Salaried | Credit Scorir |
| Main Branch | Mangesh a badhe | LN/2021/13242 | Vehicle Loan | Two Wheeler Loan | 200000.00 | | 0.00 | 15 | Salaried | Document Verification |

LOS (Dashboard)



OTHER SOLUTIONS

TrustFAB - Financial Accounting & Billing

TrustFAB (Finance, Accounts & Billing) is enterprise Business Operations software. It is an integrated, business management solution designed specifically for small & mid-sized businesses. The solution offers functionality to optimize every aspect of the business operations, provides an accurate, real-time picture of the enterprise. By this departmental teams can easily access relevant, timely and complete business information across any functional area from a single source.

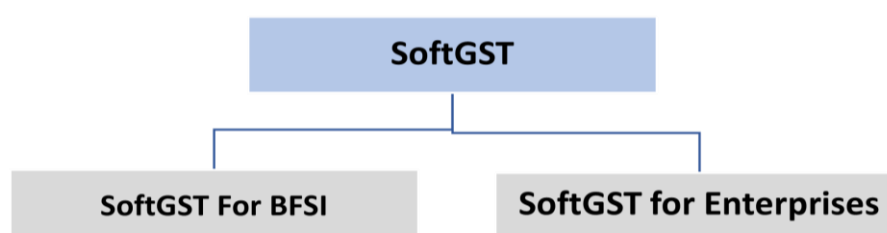
Key Features: for TrustFAB

- **TrustFAB is a Browser Based Application:** Centralized Application & Database Installation on Core Servers or Cloud, No client program installation requirement, Easy Configuration Management.
- **Reporting and Administration:** Create, manage and distribute reports for enhanced business clarity. Dashboards & Graphical Analysis for various Sales and Accounts.
- **TrustFAB Manages General Ledger:** Efficiently Manages journals, budgets, and accounts receivables and payable.
- **Manage the Sales Process:** Handles the entire sales process, from Order recording, Proforma Invoices, Tax Invoice / Billing, Managing milestones, Balance Invoicing for the Sales Order etc.
- **TrustFAB Maker:** Checker workflow ensures that no mistakes made are carried forward to posting into books of accounts. Posting into books of accounts only happens upon authorization by checker. A document cannot be deleted or modified by a user once authorized ensuring complete integrity of data.
- **Standard Business Functionality:** Manage Customers / Suppliers, Financial Accounting, Sales Order Management, Sales A/R, Purchase Order Management, Purchase A/P, Banking, Financial Statements, Reports.
- **TrustFAB Supports Multi-Office Scenario:** Supports Multi-Company Scenario, Centralized User Management.
- **Built-in Tax Engine with GST, Tax Deducted at Source (TDS or Withholding Tax):** Integrated Taxation Accounting with Invoice / Voucher Posting.

SoftGST - GST COMPLIANCE SOFTWARE

SoftGST, a complete GST Software for Organizations, Businesses for End-to-end GST Compliances, e-Invoicing and e-Way Bill. This Software is for online submission of GST Returns along with GSP Integration, and compliance to latest GST rules.

Trust Fintech have SoftGST for BFSI and for Enterprises as well as GST Compliance Solution Requirements for BFSI are unique in nature and it cannot be completely fulfilled by General GST Compliance Software used by Tax Practitioners and Tax Consultants.



A. SoftGST Solution for BFSI

SoftGST helps BFSI to comply with GST Rules applicable to BFSI to avoid GST Audit Non-compliances, penalties, Loss of ITC to Bank etc. As GST Rules & GST Compliance Requirements applicable on the BFSI sector are unique in nature and it cannot be completely fulfilled by General GST Compliance Software used by Tax Practitioners and Tax Consultants.

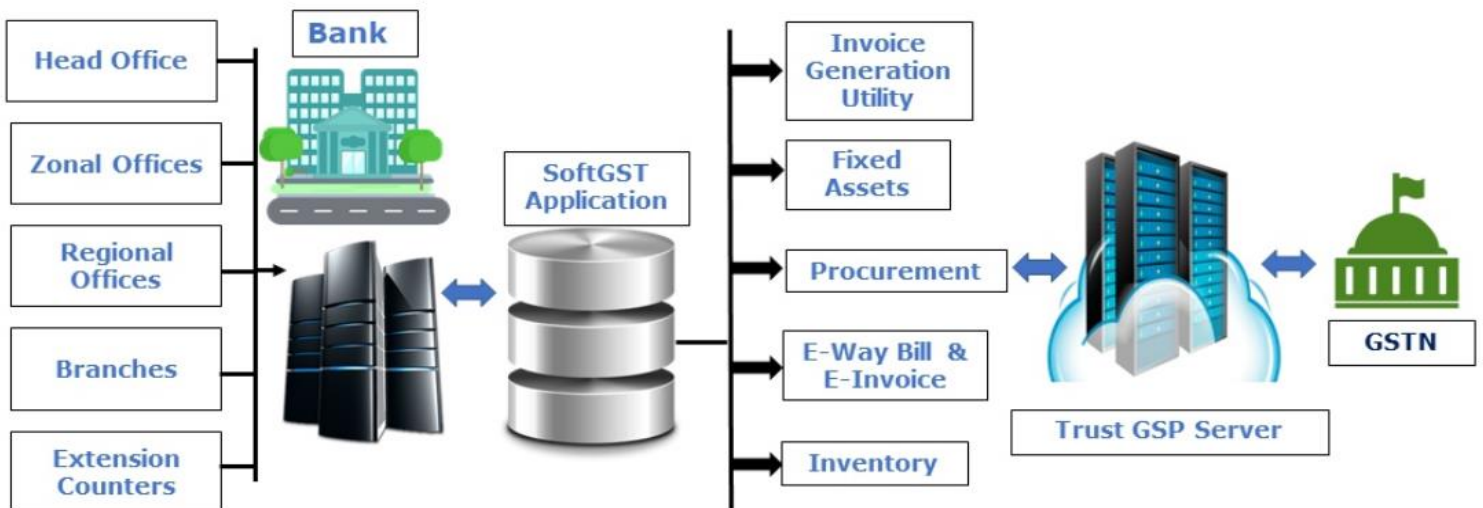
- GST Compliance is a Vast Scope, needs continuous updating, and cannot be part of CBS Systems used by Banks. So, Trust Fintech has formed separate software to meet with each and every rule applicable to BFSI to avoid penal actions. SoftGST can be seamlessly integrated with Bank's CBS System to push and pull the transactions data in income and expenditure.
- SoftGST facilitates the invoicing process for the income generated by BFSI's from the Service Charges for which BFSI's have to create B2B or B2C Invoices to document that income.

- BFSI have been allowed 50% ITC for the tax paid. SoftGST helps to reconcile their Purchase Registers from multiple branch locations with a single GSTR2A downloaded from GSTN.

Key Functionality of SoftGST Solution for BFSI

- SoftGST Support Open Architecture; APIs to integrate with Core Banking Software (CBS) at the Bank.
- TFL being GSP, seamless integration with GSPIndia.
- Bulk invoice generation utility against all income services & NPCI transactions for Banks B2B & B2C customers
- Bulk sales CR/DR note generation utility for Bank's B2B customers
- Bulk Digital signing & Mailing facility to generated invoices in single click
- Purchase transactions entry / import option
- Purchase transactions voucher posting in CBS through API integration
- Purchase reconciliation with downloading GSTR2A file from GSTN server
- All monthly / yearly applicable GST returns preparation and filing
- API Integration / interfacing with CBS
- Various MIS Reports & Dashboard
- Facility to Identify HSN codes associated with services where RCM is applicable. Computation of RCM on the Purchase Invoices of such services

SoftGST Application Process Flow



SoftGST Versions

| | |
|---------------------------------------|--|
| SoftGST – Standard Version | Desktop Invoice Generation utility + SoftGST–GST Computation Solution |
| SoftGST – Professional Version | Desktop Invoice Generation utility + SoftGST–GST Computation Solution + TDS Expense + Fixed Asset Module + Procurement Module without CBS integration + E-Way Bill & E-Invoice |
| SoftGST – Premium Version | Desktop Invoice Generation utility + SoftGST – GST Computation Solution + TDS Expense + Fixed Asset Module + Inventory + Procurement Module with CBS integration through API+E-Way Bill & E- Invoice |

SoftGST-Functional Modules

SoftGST Application comprises of 5 modules specifically designed for BFSI industry: -

GST Computation & Return Filing: SoftGSTR's Return Filing automates Invoice Generation, GSTR1 preparation, and filing. It manages purchase records, handles IT TDS deduction, and ensures reconciliation with GSTR2A records. The system generates GSTR3B, Annual GSTR9, and other GST returns preparation.

Fixed Assets Feature: streamlines asset management with features like Asset Class, Sub Class, and Parameters. It enables easy creation based on Goods Receipt or Purchase Invoices, supports bulk creation, and allows allocation to multiple branches or employees with unique Tag Numbers.



Procurement Feature: SoftGST's procurement module streamlines the entire process, from Purchase Requisition to Purchase Order with delivery schedules. It includes features like Goods Receipt Note, Good Return, and an approval process for procurement documents. The system also tracks the status of procurement documents and offers options for GST & IT TDS Deduction option and report, MIS Report.

E-way Bill & E-Invoice: streamlines the process with bulk generation of IRN, seamless integration with ERP/Accounting systems, and an option to print, cancel, or generate e-Way Bills automatically based on IRN. The interface includes an efficient data request mechanism and supports both single and bulk sale invoice data, ensuring a smooth and compliant e-Invoicing process.

Inventory: SoftGST Inventory feature includes Vendor Master, Items Master, and Goods/Service Master for comprehensive control. It manages Goods Issue, Goods Receipt, Document Series, Item Ledger, and Stock Statements, providing a robust solution for efficient inventory management in just three key components.

B. SoftGST Solution for Enterprises

SoftGST Solution for Enterprises is a complete end-to-end GST Compliance Solution, ideal for Corporates, SME's and Tax Practitioners. SoftGST encapsulates latest GSTN Rules, Guidelines, Compliance practices as declared / modified by GSTN time-to-time.

- SoftGST is GST Compliance Software with inbuilt functionality for recording Sale Invoice, Purchase Invoice, Debit Notes, Credit Notes, Purchase Reconciliation, GST Returns Generation, Submission etc.
- SoftGST Support 'Open Architecture' and facilitate API based integration with the ERP Systems, Accounting Systems to fetch the Sales & Purchase related Invoices and documents.
- SoftGST is a complete web based / browser based application and can be installed on the Cloud Infrastructure or can be installed on the in-premised LAN.

Key Functionality of SoftGST Solution for Enterprise

- Manage Multi-company, Multi-GSTN, Multi-Customer Operations Support.
- Integration Adapters for SoftGST integration with leading ERP Systems like SAP, Tally etc.
- TFL being GSP, seamless integration with GSPIndia GSP.
- ITC Computation, GSTR Payload Creation, Digital Signing, GST Returns Submission thro' GSPIndia Gateway.
- Easily configure tax rates for both Inter and Intra-state transactions.
- Seamlessly handle Sale Invoices, Purchase Invoices, Purchase Reconciliation, Debit Notes, and Credit Notes etc.
- Manages other functions: Capability to manage other functions / process of ARV, ISD, E-way Bills, Inter-branch transfers, Block ITC Items, ITC Reversals.
- Capability to set up tax rates for Inter, Intra state tax rates.
- All Monthly, Periodic and Annual GST Returns.
- Multi-user System: User Management, Privileges / User Rights Management and OTP Based Authentication.
- GST Returns Payload: Digital Signing of the GST Returns Payload and Online Access to Firm's Management, Tax Practitioners.

'GSPIndia' - GST Suvidha Provider API

GST Suvidha Provider (GSP) API refers to the Application Programming Interface provided by a GST Suvidha Provider. In the context of GST in India, a GSP is an entity authorized by the GSTN to acts as an intermediary between businesses and the GSTN, offering technology-driven solutions to simplify and streamline the GST compliance process for taxpayers.

Trust Fintech is Empanelled by Government of India as a GST Service provider (Source: - <https://www.gstn.org.in/empanelled-gsps>), operates as a authorized GST Suvidha Provider (GSP) under brand name 'GSPIndia' and today it is one of the GSP Services provider to Institutional Customers base covering industries like hotels, trading, hospitals, BFSI, etc. GSPIndia facilitates the integration of business applications, such as 'Accounts & Billing' and 'ERP,' to GSTN, acting as a gateway for Application Service Providers (ASPs). This includes ASPs used by professionals like Chartered Accountants, Tax Advocates, and GST Suvidha Kendra's, allowing them to fetch, process, and file GST returns for their end customers seamlessly through the GSPIndia platform.

Functionalities of GSPIndia

- GSPIndia collaborates closely with Application Providers (ASPs) to integrate their applications with GSPIndia. This integration ensures that registered GSTIN organizations can file their GST Returns directly to GSTN using the GSPIndia Gateway. Through the GSPIndia Gateway, users can download GSTR-2A from GSTN and view previously submitted GST Returns.
- The 'GST Tax Engine' comprises of 'Business Rules' for computation of GST Returns, Purchase Reconciliation, Input Tax Credit (ITC) determination etc.
- The output of the 'GST Tax Engine' is the 'GST Returns Payload' or Requests for Download of GSTR-2A, Requests to View Already Submitted Returns, Login Authentication Requests etc.
- The 'GST Tax Engine' is either inbuilt into the Business Application used by the Organization or within the 'ASP' application used by the Chartered Accountants, Tax Practitioners or GST Suvidha Kendras.
- The usage of GSPIndia Services is based on 'No. of API Calls' consumed by the respective GSTIN No.(s) of the Registered GSTIN Organization.

List of Available API's

- | | | |
|------------------------|--------------------------------|---------------------------|
| • Search GSTN | • Payment | • Encrypt with public key |
| • Authentication | • Ledger | • Decrypt with base64 key |
| • Registration | • Upload GSTR-1 Invoices | • Get file content |
| • FO | • Submit Return, Return Filing | |
| • Encrypt HMAC Request | • Generate Application Key | |

Below are the
GSPIndia API's: -

SAP BUSINESS ONE SERVICES

Trust Fintech is Sales and Services partner for SAP Business One since 2007, we provide SAP B1 Services to SAP B1 Customer and SAP B1 Partners globally.

What is SAP Business One (SAP B1) – It is an integrated, affordable business management solution/ Enterprise Resource planning (ERP) solution designed specifically for small and midsize enterprises. By which business owners (Clients) can have a single system that automates processes and offers an accurate, up-to-the-minute picture of their business.

With SAP Business One, Business owners can achieve a new level of control and increase the profitability of the business, as they can have the up-to-date picture off whole business, by this client can control what information to transfer to the employees, when and how. And they can easily customize the solution to meet their changing requirements by providing specification they want to trust fintech. Accordingly customized version of SAP B1 will be implemented at the premises of the client.

SAP B1 Implementation

Trust Fintech provide SAP B1 implementation services to business. Our experienced consultants implement the solution that will simplify the client's business complexities and ensuring reliable information delivery. Our consultants follow the "Accelerated SAP methodology," a proven and replicable approach for successful SAP solutions across various industries.

Implementation Services Offered:

- Business and IT strategy Consultation services with industry-specific consultants to solve business challenges.
- End to End Implementations.
- Re-implementations Services.
- Configuration of production and user acceptance testing databases.
- Latest and proven technologies for implementation to boost and increase success rates.
- Developing mobile applications integrated with third-party solutions.
- Tailoring SAP B1 applications to align with business requirements.
- Regular upgrades/ for new features and ongoing support/maintenance for live SAP B1 systems.

Implementation Methodology



SAP B1 Add-ons developed by TFL

We have Successfully Delivered the following Add-On Solutions: -

1. GST Suvidha Add-on

This add-on is tightly integrated with SAP Business One, making it easy to automate GST return filing. It is used for compilation & generation of GST data from SAP B1 Transactions and pushed to SOFTGST (Trust ASP & GSP) for the preparation of GSTR1, GSTR 3B data.

| Functional Overview: | Reports: |
|---|---|
| <ul style="list-style-type: none"> Export data to Soft GST portal Export data based on GSTN location, segments and date wise Dashboard of consolidated GSTR 1 and GSTR 2 data with gross amount, turnover amount, taxable income. Can view B2B and B2C data separately. | <ul style="list-style-type: none"> GSTR 1 report GSTR 2 report Dashboard |

2. E-invoicing Add-on

This add-on is tightly integrated with SAP Business One, making it easy to automate the generation of IRN.

| Functional Overview: | Reports: |
|--|---|
| <ul style="list-style-type: none"> Generates IRN for Sales invoices, Sales Credit memo, Debit memo Generates E-way bill Tracks E-invoice status Complies with GSTN e-invoice regulations | <ul style="list-style-type: none"> Invoice print with QR code Pending IRN generation report Generated IRN transaction report |

3. PDC Management Add-on

This add-on is used for the management of Post Dated Cheques. It is easy to use and can be integrated with your existing SAP Business One system.

| Functional Overview: | Reports: |
|---|--|
| <ul style="list-style-type: none"> Create post-dated checks Track post-dated checks Discount post-dated checks Calculate interest on deposited cheques. | <ul style="list-style-type: none"> Trail Balance report with PDC Customer & vendor wise PDC report PDC due date report. |

4. Payroll Add-on

Trust Payroll is a payroll processing, it offers very high flexibility in defining various allowances, deductions, leave rules etc. for company employees. This system stores a complete record of the employees, generates Pay-slips and Attendance Register, computes all allowances and deductions and generates all Statutory and MIS reports.

| Functional Overview: | Income Tax Modules: | Reports: |
|----------------------|---------------------|----------|
| | | |

| | | |
|---|---|--|
| <ul style="list-style-type: none"> Employee wise payroll setting Bonus configuration Periodical salary configuration Employee Loan / Advancemaster Formula builder Salary Accounts posting Leave configuration with earning heads Budgeted Vs. Actual comparison Salary heads mapping with accounts heads CTC setting Employee Salary structure Monthly Challan information | <ul style="list-style-type: none"> Income tax payment configuration Income tax slab Define section heads IT heads creation Employees rebates / saving entry Project Cash Flow Management Employees perks and other income entry Form 24Q generation | <ul style="list-style-type: none"> Monthly salary statement / Slip Summary salary statement Monthly attendance report Bank statement Monthly Statement / Challan (PF, PT, ESIC) Employee Gratuity report Leave Encashment statement Monthly overtime statement Loan / Advance ledger Full and Final Settlement Leave ledger Arrears Statement Provision of Statutory Reports (Form 2, 12A, 3A etc.) |
|---|---|--|

5. Procurement Add-on

For handling complete procurement cycle before generation of purchase order with the below features.

| | |
|--|---|
| Functional Overview: | Reports: |
| <ul style="list-style-type: none"> Auto Generation of Purchase Requisition Auto Generation of Purchase Enquiry Quotation Comparison Auto Generation of Purchase Order based on Quotation | <ul style="list-style-type: none"> Bill of Material based reports Procurement process status report Vendor information |

6. Maintenance Management Add-on

| | |
|--|---|
| Functional Overview: | Reports: |
| <ul style="list-style-type: none"> Defining Machine Master, Preventive Activity Master with Frequency Generation of Schedule for Preventive Maintenance Activities Job Card Generation for Breakdown Activity Job Card Approval Permit Application & Permit Issue Machine Isolation Master & Isolation Details | <ul style="list-style-type: none"> List of Open/Closed job cards Job Card Register Permit Issue Pending Preventive Maintenance Activities Machine wise costing Contactor wise work details against job card for billing purpose |

7. Fixed Asset Add-on

For handling complete process of life cycle of a fixed asset from its inception in a company's book of account to its retirement with the below features.

| | |
|---|--|
| Functional Overview: | Reports: |
| <ul style="list-style-type: none"> Asset definitions Depreciation calculation as per different act <ul style="list-style-type: none"> ✓ Income Tax Act ✓ Company Act Addition of Value to existing Asset Depreciation Calculation as per Fiscal Year & as per Working Days | <ul style="list-style-type: none"> Fixed Asset Register Lifecycle Management of fixed asset from Acquisition Movements to Retirement including Transfers. |

8. Plant Performance Monitoring Add-on

For handling complete process of recording of daily power generation, loss of generation & other parameter monitoring with the below features.



| Functional Overview: | Reports: |
|---|---|
| <ul style="list-style-type: none"> • Daily recording of hourly power Generated • Daily recording of Loss of Power Generation with Reasoning • Auxiliary Consumption • WTP Parameters • Recording of coal GCV as per batch • GCV Master • Daily Performance Entry • WTP Process Parameter(s) Entry | <ul style="list-style-type: none"> • Daily generation • Loss of generation • Auxiliary consumption • Daily plant performance reports • Daily Plant Report (WTP) • Performance Report (DPR and WTP) • Previous And Current Year Comparative Performance |

9. Sugar Plant Operation Add-on

This add-on provides a comprehensive solution for monitoring and managing Sugar production process.

| Functional Overview: | Reports: |
|---|--|
| <ul style="list-style-type: none"> • Location Master • Season Master • Shift master • Component Master • Component wise Level Master • Brix Specific Gravity Master • Quantitative Accounting Data • Other Miscellaneous Data | <ul style="list-style-type: none"> • Daily Process Stock Position • Related Transaction – Posting • Sugar DMR • Sugar DMR Cumulative • Weekly Sugar Operation |

10. Distillery Plant Operation Add-on

The Distillery Plant Management Add-on is designed to help distillery plant operators improve efficiency, productivity, and profitability.

| Functional Overview: | Reports: |
|--|---|
| <ul style="list-style-type: none"> • Daily recording of Generated item • Daily recording of Loss • Auxiliary Consumption • Track production data | <ul style="list-style-type: none"> • Daily generation • Loss of generation • Item consumption • Daily performance reports |

11. Production & Subcontracting Add-on

This add-on provides a comprehensive solution for managing production and subcontracting processes in SAP Business One.

| Functional Overview: | Reports: |
|---|--|
| <ul style="list-style-type: none"> • Planning and scheduling production • Dashboard of production status • Tracking production orders • Subcontracting production to vendors • In single screen we can manage all production related activity • Labour and resources billing management • To enter item costs for an item with standard cost valuation | <ul style="list-style-type: none"> • Bill of Material based report • Inventory report • Production status report • Generation of REG 32 report • Generating subcontracting reports • Material costing report |

12. Subcontracting – Vendor & Customer Add-on

The objective of this add-on is to provide a comprehensive solution for managing subcontracting processes in SAP Business One.

| Vendor Sub-contracting | Customer Sub-contracting | Reports |
|------------------------|--------------------------|---------|
| | | |

| | | |
|--|---|---|
| <ul style="list-style-type: none"> • Generate processingChallan. • Receipt of Unprocessed Material/Cancellation ofChallan • Receive processed material from subcontractors. • Ability to maintain multiple subcontracting BOMs for the same item • Mapping of items with subcontractors (BOM mapping) • Obtain scrap materials from subcontractors • Reports for checking stocks lying at sub-contractor • Report for Challan/ Item Wise Reconciliation • Payment to Sub-Contractor | <ul style="list-style-type: none"> • Receive goods from thecustomer. • Return all goods that have not been processed. • Conduct production/assembly operations • Return the processed goods to the customer. • Creation of a labour invoice with reference to the customer's challan number. • Reports for stock/challan reconciliation | <ul style="list-style-type: none"> • Bill of Material based report • Inventory report • Production status report • Generation of REG 32 report • Generating subcontractingreports • Generation of REG 32challan |
|--|---|---|

13. Quality Check Add-on

The SAP Business One Quality Add-on is a comprehensive solution that helps businesses improve their quality management processes.

| | |
|--|---|
| Functional Overview: | Reports: |
| <ul style="list-style-type: none"> • Parameter Master • Inward Inspection • Initial Stage Inspection • In-Process Inspection • Final Stage Inspection | <ul style="list-style-type: none"> • Inspection report • Quality failed report • Quality check activitytracking report |

14. Design Customization Add-on

To provide a comprehensive solution for customers to design and develop their own products.

| | |
|--|--|
| Functional Overview: | Reports: |
| <ul style="list-style-type: none"> • Offer letter generationbased on sales enquiry • Automatic BOM generationbased on machine drawing • Automatic bill of materialgeneration • Procurement process • Order management | <ul style="list-style-type: none"> • New item generation reportbased on Bill of Material • Drawing revision report • Procurement reports • Stock report • Material costing report |

15. CRM Add-on

In the CRM web portal, sales employees can add sales quotations and sales orders, which are integrated with SAP. Additionally, the portal provides features for downloading invoices and generating customer aging reports and sales analysis reports.

| | |
|--|---|
| Functional Overview: | Reports: |
| <ul style="list-style-type: none"> • sales quotation and sales order which integrated withSAP • Add sales quotations and sales orders through web portal | <ul style="list-style-type: none"> • Invoice downloading • Customer ageing report • sales analysis |



16. AMC Management Add-on

The AMC Management Add-on for SAP Business One provides a comprehensive solution for managing asset maintenance and repair. The add-on includes features for tracking assets, scheduling maintenance, generating work orders, and managing costs.

| Functional Overview: | Reports: |
|---|---|
| <ul style="list-style-type: none"> • AMC Contract generation • Revenue management • Service call management • Work order generation: The add-on allows you to generate work orders for maintenance tasks. | <ul style="list-style-type: none"> • AMC Contract • Yearly AMC distributionreport • Service call report • AMC due date report |

17. Bank Reconciliation Add-on

This is a customized bank reconciliation process with a provision of import of bank statement & entry of actual bank transaction date for necessary reconciliation.

18. LC (Letter of Credit) Management Add-on

For handling complete process of LC (Letter of Credit) Management for Inter Group companies for Centralized Imports Procurement with the below features.

| Functional Overview: | Reports: |
|---|--|
| <ul style="list-style-type: none"> • Provision to define the LCtype as Confirmed, Un confirmed • Provision to define BankDetails • To define various users as PFI Users, LC Applicant User, LC data Update Users • Entry provision for such as Details M Form, PFI details, Letter of Credit details etc. • Generation of Shipment Advice, costs of maintenance and repairactivities • costs of maintenance andrepair activities. | <ul style="list-style-type: none"> • Utilization of the Credit Facility Company wise / Bank Wise • Interest Charges for each LC processed and at company level • Report Indication M-Form / LC validity / tenure dates etc. |

19. Integration with Weigh-Bridge Add-on

This is a customized utility for recording the weight and hence quantity measured at weigh bridge at the receipt gate of the company and seamlessly integrated with GRPO document generation inthe system.

20. Gate Pass Generation Add-on

This is a customized utility for generation of necessary gate pass at the receipt gate.

| Functional Overview: | Reports: |
|---|--|
| <ul style="list-style-type: none"> • Creating gate passes • Tracking gate passes • Inward Gate Pass • Outward Gate Pass • Inter Branch Requisition | <ul style="list-style-type: none"> • Generating reports on gatepasses |

21. SMS Integration Add-on

Trust SMS is a customized utility which enables users & business partners to get alerts on his mobile generated & sent from the system with the below features.

| Functional Overview: | Reports: |
|--|---|
| <ul style="list-style-type: none"> • Enable the users to receive alert messages even when he has no access to the system. • SMS alert can be send to more than one user at a time • Alerts can be predefined for different department users & management. • Auto SMS to Vendor's / Customer's contact person after adding any outgoing /incoming payment • Auto SMS for Due Date Reminders for 'N' no of activities to concern authority. | <ul style="list-style-type: none"> • Customised reports as per requirement |

22. Cheque Printing Add-on

For cheque printing through SAP B1 with the below features.

- Cheque size configuration
- Printing configuration

23. Auto Emailer – Payment Due, Batch wise Transaction & MIS Reports Add-on

This add-on provides a comprehensive solution for automating the generation of payment due, batch wise transaction & MIS reports in SAP Business One.

| Functional Overview: |
|--|
| <ul style="list-style-type: none"> • Automatic generation of payment due reports • Automatic generation of batch wise transaction reports • Emailing of reports to users • Automatic generation of MIS reports |

24. Auto Approval Add-on – Based on B1 Approval System

In the event that the user is out of office, an e-mail and SMS will be sent to the approver with an approval link containing details of the document. The approver can click on the link to approve or reject the document through the link.

| Functional Overview: |
|---|
| <ul style="list-style-type: none"> • Auto Approval configuration as per SAP approval process • Web portal dashboard to show approval pending list for approval • Approver can easily view the details of document and give decision. |

SAP B1 Support & Management

TFL provides comprehensive support for SAP Business One clients and partners, having a team of high expert SAP professional and developers to provide pre- and post-implementation support and maintenance activities for our clients.

- TFL addresses existing technical issues, offering solutions such as bug fixing, business process optimization, and immediate requirement fulfillment.
- In sustained business relationships, TFL commits to a range of SAP Business One support activities tailored to customer needs. Our SAP Support Services act as a backbone to all organizational business operations.

SAP Business One Support Activities:-

- Setup Deployments (On-premises or Cloud-based)
- Integration Services
- Customization
- Report Writing
- Data File Analysis
- Database Repair
- Error Message Resolution



- Training and Consultation

Support and Maintenance Activities: -

- Consultation Services: Consultation over Modules, new requirements as well as changes, availability in existing versions, suggestion for up gradations, deployment, implementation methodology and customization.
- Trainings: Online and offline training for clients on application navigation and feature utilization.
- Reporting's: Minor report generation requests and assistance with hardware key generation, software license download, and SAP Business One server/client installation.
- Issues Handling: Resolving installation-related issues and follow-ups.
- Configurations: Configuring new tax codes based on customer requests.
- Upgradation: Online and offline installation services for new features and upgraded versions.

PROCESS FLOW CHART:

1. In the pre-sales phase, our focus is on several crucial steps to ensure successful engagement with potential clients in the BFSI industries: **LEAD GENERATION:**

Our Sales team uses a variety of venues to connect with potential customers in the BFSI Sector. These mediums include lead generation through Utilize various channels and media for lead generation

- ❖ Traditional Marketing: Marketing executives target potential leads through telephonic calls, personal visits, and sponsor industry events.
- ❖ Digital Marketing: Utilize social media platforms (LinkedIn, Facebook, Instagram, YouTube), email marketing, and SEO for promotion.
- ❖ Participate in tenders for Banking and allied services in domestic commercial and cooperative Banks
- ❖ Through Global sales Partners, we have provided country specific price list for product and services to partner, sometimes the order is in name of Partner company or in our name.

2. PRELIMINARY REQUIREMENT ANALYSIS:

After Lead Generation, video demo is provided by the Sales executive for the lead generated to give an overview of what and how our Core Banking Software (TrustBankCBS & MicroFinS), Loan Origination software (TrustLOS), GST compliance software (SoftGST), Various add-on modules product assist the Bank /NBFC ease their line of businesses.

3. Sales Deal Conversion and Contract Sign off:

The estimation process involves calculating and analyzing the number of man hours necessary to fulfil the client's request for an IT service and to document the entire process of execution with every stage for agreement with client and keeping it for record purpose. After end-to-end negotiation the contract along with scope of work will be signed carrying the terms and conditions agreed upon

4. Execution Flow

- ❖ **Kick-off Meeting - System Requirement Study (SRS):** Once the commercials are approved, leads created are added as clients. On receiving contract, from Sales Team will setup a meeting with the client to gather their understanding on the product. Tech support and Implementation head will simultaneously search within the team to allocate the proper resources to deliver a high-quality product on schedule. The client is then handed over to the Implementation team by the Sales team.
- ❖ **Gap Analysis:** Our Implementation team understands the Gap between our products and clients requirements. Once the requirements and technological aspects are finalized, Development Team to coordinate within various departments from our company in order to get time and effort estimate. These estimates are to be communicated with the client along with the timeline for delivery of several versions of the product.
- ❖ **Customizations and Product Deployment by Development Team:** Implementation department Head is the one to identify suitable analysts to work on the client customizations for the product. These analysts work on attaining product stability, identify areas of development within the product, develop client specifications on the product, debug bugs raised by the quality assurance team etc.
- ❖ Implementation team understands and analyses the requirements received from client and put forth to them by Development Team and after a brief discussion on solutioning lays down the challenges, dependencies, effort and time estimates the team will take to customize and deliver the product from their end for Quality Assurance team to test in Sandbox and/or Production environment.
- ❖ **Quality Assurance (QA) Testing:**
 - ✓ Requirement Analysis: Review software requirements and scope documents.
 - ✓ Test Planning: Develop a test strategy, select testing methods, and allocate resources.

- ✓ Test Case Development: Write test cases, identify expected results, and validate them.
- ✓ Test Environment Setup: Create a test site for testing.
- ✓ Test Execution: Execute test cases, create defect reports.
- ✓ Test Closure: Summarize the testing process, including the number of test cases executed and defects found.
- ✓ Deployment/Delivery: Deliver the product to the client after resolving issues and retesting.
- ❖ **Data Migration:** Involves the transfer of data from the existing system to the newly implemented one. This process ensures a smooth transition and accurate representation of historical information in the new environment.
- ❖ **User and Administrator Training:** This phase focuses on educating end-users and system administrators on how to effectively use the new system. Training sessions cover features, functionalities, and best practices, enabling users to maximize the benefits of the implemented solution.
- ❖ **Simulation:** Before the system goes live, a simulation or testing environment is set up to mimic real-world conditions. This allows for thorough testing of the system's performance, functionality, and user interactions in a controlled environment, helping identify and address any potential issues before the actual launch.
- ❖ **Go Live:** This marks the official launch of the system into production. The new solution is put into operation, and users start using it for their day-to-day tasks. The Go-Live phase requires careful planning and coordination to ensure a seamless transition from the old system to the new one, minimizing disruptions to business operations.



5. Post Go-Live Support:

In our post Go-Live support process, customers utilize a ticketing system to report any issues, and our tech support team promptly addresses these concerns in accordance with predefined Service Level Agreements (SLA). To manage modifications and additional customizations, we employ a structured change request mechanism. This streamlined approach ensures efficient issue resolution and controlled system enhancements, maintaining a seamless and responsive user experience.

6. Financial Models:

Our financial models provide clients with flexibility. The Capex Model includes one-time charges for a license, implementation, migration, and service fees, while the Opex Model involves a monthly subscription, excluding the one-time license fee. This choice allows clients to align their payment preferences with their financial and operational strategies.

AWARDS & RECOGNITION:

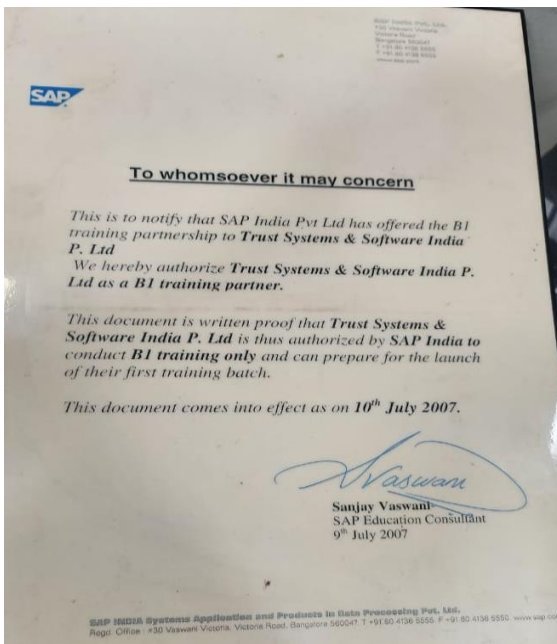
| Awards & Recognition | |
|---|---|
| <div style="text-align: center;">  </div> <p>1. Certificate for successful implementation of Trust Bank CBS - In 2009, Certificate for successful implementation of Trust Bank CBS by Nigerian Agricultural, Co-Operative & Rural Development Bank Ltd.</p> | <div style="text-align: center;">  </div> <p>2. Recognition as a leader in the IBS Sales League Table 2017 - Certificate for Recognition as a leader in the IBS Sales League Table 2017 given by IBS Intelligence Global Retail Banking.</p> |



3. Second Highest Revenue Achiever Award-In 2009, Trust Systems awarded as Second Highest Revenue Achiever Award in West Region for SAP B1 in 2009 by eSys Information Technologies Pvt. Ltd.



4. Microsoft Partner Network



5. Authorized to conduct B1 Training- SAP India Pvt. Ltd. Authorized Trust Systems as B1 Training Partner from July 10th, 2007.



6. Appointed as Sales & Service Partner (SSP): SAP Business One Appointed Trust Systems as "Sales & Service Partner (SSP)" in 2007.



7. Authorised Reseller by Infor Global Solutions (India) Private Limited – For 2011, Trust systems has been appointed as authorised reseller by Infor Global Solutions (India) Private Limited.



8. Certificate of Appreciation-

The Central Board of Indirect Taxes and Customs, Ministry of Finance, GOI has awarded certificate of appreciation to Trust Systems for prompt filling of return and payment of GST.

OUR COMPETITIVE STRENGTH:

1. We are a one stop shop solution provider in secure Core Banking Solutions, ERP Implementation and Customized Software Solutions Development.

We have developed ten (10+) banking related products for commercial and cooperative Banks and Financial Institutions which comprise of Core Banking Software, Loan Origination software, GST compliance software, Financial Accounting & Billing Software, Add on modules with SAP B1 Services, Various add-on modules for Statutory Report Generation, ATM Reconciliation, Anti-Money Laundering, Agency Banking, Mobile Banking serving the needs of BFSI Verticals.

Our flagship product “TrustBankCBS” stands out as a robust Core Banking Solutions, leveraging end to end solutions to address the evolving needs of secured core banking solution for medium to large banks and financial institutions. TrustBankCBS is well connected with TrustBankCBS, with its diverse in-built modules, streamlines banking operations by offering end-to-end solutions. It facilitates seamless customer onboarding, KYC compliance, and robust loan management. The system enhances front-office and back-office efficiency, ensuring smooth retail and corporate banking services. It provides features like digital banking interfaces, statutory compliance reports, and anti-money laundering tools, contributing to operational transparency and regulatory adherence. With modules for treasury management, funds automation, and business intelligence. TrustBankCBS empowers banks to operate efficiently, meet compliance requirements, and deliver a superior customer experience. Our Core Banking solution is extensive and Comprehensive solution having below in-built modules which provides us the edge with our competitors: -

- C- KYC, V-KYC: For customer onboarding and KYC Compliance, our CBS do have the C-KYC in built with CBS. It is an integral feature rather than a separate or individual product. This integrated approach can simplify customer onboarding processes and ease the compliance of BFSI sector to have our core banking solution in which C-KYC is inbuilt.
- One of the Add on module with our CBS is “TrustADF” is a complete solution for Statutory Report Generation required by BFSI organizations. TrustADF is a Comprehensive suite and has reporting capabilities that empowers Banking / Financial Institution to generate Statutory and analytical reports such as: Reports (RBI/OSS/ALM/AML reports), Analytika Tool, KRA Dashboards, Graphical Dashboard. It helps the BFSI to generate automatically compliance reporting to be submitted to the RBI and regulator.
- INTERGRATIONS & INTERFACES with NACH Integration, Mandate Management system, ECS, PMJJY/PMSBY modules, CIBIL Interface, PIGMY Device Interface



Additionally, Increasing Regulatory compliances and the prevalent trend of frequent changes in the market, has opened up new opportunities for the More featured and secured Core Banking Solution industry. We, consistently expanding our business operations, adapting to ever changing regulatory compliances for the BFSI sector.

Our company is providing a one-stop-shop solution for the BFSI sector, addressing the industry's specific needs through innovative and integrated software solutions. We aim to empower financial institutions with cutting-edge technology, streamlined processes, and compliance adherence, ultimately enhancing their operational efficiency and customer experience. Major functionalities are integrated within our Core Banking Solution, ensuring a responsive and efficient platform for our clients.

2. Strong and long-standing customer relationships

Our existing client relationships help us to get repeat business from our customers. Our client relationships also help us to cross sell our other products and services to them. Further, we have been mutually value creating, stable and long-term association with our customers through product, operational process & technology excellence offered by us. This has helped us maintain a long-term working relationship with our customers and improve our customer retention strategy. Through these efforts, we aim to become the “first choice vendor” for all large and small BFSI companies for the services we offer. Having a 3 long-standing relationship with customers built on our successful execution of prior engagements. Our track record of delivering robust solutions, extensive product development experience, and demonstrated industry and technology expertise has helped in forging strong relationships with our major 53 customers and gaining increased business from them. Our product development lifecycle is very attractive to line-of-business managers for their internal projects as well as procurement teams.

We have a history of high customer retention and derive a significant proportion of our revenue from repeat business. During the six-month period ended September 30, 2023 and in Fiscal 2023, 2022, 2021 is 35.42%, 45.92%, 62.27% and 43.15% respectively of our revenues was generated from existing customers. To further strengthen our relationships and broaden the scope and range of services we provide to existing customers, our senior corporate executives have specific account management and relationship responsibilities. We have established strong relationships with key members of our customers management teams. These relationships have helped us to understand better our customers business needs and to enable us to provide effective solutions to meet these needs.

3. Government Empanelment's

Our company holds significant empanelment's, these prestigious empanelment's not only validate our standing as a trusted vendor but also position us favorably for upcoming opportunities or to participate in upcoming projects in diverse sectors.

- Empanelled by Government of India as a GSP - GST Service provider.
- Empanelled with Govt. of Maharashtra as IT Service Provider for state-wise computerization.
- Empanelled by NeGD as agency for Integration of Different Applications with e-Governance system (Under Digital India).
- Empanelled vendor of NAFCUB to provide CBS and all other related services to Urban Cooperative Banks.
- Empanelled by Union Bank of India for Development, Customization & Maintenance for Biometric enables banking services and Digital Payments.
- Empanelled by Telecommunications Consultants India Limited for TrustBankCBS, TrustLOS, SoftGST
- Empanelled by Indian Bank of India for Design, Development and Implementation of Software applications.
- & many more.

4. Quality Assurance and Quality Certification

Our QA team works upon the performance checks on the developments made by the Development team. Thorough and end to-end test cases are prepared, and examinations are done both on sandbox and production environment. Any bugs found while testing is reported back to the Development Team to redevelop and refine the product in such a way to provide User/client seamless experience. On receiving an assurance from all the stakeholders within our company, Development team takes the product live on Client production environment. Further, Client shall provide a Go-Live sign off.

Our Quality control process or Quality assurance has resulted in several quality certifications including

- ISO 27001:2013 certificate for management of information security pertaining to design, development and implementation of complete it solution and providing managed application services on third party data centre.

- ISO 9001:2015 certificate for Design, Development and Implementation of complete IT Solution AND Sales and Implementation services for Standard IT Products.
- CMMI Level 5 (Capability Maturity Model Integration), certificate for design, development, implementation and support of its software solutions. Sales, implementation and support services for third party its software products.
- Additionally, Our Core Banking Solution i.e TrustBankCBS is tested for Vulnerability Assessment and Penetration Testing i.e “VAPT” by CERT-IN certified auditors which is essential for RBI security compliance.

5. Experienced Promoters and senior management team with strong industry expertise and successful track record

Our experienced senior management team has been instrumental in the growth of our operations over the years with many of them being associated with our Company for over two decades. Their collective industry experience has enabled us to anticipate and capitalize on changing market trends, manage and grow our operations and leverage and deepen client relationships.

Our Managing Director and Chief Executive Officer, Mr. Hemant Padmanabh Chafale has over 31 years of experience and has extensive experience in Control Systems in various industries such as Chemicals, Petrochemicals and Steel. He has successfully designed and implemented various MIS packages as team leader and is completely familiar with every aspect of software applications in various businesses. Earlier in his career, he worked with Indo Rama Synthetics Ltd Nagpur, Bombay Dyeing and Manufacturing Co Ltd. and ESSAR Projects Ltd. Surat in Control system domains for 5 years. He also serves as a director at Nagpur Nagarik Sahakari Bank and was President at Vidarbha Vaibhav NGO which is managing Professor Rajender Singh (Rajju Bhaiya) science exploratory. Additionally, his chartered membership at TIE Nagpur Chapter reflects his active engagement in entrepreneurial circles. He is also chartered member at TIE Nagpur Chapter.

Our Whole Time Director and Technical head, Mr. Mandar Kishor Deo has been associated with the Company since inception in 1998. He is an Associate Member of Institute of Engineers (AMIE, equivalent to an Engineering degree) plus a Professional Diploma holder in Computer Programming and Applications (PDCPA) from La Salle University, USA. Mr. Mandar is very well versed with designing, development of large systems, ERP core banking, mobility solution and cloud computing across all technology platforms.

Mr. Heramb Ramkrishna Damle is the whole-time director and Marketing head has been associated with the Company since inception in 1998. Mr. Damle worked for Jubiral Systems in ERP domain for one year before joining Trust. He is having good understanding about Business needs with BFSI sector focusing on domestic and international sales. More than 23 years of experience and with his techno-commercial approach towards software development, he has successfully developed new business segments and partner network for Trust systems.

Mr. Anand Shanker Kane is the Executive Director & CFO of our company. Mr. Kane started his carrier with a large PSU- Bank of Baroda in 1984. Mr. Kane also worked with Banks like Standard Chartered Bank (UAE) and after then he Joined HDFC Bank in 1997 as senior management position. Moved to I- flex solutions in 2005 which was taken over by Oracle Financial Services (OFS) in 2006. He Headed the Business & Solutions team as director for Global Sales at Oracle financial services Ltd (TDMS Group). With having more than 40 years of experience, Mr. Kane joined Trust as Director Global Sales & Strategy in 2016.

Mrs. Sandhya Narendra Gulhane is the Non- Executive Director board of TFL. She is having expertise in the GST domain, including comprehensive knowledge of GST laws, rules, and notifications. Specialized in designing and developing customized GST ASP solutions for the banking sector. Mrs. Sandhya also having experience in Global ERP, particularly SAP B1 and have ability to tailor ERP solutions for diverse industries such as Newspaper, Service, and Manufacturing. Mrs. Sandhya is skilled IT Professional with over 25 years of experience in Project Management, Client/Server Technologies, product development, SDLC, UML designing tools, and Object-oriented Methodologies.

Our Promoters and Senior Management have a track-record of executing large scale projects. Members of our Board are associated with diverse organizations in India and collectively possess a mix of skills and attributes with significant experience in finance, accounting, legal, banking, technology and other related sectors. We believe that the knowledge and experience of our promoter and management will enables us to identify new opportunities, rapidly respond to market conditions, adapt to changes in the business landscape and competitive environment and enhance the growth in the business. For further details regarding the experience and qualifications of our management team please see “Our Management” on page 195 of this Prospectus.



6. Growing our business through intellectual property capabilities

We regularly invest in the creation of new intellectual property. We have the copyright for our “TrustBankCBS”, “MicroFinS” “Trust Bank Software”, “Power Plant Monitoring System (PPMS)”. Our efforts have resulted in the development of value-added products and services. We will continue to invest in intellectual property to build and offer systems that establish our credibility and technical expertise in new areas. We also will continue to monetise our investment in intellectual property by charging a premium for our services or by licensing our proprietary software solutions to our customers. We will seek further growth by leveraging our software development capabilities through designing, developing and marketing proprietary niche software solutions in select international markets.

7. Pricing

Pricing details are thoroughly discussed and agreed with clients before commencing a project. Our commercial arrangements are primarily structured around two models for enhanced flexibility. The Capex Model includes one-time charges covering license, implementation, migration, and service fees, while the Opex Model entails a monthly subscription, excluding the initial license fee. This choice allows clients to tailor their payment preferences to align seamlessly with their financial and operational strategies.

In today’s business landscape, large upfront costs associated with enterprise solutions have become a major concern for financial institutions. our company adopts a simple approach towards pricing. Instead of burdening clients with significant initial expenses, we believe in working closely with our customers by offering a revenue-sharing model, widely known as the Software as a Service (SaaS) pricing model. This model has been well-received by our customers, as it reduces the financial burden on them and fosters mutual trust between us and our customers. With our customer-centric approach, we have successfully established a strong sense of confidence among our clientele.

8. Marque Clientele

Our Company services marque customers through our Core Banking Solutions and ERP Solutions has been able to form a portfolio of renowned customers in private as well as in public sectors, some of them are provided below-

| Sr. No. | Solution Provided | Name of Client |
|---------|---|---|
| 1. | Marque Clients of “TrustBankCBS” from different Segments, | <ul style="list-style-type: none"> • International Bank of Liberia, Monrovia (Liberia) – Commercial Bank • Pune Peoples Co-Operative Bank, Pune - Urban Co-Op. Bank • Muslim Co-Operative Bank, Pune - Urban Co-Op. Bank • Gandhibagh Sahkari Bank, Nagpur - Urban Co-Op Bank • Kashipur Urban Bank, Kashipur - Urban Co-Op. Bank • The Bantra Co-Operative Bank, Howrah West Bengal - Urban Co-Op. Bank • Gadchiroli District Central Co-Operative Bank, Gadchiroli (Maharashtra) – DCC Bank • Chandrapur District Central Co-Operative Bank, Gadchiroli (Maharashtra) – DCC Bank • Mumbai District Central Co-Operative Bank, Mumbai (Maharashtra) – DCC Bank • URA SACCOS, Dar Es Salam (Tanzania) – Credit Union • Berendina Micro Investment Co. Ltd., Colombo (Sri-lanks) – Microfinance Co. • Supersonicz The Micro-finance, KSMD (Gambia) – Microfinance Co. • NABARD Financial Services Ltd., Bengaluru (Karnataka) – NBFC • Parijat Co Operative Credit Society Ltd., Vashi Mumbai (Maharashtra) – Credit Society |
| 2. | Marque Clients of “MicroFinS” from different Segments, | <ul style="list-style-type: none"> • Tumaini SACCOS, Arusha (Tanzania) - SACCOS • Nyumbu SACCOS, Dar Es Salam (Tanzania) – SACCOS • WINO SACCOS, Dar Es Salam (Tanzania) – SACCOS • Moshi Rural Teachers SACCOS, Dar Es Salam (Tanzania) – SACCOS |

| | | |
|----|---|---|
| 3. | Marque Clients of "SoftGST" from different Segments, | <ul style="list-style-type: none"> • Bank of Maharashtra, Pune - Public Sector Bank • COSMOS Bank, Pune - Multi State Scheduled Bank • Saraswat Bank, Mumbai - Multi State Scheduled Bank |
| 4. | Clients of "SAP Business One and Add-on Modules" from different Segments, | <ul style="list-style-type: none"> • Manas Agro Industries & Infrastructure Limited, Nagpur (Maharashtra) • Lasenor India, Nagpur • Norte Eurocao India Pvt. Ltd. , Nagpur • Quality Power Quality Power Electrical Equipment P. Ltd., Sangli • Warade Packtech, Pune • Adama India Ltd., Hyderabad |

OUR STRATEGIES:

1. Customizing TrustBankCBS for NBFCs to Seize Mandatory CBS Opportunity in India

Our company is targeting the emerging market in CBS for NBFCs in India. We are looking for the customization of the existing CBS i.e "TrustBankCBS" to meet the requirements of NBFCs, in response to the Reserve Bank of India's circular No. RBI/2021-22/175 dated February 23, 2022 which mandates that NBFCs with 10 or more fixed-point service delivery units must implement a Core Financial Services Solution by September 30, 2025, our company is actively developing TrustBankCBS for NBFCs. A significant investment of Rs. 39 Lakhs has already been incurred to this development, constituting a part of the total of Rs. 160.30 Lakhs to be incurred. We anticipate being fully prepared to cater to NBFCs by July 2024, aligning with the opportunity of mandatory CBS requirement. Currently, customized TrustBankCBS system has been implemented at one of the public sectors NBFC in microfinance and direct lending for non-collateral (unsecured microfinance Lending) which includes lending to Joint Liability Group (JLG) and Self-Help Group (SHG).

The current scenario in the NBFC sector involves the usage of multiple software solutions for various functions, resulting in duplication and a lack of integration. Our customized TrustBankCBS for NBFCs seeks to address this issue by providing an integrated solution that streamlines operations related to lending, deposits, investments, financial accounting, interfaces, and more.

Looking ahead, our future plans involve completing the customization of CBS for NBFCs within the next 3-4 months i.e By July 2024. We are tapping into a substantial market share in India by offering a comprehensive end-to-end solution. The goal is not only to meet regulatory requirements but to provide extensive and efficient solution that caters to the unique needs of NBFCs. This strategic initiative positions our company in the evolving CBS market for NBFCs in India.

2. Elevating Market Presence: Unleashing the Potential of Our Product Portfolio.

We have developed ten (10+) banking related products for commercial and cooperative Banks and Financial Institutions including Core Banking Software, IT Solutions, ERP Implementation and Customized Software Solutions Development serving the needs of BFSI Verticals. Considering our product maturity (in terms of technology, features) and Market Size, the products we have developed is right now marketed on a very limited scale and domains. We intend to do an aggressive marketing through social media and leveraging marketing managers and other partners to sell our products and services.

We are planning to employ sales strategy to cater to the growing demand for innovative software solutions to BFSI organizations in India. We prioritize customer-centric approaches, focusing on building strong relationships, understanding client needs, and delivering solutions that provide tangible value. Our sales and territory strategy is a dynamic and adaptive approach that aligns with the evolving needs of BFSI Segments across the country. By combining a customer-centric sales approach with strategic territorial targeting, we aim to position Trust Fintech Limited as a leading provider of innovative BFSI software solutions in the Indian market.

3. Increasing our Global presence in US and North America

Our income from exports in half year has been increased by Rs. 218.12 Lacs and 143.09% from ₹ 212.02 lacs in Fiscal 2023 to ₹ 430.14 lacs in September 30, 2023. With our global sales, we are currently exporting our products to more than 10 countries across Western U.S, West Africa, South Africa, East Africa, Russia, Central Africa & others. Now, we intend to expand our global footprint in US and North America by providing Customized CBS for Credit Unions in North America USA, CBS for Credit union in South America (Spanish), Loan Origination for North American Market. Recently, we have we have received order from one of our partners in USA to implement our TrustBankCBS in one of the credit unions for first phase of

| Domestic Sales | | | | | | | | | |
|----------------|--|-----------------|---------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|
| 1. | Maharashtra | 1,130.03 | 60.04% | 1,474.46 | 65.41% | 1,087.49 | 61.68% | 1,685.29 | 70.38% |
| 2. | Karnataka | 253.75 | 13.48% | 488.17 | 21.65% | 423.68 | 24.03% | 437.04 | 18.25% |
| 3. | West Bengal | 13.73 | 0.73% | 27.37 | 1.21% | 33.16 | 1.88% | 35.57 | 1.49% |
| 4. | Madhya Pradesh | 8.55 | 0.45% | 10.74 | 0.48% | 38.87 | 2.20% | 14.06 | 0.59% |
| 5. | Uttar Pradesh | 9.55 | 0.51% | 4.44 | 0.20% | 7.30 | 0.41% | - | 0.00% |
| 6. | Chhattisgarh | 0.60 | 0.03% | 1.12 | 0.05% | 2.12 | 0.12% | 2.88 | 0.12% |
| 7. | Orissa | 31.46 | 1.67% | - | 0.00% | - | 0.00% | - | 0.00% |
| 8. | Manipur | 0.78 | 0.04% | 2.40 | 0.11% | 4.96 | 0.28% | 6.27 | 0.26% |
| 9. | Telangana | 0.22 | 0.01% | - | 0.00% | 2.21 | 0.13% | 7.62 | 0.32% |
| 10. | Uttarakhand | 1.56 | 0.08% | 25.14 | 1.12% | 25.24 | 1.43% | 27.36 | 1.14% |
| 11. | Haryana | 0.38 | 0.02% | - | 0.00% | 0.53 | 0.03% | 0.19 | 0.01% |
| 12. | Tamil Nadu | 0.25 | 0.01% | 0.25 | 0.01% | 0.29 | 0.02% | - | 0.00% |
| 13. | Bihar | - | 0.00% | 2.11 | 0.09% | - | 0.00% | - | 0.00% |
| 14. | Gujarat | 1.14 | 0.06% | 3.30 | 0.15% | - | 0.00% | - | 0.00% |
| 15. | Goa | - | 0.00% | 2.00 | 0.09% | - | 0.00% | - | 0.00% |
| 16. | Jharkhand | - | 0.00% | 0.57 | 0.03% | - | 0.00% | - | 0.00% |
| 17. | Dadra and Nagar Haveli & Daman and Diu | - | 0.00% | 0.25 | 0.01% | 0.75 | 0.04% | - | 0.00% |
| | Total I | 1,452.00 | 77.15% | 2,042.32 | 90.60% | 1,626.59 | 92.25% | 2,216.28 | 92.55% |
| Export Sales | | | | | | | | | |
| 1. | California, Western U.S | 372.74 | 19.80% | 131.11 | 5.82% | - | 0.00% | - | 0.00% |
| 2. | GAMBIA, West Africa | 11.97 | 0.64% | 11.66 | 0.52% | - | 0.00% | 16.05 | 0.67% |
| 3. | GHANA, West Africa | 16.56 | 0.88% | 17.89 | 0.79% | 17.14 | 0.97% | 20.92 | 0.87% |
| 4. | Liaberia, West Africa | 15.71 | 0.83% | - | 0.00% | - | 0.00% | - | 0.00% |
| 5. | Nigeria, South Africa | 0.90 | 0.05% | - | 0.00% | 0.84 | 0.05% | 3.46 | 0.14% |
| 6. | Shri Lanka, South Africa | 1.03 | 0.05% | 44.46 | 1.97% | 52.45 | 2.97% | 53.47 | 2.23% |
| 7. | Tanzania, East Africa | 6.31 | 0.34% | 2.04 | 0.09% | 7.96 | 0.45% | 16.32 | 0.68% |
| 8. | Zimbabwe, South Africa | 4.91 | 0.26% | 4.86 | 0.22% | 4.43 | 0.25% | - | 0.00% |
| 9. | Siberia, Russia | - | 0.00% | - | 0.00% | 53.84 | 3.05% | 47.62 | 1.99% |
| 10. | Central Africa Republic | - | 0.00% | - | 0.00% | - | 0.00% | 20.54 | 0.86% |



| | | | | | | | | | |
|--|-----------------------|-----------------|----------------|-----------------|----------------|-----------------|----------------|-----------------|----------------|
| | Total II | 430.14 | 22.85% | 212.02 | 9.40% | 136.66 | 7.75% | 178.38 | 7.45% |
| | Total (I + II) | 1,882.14 | 100.00% | 2,254.34 | 100.00% | 1,763.25 | 100.00% | 2,394.66 | 100.00% |

TOP TEN CUSTOMERS:

Our top 10 customers in terms of amount during the last 3 years and for the period ended on September 30, 2023 are as under:

(Amount in Lakh)

| Sr No. | Name | September 30,2023 (in ₹) | % of the Total Revenue from Operations* |
|--------|---|-----------------------------|---|
| 1. | Internet Soft (Sales and support partner at USA for TrustBankCBS) | 372.74 | 19.80% |
| 2. | The Gadchiroli DCC Bank LTD | 248.78 | 13.22% |
| 3. | The Chandrapur Dist. Central Co-Op Bank Ltd | 235.19 | 12.50% |
| 4. | Nabfins Ltd | 233.46 | 12.40% |
| 5. | MUMBAI DISTRICT CENTRAL CO-OP BANK LTD | 171.13 | 9.09% |
| 6. | Daus Info space Pvt ltd (Sales and support partner in India for TrustBankCBS) | 113.07 | 6.01% |
| 7. | The Prathamik Shikshak Sahakari Bank Ltd. Kolhapur | 35.25 | 1.87% |
| 8. | Dr. Punjab Rao Deshmukh urban co-op. Bank ltd | 34.21 | 1.82% |
| 9. | The Kendra Para credit co-op. Society Ltd. | 31.46 | 1.67% |
| 10. | Osmanabad Janata Sahakari bank Ltd. | 31.36 | 1.67% |
| | Total | 1,506.65 | 80.05% |

| Sr No. | Name | March 31, 2023 (in ₹) | % of the Total Revenue from Operations* |
|--------|---|-----------------------|---|
| 1. | The Chandrapur DCC Bank Ltd | 552.22 | 24.50% |
| 2. | Nabfins Ltd | 450.61 | 19.99% |
| 3. | The Gadchiroli DCC Bank LTD | 289.35 | 12.84% |
| 4. | Daus Info space Pvt ltd (Sales and support partner in India for TrustBankCBS) | 182.09 | 8.08% |
| 5. | Internet Soft (Sales and support partner at USA for TrustBankCBS) | 131.11 | 5.82% |
| 6. | Mumbai District Central Co-Op Bank Ltd | 117.40 | 5.21% |
| 7. | Berendina Microfinance Institute | 44.46 | 1.97% |
| 8. | Osmanabad Janata Sahakari Bank Ltd | 35.00 | 1.55% |
| 9. | Kashipur Urban Co-Operative Bank Ltd | 25.14 | 1.12% |
| 10. | Bank of Maharashtra | 23.53 | 1.04% |
| | Total | 1,850.91 | 82.10% |

| Sr No. | Name | March 31, 2022 (in ₹) | % of the Total Revenue from Operations* |
|--------|---|-----------------------|---|
| 1. | Nabfins Ltd | 411.28 | 23.33% |
| 2. | The Chandrapur DCC Bank Ltd | 278.70 | 15.81% |
| 3. | The Gadchiroli DCC Bank LTD | 245.85 | 13.94% |
| 4. | Daus Info space Pvt ltd (Sales and support partner in India for TrustBankCBS) | 168.17 | 9.54% |
| 5. | SHIVAJI NAGARI SAHAKARI BANK LTD, PAITHAN | 101.06 | 5.73% |
| 6. | Berendina Microfinance Institute | 52.45 | 2.97% |
| 7. | Digital International Bank Inc | 40.40 | 2.29% |
| 8. | Janata Sahakari Bank Ltd, Ajara | 35.41 | 2.01% |
| 9. | SMRITI NAGRIK SAHAKARI BANK MARYADIT | 30.62 | 1.74% |
| 10. | Kashipur Urban Co-Operative Bank Ltd | 25.24 | 1.43% |
| | Total | 1389.16 | 78.78% |

| Sr No. | Name | March 31, 2021 (in ₹) | % of the Total Revenue from Operations* |
|--------|---|-----------------------|---|
| 1. | MUMBAI DISTRICT CENTRAL CO-OP BANK LTD | 939.20 | 39.22% |
| 2. | Nabfins Ltd | 416.96 | 17.41% |
| 3. | The Chandrapur DCC Bank Ltd | 270.38 | 11.29% |
| 4. | The Gadchiroli DCC Bank LTD | 253.52 | 10.59% |
| 5. | [C0137] Berendina Microfinance Institute | 53.47 | 2.23% |
| 6. | [C0192] Digital International Bank Inc | 47.62 | 1.99% |
| 7. | Kashipur Urban Co-Operative Bank Ltd | 27.36 | 1.14% |
| 8. | Customer 8 | 26.28 | 1.10% |
| 9. | VARDHAMAN NAGARI SAHAKARI PATSANSTHA MARYADIT | 24.90 | 1.04% |
| 10. | [C0198] Sofia Credit | 20.54 | 0.86% |
| | Total | 2,080.23 | 86.87% |

*The % has been derived by dividing the total amount received from the said customer with the total Revenue from operations of the company in the relevant year as mentioned in the Profit and Loss Statement as given in restated financials of the company.

TOP TEN SUPPLIERS:

Our top 10 Suppliers in terms of amount during the last 3 years and for the period ended on September 30, 2023 are as under:

(Amount in Lakh)

| Sr No. | Name | September 30,2023 (in ₹) | % of the Total Purchases* |
|--------|-------------------------------|--------------------------|---------------------------|
| 1. | Pas Solution | 103.66 | 58.94% |
| 2. | Softshell System (I) Pvt Ltd. | - | 0.00% |
| 3. | G7 CR Technologies | 10.30 | 5.86% |
| 4. | Sify Technologies | 3.24 | 1.84% |
| 5. | ACP Software | 47.39 | 26.94% |
| 6. | Future Tech | 11.29 | 6.42% |
| | Total | 175.88 | 100.00% |

| Sr No. | Name | March 31, 2023 (in ₹) | % of the Total Purchases* |
|--------|-------------------------------|-----------------------|---------------------------|
| 1. | Pas Solution | 150.02 | 34.43% |
| 2. | Softshell System (I) Pvt Ltd. | 82.95 | 19.04% |
| 3. | G7 CR Technologies | 39.53 | 9.07% |
| 4. | Sify Technologies | 6.46 | 1.48% |
| 5. | ACP Software | 76.98 | 17.67% |
| 6. | Future Tech | 71.63 | 16.44% |
| 7. | SDC Power Technologies | 8.10 | 1.86% |
| | Total | 435.66 | 100.00% |

| Sr No. | Name | March 31, 2022 (in ₹) | % of the Total Purchases* |
|--------|-------------------------------|-----------------------|---------------------------|
| 1. | Pas Solution | 84.71 | 22.79% |
| 2. | Softshell System (I) Pvt Ltd. | 77.59 | 20.87% |
| 3. | G7 CR Technologies | 16.73 | 4.50% |
| 4. | Sify Technologies | 6.42 | 1.73% |
| 5. | ACP Software | 18.45 | 4.96% |
| 6. | Future Tech | 136.82 | 36.81% |
| 7. | SDC Power Technologies | 30.99 | 8.34% |
| | Total | 371.72 | 100.00% |



| Sr No. | Name | March 31, 2021 (in ₹) | % of the Total Purchases* |
|--------|-------------------------------|-----------------------|---------------------------|
| 1. | Pas Solution | 154.80 | 16.34% |
| 2. | Softshell System (I) Pvt Ltd. | 111.90 | 11.81% |
| 3. | G7 CR Technologies | 38.54 | 4.07% |
| 4. | ACP Software | 76.80 | 8.11% |
| 5. | Futur Tech | 155.64 | 16.43% |
| 6. | CPN Entprices | 120.04 | 12.67% |
| 7. | Sudevi Software | 220.26 | 23.25% |
| 8. | Shargi Technologies | 10.39 | 1.10% |
| 9. | Oxigen services | 33.90 | 3.58% |
| 10. | SDC Power Technologies | 18.87 | 1.99% |
| | Total | 941.14 | 99.37% |

* The % has been derived by dividing the total amount received from the said supplier with the cost material consumed of the company in the relevant year as mentioned in the Profit and Loss Statement as given in restated financials of the company.

MARKETING:

We have experienced and skill management team to motivate the sub-ordinates and staff to step towards their achievements and organizational goals. With their efficient management skills and co-ordination with sub-ordinate, they are always working as a catalyst to encourage the entire team for the development and nourishment of the organization. Our marketing efforts revolve around building our brand and reputation, increasing awareness of our platform and drive customer demand. Our marketing team is having 14 employees. We are using various effective channels and media to promote our products across our targeted area. Through this channel, we are generating good number of leads which further pass-on to our marketing team to convert these leads into sales deals. These are deals that come to us with as a result of our outreach efforts and successful client deliveries. The source of these deals is: Our Trust Fintech Website and Referrals from our existing clients within the bank for other products or outside of their Bank from their network.

In addition to inbound marketing, we employ a blend of traditional and Digital marketing channels.

Under traditional marketing method, our marketing executives will get targeted region and potential leads. Marketing executives takes regular follow up to assigned leads by telephonic calls, personal visit to leads. Our company on regular basis giving sponsorship to industry related events and actively participating in such events and promote our products across the attendees.

Under digital marketing method following channels mainly used as follows: -

- Social media marketing tools like LinkedIn, Facebook, Instagram, YouTube etc. where our dedicated team run different marketing campaigns like sharing newsletters, product videos, case studies etc.
- Email Marketing - On regular basis, our team share newsletters and case studies across the existing customers and leads.
- SEO (Search engine optimization) - On regular basis team work out on SEO to get response on our website.

To this extent, we work on digital ads through search engines, search engine optimization, social media awareness campaigns, industry analyst recognition, print advertorials among other initiatives. We also regularly conduct webinars with our customer and partner community combined with physical events to showcase vertical specific offerings. We also work with analyst communities forming part of research companies focussed on the IT sector to drive evaluation and coverage of our solutions and from time to time get featured in a number of their publications enhancing our visibility in our segment to our prospective customers.

HUMAN RESOURCE:

We believe our employees are one of our most important assets and critical to maintaining our competitive position in our industry as on date, we have the total strength of 228 employees on payroll basis and 35 employees on contract basis in Nagpur office. The breakup of employees on payroll and on contract basis are as follows: -

| Sr. No. | Particulars | Nagpur | Mumbai | Pune | Total |
|---------|----------------------------|--------|--------|------|-------|
| 1. | Employees on Payroll basis | 213 | 8 | 43 | 264 |

| Sr. No. | Particulars | Nagpur | Mumbai | Pune | Total |
|--------------|-----------------------------|------------|----------|-----------|------------|
| 1. | Employees on Payroll basis | 213 | 8 | 43 | 264 |
| 2. | Employees on Contract basis | 35 | - | - | 35 |
| Total | | 248 | 8 | 43 | 299 |

Details of employees on payroll basis, categorized by departments, is provided below: -

| Sr. No. | Category | Nagpur | Mumbai | Pune | Total |
|---------|---|------------|----------|-----------|------------|
| 1. | Top Management (MD and CEO, Whole-time Director and COO and Executive Vice President) | 2 | 1 | 1 | 4 |
| 2. | Developers | 82 | - | 1 | 83 |
| 3. | Tech Support & Implementation | 58 | - | 2 | 60 |
| 4. | On site (Implementation) | 18 | 5 | 31 | 54 |
| 5. | Hardware Department | 5 | - | - | 5 |
| 6. | Marketing Department | 8 | 1 | 3 | 12 |
| 7. | Management | 2 | - | 0 | 2 |
| 8. | General Department | 4 | 1 | 3 | 8 |
| 9. | Accounts Department | 3 | - | 1 | 4 |
| 10. | DBA | 10 | - | - | 10 |
| 11. | Quality Analyst (Testing) | 18 | - | - | 18 |
| 12. | Pre- Sales | 1 | - | 1 | 2 |
| 13. | Business Analyst | 2 | - | - | 2 |
| | Total | 213 | 8 | 43 | 264 |

None of our employees are represented by a labour union or covered by a collective bargaining agreement. We have not experienced any work stoppages, and we consider our relations with our employees to be good.

We give importance to training and development of our employees. Mr. Mandar Kishor deo, promoter and our Technical Head, plays a pivotal role in overseeing training programs that focus on technical, managerial, and leadership skills to keep our employees well-equipped in their respective roles.

CORPORATE SOCIAL RESPONSIBILITY

Our Company is exempted from the provisions of section 135 of the Companies Act, 2013, till March 31, 2023, in respect of Corporate Social Responsibility. As our company falls in the criteria specified in Section 135 of Companies Act, 2013 as per the Financial Statements ended on September 30 2023, therefore our Company has constituted Corporate Social Responsibility Committee in compliance with the requirements of the Companies Act and the relevant rules. Applicability of CSR Expenditure will be applicable and spent by the company from F.Y 2024-25. For further details, please refer to the section titled "Our Management" on page 195 of this Prospectus.

COLLABORATIONS:

We have not entered into any technical or other collaboration.

CAPACITY AND CAPACITY UTILIZATION:




Capacity and capacity utilization is not applicable to our company since our business is not in the manufacturing concern with specified installed capacity.


INTELLECTUAL PROPERTY:

The Company owned the following trademark & Copyright which are owned by our Company and applied for registration:-

| S.NO | Original Trademark Name | Registration No. | Application No. | Class | Current Status |
|------|-------------------------|------------------|-----------------|-------|----------------|
|------|-------------------------|------------------|-----------------|-------|----------------|



| | | | | | |
|----|---|---|---------|----------------|----------|
| 1. |  | - | 3734631 | Under class 42 | Objected |
| 2. |  | - | 6329092 | Under class 9 | Applied |
| 3. |  | - | 6329093 | Under class 35 | Applied |

| S.NO | Original Copyright Name | Registration No. | Application No. | Class | Current Status |
|------|---|------------------|-----------------|---------------|-------------------|
| 1. | "TRUST BANK CBS" | L-51512/2013 | - | - | Approval Received |
| 2. | "TRUST BANK SOFTWARE" | SW-3244/2006 | - | - | Approval Received |
| 3. | "MICROFINS" | L-51513/2013 | - | - | Approval Received |
| 4. | "POWER PLANT MONITORING SYSTEM (PPMS)" | SW-3420/2007 | - | - | Approval Received |
| 5. |  | - | 6329089 | Under class 9 | Applied |
| 6. |  | - | 6329090 | Under class 9 | Applied |
| 7. |  | - | 6329091 | Under class 9 | Applied |
| 8. |  | - | 6329092 | Under class 9 | Applied |

Note- The given Intellectual Property details belongs to the Copyright

INSURANCE:

| Sr. No. | Insurer | Description of Property Insured | Policy No. | Expiry date | Insured Amount |
|---------|---|--|-------------------------|-------------|--|
| 1. | National Insurance Company Limited | Fire & Special Perils & Earthquake- Building, Fire & Special Perils & Earthquake – Office Contents, Burglary & Housekeeping, Plate Glass, Money in Transit, Pubic Liability. | 282200592310000316 | 23/02/2025 | Rs. 5,03,85,000*1 |
| 2. | ICICI Lombard General Insurance Company Limited | Group Health (Floater) Insurance | 4016/X/203257436/03/000 | 04/08/2024 | Premium amount of Rs. 4,10,000 and the insured amount is Rs. 3,51,00,000 |

Notes: -

1. Bifurcation of Sum insured: -

| Sr. No. | Sections | Sum Insured/ Limit of Liability |
|---------|--|---------------------------------|
| 1. | Fire & Special Perils & Earthquake Building | Rs. 1,00,00,000 |
| 2. | Fire & Special Perils & Earthquake Office Contents | Rs. 2,00,00,000 |
| 3. | Burglary & housekeeping | Rs. 2,00,00,000 |
| 4. | Plate Glass | Rs. 1,85,000 |
| 5. | Money in Transit | Rs. 1,00,000 |
| 6. | Public Liability | Rs. 1,00,000 |

PROPERTIES

We operate our activities from our registered office and manufacturing units. Details of which are given below: -

Leased/ Rental Properties

| Sr. No. | Address of Premises | Name of the Seller | Tenure | Consideration | Area | Purpose |
|-------------------------|---|--|--------------------------------------|--|-------------------|-------------------|
| Corporate office | | | | | | |
| 1. | Plot No.11/4, I.T. Park, Gayatri Nagar Parsodi, Nagpur, Maharashtra - 440022, | Maharashtra Industrial Development Corporation | 95 years lease w.e.f August 30, 2005 | Rs. 1,00,343 - Book Value of Nagpur Land | 812.14 Sq. Meters | Registered Office |
| 2. | 101, Navkar Avenue A2, Behind Axis Bank, Bavdhan, Pune- 411021 | Vandana Shashikant Garad | 3 Years w.e.f March 31,2021 | Rs. 75,000 P.M | 167 Square Meters | Branch office |
| 3. | 509 & 510 "E-Square", Subhash Road, Vile Parle, Mumbai-400057 | Mr. Vijay Sathaye | 3 Years w.e.f January 1, 2024 | Rs. 1,78,500 | 85.28 Sq. Meters | Branch office |



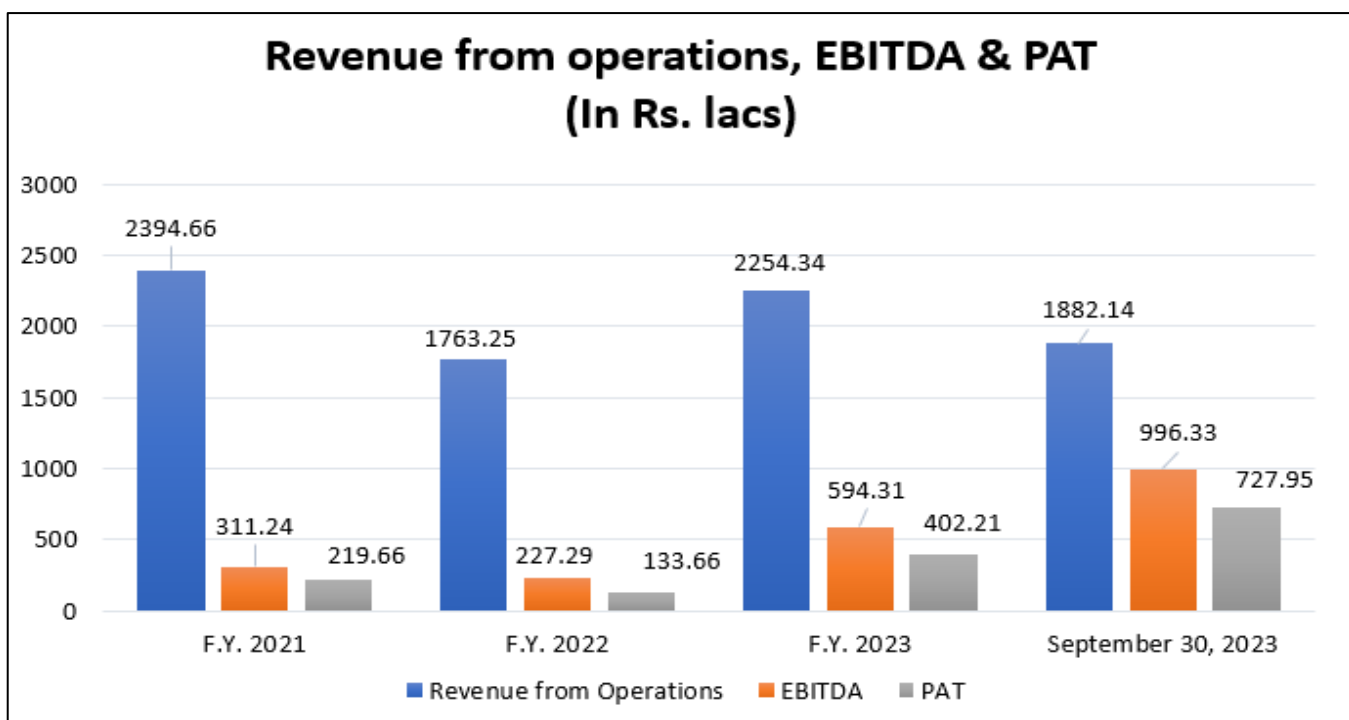
4. Our Company has received a Provisional Allotment Letter dated December 08, 2023 from the Development officer, Maharashtra Airport Development Authority Limited (MADC). This letter pertains to the allotment of 2 acres, equivalent to 8093.71 Sq. Mtr. land situated at Plot No. 98, Sector No. 17, Mihan SEZ, Nagpur. The total consideration to be paid for this allotment is Rs 139.62 Lakhs towards the one-time license payment of the premise. The company had paid the earnest money amounting to Rs. 14 lacs at the time of application. The balance was to be paid in two installments as per the terms of the provisional allotment letter. As on date, the second payment of Rs. 62 lacs have been paid. The third and balancing payment is due on 06/03/2024, which our company intends to pay in the month of February through internal accruals. Upon the receipt of the Total Lease Premium from the company by MADDC, Agreement to Lease will be executed for a period of 99 years.

FINANCIAL SNAPSHOT:

Financial Snapshot of our Company as per Restated Financial Information is as under:

(Rs. In Lakhs)

| Particulars | For the period ended on September 30, 2023 | Financial year ended March 31, 2023 | Financial year ended March 31, 2022 | Financial year ended March 31, 2021 |
|-------------------------|--|-------------------------------------|-------------------------------------|-------------------------------------|
| Revenue from Operations | 1,882.14 | 2,254.34 | 1,763.25 | 2,394.66 |
| Total Revenue | 1,883.13 | 2,270.19 | 1,800.00 | 2,417.94 |
| EBITDA | 996.33 | 594.31 | 227.29 | 311.24 |
| EBITDA Margin (in %) | 52.94% | 26.36% | 12.89% | 13.00% |
| PAT | 727.95 | 402.21 | 133.66 | 219.66 |
| PAT Margin (in %) | 38.68% | 17.84% | 7.58% | 9.17% |



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KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of the relevant laws, regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed in this chapter has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been set out in a manner to provide general information to the investors and is not exhaustive and shall not be treated as a substitute for professional legal advice.

The statements below are based on current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled "Government and Other Approvals" beginning on page 279 of this Prospectus.

Set forth below are certain significant legislations and regulations which generally govern the business and operations of our Company:

INDUSTRY SPECIFIC LAWS

Information Technology Act, 2000 ("Information Technology Act")

The Information Technology Act was enacted with the purpose of providing legal recognition to electronic transactions. In addition to providing for the recognition of electronic records and creating a mechanism for the authentication of electronic documentation through digital signatures, it also provides for civil and criminal liability including fines and imprisonment for various computer related offenses relating to unauthorized access to computer systems, modifying the contents of such computer systems without authorization, damaging computer systems, the unauthorized disclosure of confidential information and computer fraud. The Information Technology (Amendment) Act, 2008, which came into force on October 27, 2009, amended the IT Act and inter-alia gives recognition to contracts concluded through electronic means, creates liability for failure to protect sensitive personal data and gives protection to intermediaries in respect of third-party information liability.

The Digital Personal Data Protection Act, 2023 ("DPDP Act")

The DPDP Act received the assent of the President on August 11, 2023. The DPDP Act, has replaced the existing data protection provision, as contained in Section 43A of the IT Act. The DPDP Act provides for the rights of individuals to protect their personal data with the need to process personal data for lawful and other incidental purposes. The DPDP Act provides that personal data may be processed only for a lawful purpose after obtaining the consent of the individual. A notice must be given 163 before seeking consent. It further imposes certain obligations on data fiduciaries including (i) ensure the accuracy, consistency and completeness of data, (ii) build reasonable security safeguards to prevent personal data breach, (iii) inform the Data Protection Board of India (the "DPB") and affected persons in the event of a personal data breach, and (iv) erase personal data as soon as the data principal has withdrawn her consent or as soon as its reasonable to assume that the purpose has been met and retention is not necessary for legal purposes (storage limitation), whichever is earlier. In case of government entities, storage limitation and the right of the data principal to erasure will not apply. The Central Government will establish the DPB. Key functions of the DPB, inter alia, include: (i) on receipt of an intimation of personal data breach, to direct any urgent remedial or mitigation measures in the event of a personal data breach, and to inquire into such personal data breach and impose penalty; (ii) on a complaint received in respect of a personal data breach or a breach in observance by a data fiduciary of its obligations in relation to her personal data or the exercise of her rights, or on a reference made to it by the central government or a state government, or in compliance of the directions of any court, to inquire into such breach and impose penalty, and (iii) The Board may, on a representation made to it by a person affected by a direction, or on a reference made by the Central Government, modify, suspend, withdraw or cancel such direction and, while doing so, impose such conditions as it may deem fit. The DPB members will be appointed for two years and will be eligible for re-appointment. The Central Government will prescribe details such as the number of members of the DPB and the selection process

The Personal Data Protection Bill, 2019 ("Bill")

The Personal Data Protection Bill, 2019 was introduced in Lok Sabha on December 11, 2019. The Bill seeks to provide for protection of personal data of individuals, and establishes a Data Protection Authority for the same. Data Protection refers



to the set of privacy laws, policies and procedures that aim to minimise intrusion into one's privacy caused by the collection, storage and dissemination of personal data. Personal data generally refers to the information or data which relate to a person who can be identified from that information or data whether collected by any Government or any private organization or an agency.

Data Center Policy, 2020

Indian Data Centre market has seen tremendous growth in the past decade, riding on the explosion of data through smartphones, social networking sites, ecommerce, digital entertainment, digital education, digital payments and many other digital businesses / services. This growth in data is further stimulated by adoption of emerging technologies such as quantum computing, artificial intelligence, internet of things etc. While the Data Centre sector is witnessing growth in the country, there are known impediments to its growth such as lack of infrastructure or Industry status of the Data Centres, complex clearance processes, time consuming approvals, high cost of power, lack of published standards, absence of specialised building norms for building the Data Centres, submarine cable network connectivity limited to few states and high cost of capital and operational expenditure etc. This policy aims to offset these challenges in order to accelerate the current pace of growth and propel India in becoming a global Data Centre hub.

Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011 (“Reasonable Security Practices Rules”)

In accordance with the Reasonable Security Practices Rules, certain classes of body corporates are required to have security practices and standards in place in respect of personal information, including sensitive personal data or information. Additionally, such body corporates are required to maintain a comprehensive documented information security programme and information security policies containing managerial, technical, operational and physical security control measures commensurate with the information assets being protected with the nature of business. In the alternative, Reasonable Security Practices Rules are deemed to be complied with if the requirements of the international standard “IS/ISO/IEC 27001” on “Information Technology– Security Techniques– Information Security Management System– Requirements” are complied with including any codes 220 of best practices for data protection of sensitive personal data or information approved by the Government of India and formulated by any industry association of whose membership such body corporates holds.

National Digital Communication Policy, 2018 (“NDCP”)

NDCP seeks to unlock the transformative power of digital communications networks - to achieve the goal of digital empowerment and improved well-being of the people of India; and towards this end, attempts to outline a set of goals, initiatives, strategies and intended policy outcomes. Digital India is already unfolding. India’s digital profile and footprint is one of the fastest growing in the world. With over a billion mobile phones and digital identities and half a billion internet users, India’s mobile data consumption is already the highest in the world. Over 200 million Indians regularly use social media and in the last year alone, over 200 million Indians took to mobile banking and digital payments. At the current pace of digitisation, it is estimated that India’s digital economy has the potential to reach one trillion USD by 2025. The rapid and unprecedented proliferation of the mobile phone, the internet, social media platforms, and the rapid expansion of digital payments, data consumption and generation across India indicate that the data economy and digital technologies and services are no longer the prerogative of the privileged few; but that they have indeed evolved into widespread instruments of access and empowerment for more than a billion Indians.

TAX RELATED LAWS

The Income Tax Act, 1961

The Income-tax Act, 1961 (—IT Act) is applicable to every Company, whether domestic or foreign whose income is taxable under the provisions of this Act or Rules made there under depending upon its —Residential Status and —Type of Income involved. As per the provisions of Income Tax Act, the rates at which they are required to pay tax is calculated on the income declared by them or assessed by the authorities, after availing the deductions and concessions accorded under the Income Tax Act. Filing of returns of income is compulsory for all assesses. Furthermore, it requires every taxpayer to apply to the assessing officer for a permanent account number.

The Goods and Services Tax (“GST”)

The GST is applicable on the supply of goods or services as against the present concept of tax on the manufacture and sale of goods or provision of services. It is a destination based consumption tax. It is dual GST with the Central and State Governments simultaneously levying it on a common tax base. The GST to be levied by the Centre on intra-State supply of goods and / or services is called the Central GST (CGST) as provided by the CGST Act and that to be levied by the States is called the State GST (SGST) as given under the SGST Acts. An Integrated GST (IGST) under the IGST Act is to be levied and collected by the Centre on inter-State supply of goods and services. The CGST and SGST is to be levied at rates to be jointly decided by the Centre and States.

Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen digit registration numbers known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple locations in a state, a separate application will be made for registration of each and every location. The registered assessee is then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

There are indirect taxes that are levied and collected by the Central and State Government which are now subsumed under GST. Some of the taxes which were applicable to the Company are as follows:

- Service Tax
- Value Added tax
- The Central Sales Tax Act, 1956

The Customs Act, 1962

The provisions of the Customs Act, 1962 and rules made thereunder are applicable at the time of import of goods i.e. bringing into India from a place outside India or at the time of export of goods i.e. taken out of India to a place outside India. Any Company requiring to import or export any goods is first required to get itself registered and obtain an Importer Exporter Code.

The Maharashtra State Tax on Professions, Trades, Callings and Employments Acts, 1975

Profession tax is the tax levied and collected by the state governments in India. It is a direct tax. A person earning an income from salary or anyone practicing a profession such as chartered accountant, company secretary, lawyer, doctor etc. are required to pay this professional tax. Different states have different rates and methods of collection. In India, profession tax is imposed every month. However, not all states impose this tax. Profession tax is levied and collected by the Commercial Taxes Department of State Governments, in some states by particular Municipal Corporations and majority of the Indian states are collecting this tax. It is a source of revenue for the government. The maximum amount payable per year is INR 2,500 and in line with tax payer's salary, there are predetermined slabs. It is also payable by members of staff employed in private companies. It is deducted by the employer from their employee every month and remitted to state exchequer and in some states sent to the Municipal Corporation. It is mandatory to pay professional tax. The tax payer is eligible for income tax deduction for this payment

INTELLECTUAL PROPERTY RELATED LAWS

Copyright Act, 1957 (Copyright Act)

The Copyright Act governs copyright protection in India. Under the Copyright Act, copyright may subsist in original literary, dramatic, musical or artistic works, cinematograph films, and sound recordings.

While copyright registration is not a prerequisite for acquiring or enforcing a copyright, registration creates a presumption favoring ownership of the copyright by the registered owner. Copyright registration may expedite infringement proceedings and reduce delay caused due to evidentiary considerations. Once registered, the copyright protection of a work lasts for 60 years from the beginning of the next calendar year, following the year in which the work is first published.

The remedies available in the event of infringement of a copyright under the Copyright Act include civil proceedings for damages, account of profits, injunction and the delivery of the infringing copies to the copyright owner. The Copyright Act



also provides for criminal remedies including imprisonment of the accused and the imposition of fines and seizure of infringing copies.

The Trade Marks Act, 1999 ("Trademark Act")

The Trademark Act provides for the statutory protection of trademarks and for the prevention of the use of fraudulent marks in India. Certification marks and collective marks can also be registered under the Trademark Act. An application for trade mark registration may be made by any person claiming to be the proprietor of a trade mark used or proposed to be used by him, who is desirous of registering it. Applications for a trade mark registration may be made for in one or more classes. Once granted, trade mark registration is valid for ten years unless cancelled.

The Trade Mark (Amendment) Act, 2010 has been enacted by the Government of India to amend the Trademark Act to enable Indian nationals as well as foreign nationals to secure simultaneous protection of trade mark in other countries.

CORPORATE LAWS

The Companies Act, 2013

The Companies Act, 2013, has replaced the Companies Act, 1956 in a phased manner. The Act received the assent of President of India on 29th August 2013. At present almost all the provisions of this law have been made effective except a very few. The Ministry of Corporate Affairs, has also issued rules complementary to the Companies Act, 2013 establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Companies Act, 2013.

The Companies Act primarily regulates the formation, financing, functioning and restructuring of separate legal entity as Companies. The Act provides regulatory and compliance mechanism regarding all relevant aspects including organizational, financial and managerial aspects of companies. The provisions of the Act state the eligibility, procedure and execution for various functions of the company, the relation and action of the management and that of the shareholders. The law laid down transparency, corporate governance and protection of shareholders & creditors.

In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

FOREIGN REGULATIONS

The Foreign Trade (Development and Regulation) Act, 1992 ("FTA")

In India, the main legislation concerning foreign trade is FTA. The FTA read along with relevant rules provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. FTA read with the Indian Foreign Trade Policy provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.

Foreign Exchange Management Act, 1999

When a business enterprise imports goods from other countries, exports its products to them or makes investments abroad, it deals in foreign exchange. Foreign Exchange Management Act, 1999 (—FEMA||) was enacted to consolidate and amend the law relating to foreign exchange with the objective of facilitating external trade and for promoting the orderly development and maintenance of foreign exchange market in India. FEMA extends to whole of India. This Act also applies to all branches, offices and agencies outside India owned or controlled by a person resident in India and also to any contravention committed thereunder outside India by any person to whom the Act is applies. The Act has assigned an important role to the Reserve Bank of India (RBI) in the administration of FEMA.

EMPLOYMENT AND LABOUR LAWS

The Employees' Provident Fund and Miscellaneous Provisions Act, 1952

The Employees Provident Funds and Miscellaneous Provisions Act, 1952, as amended from time to time (—EPF Act)), mandates provisioning for provident fund, family pension fund and deposit linked insurance in factories and other establishments for the benefits of the employees. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund. There is also a requirement to maintain prescribed records and registers and filing of forms with the concerned authorities.

The Employees' State Insurance Act, 1948 (the "ESI Act")

The promulgation of Employees' State Insurance Act, 1948 envisaged an integrated need based social insurance scheme that would protect the interest of workers in contingencies such as sickness, maternity, temporary or permanent physical disablement, death due to employment injury resulting in loss of wages or earning.

All the establishments to which the Employees State Insurance (ESI) Act applies are required to be registered under the Act with the Employees State Insurance Corporation. The Act requires all the employees of the factories and establishments to which the Act applies to be insured in the manner provided under the Act. Further, employer and employees both are required to make contribution to the fund at the rate prescribed by the Central Government. The return of the contribution made is required to be filed with the Employee State Insurance department.

The Equal Remuneration Act, 1976

Equal Remuneration Act, 1976 was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution. The act provides for payment of equal remuneration to men and women workers and for prevention of discrimination, on the ground of sex, against female employees in the matters of employment and for matters connected therewith.

Payment of Gratuity Act, 1972

The Payment of Gratuity Act is applicable to every factory, mine, oilfield, plantation, port, railway companies and to every shop and establishment in which 10 or more persons are employed or were employed at any time during the preceding twelve months. This Act applies to all employees irrespective of their salary.

The Payment of Gratuity Act, as amended, provides for a scheme for payment of gratuity to an employee on the termination of his employment after he has rendered continuous service for not less than 5 years:

- (a) on his/her superannuation;
- (b) on his/her retirement or resignation;
- (c) on his/her death or disablement due to accident or disease (in this case the minimum requirement of five years does not apply)

A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day.

Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 is applicable to every factory and every other establishment employing twenty (20) or more persons. Every employee shall be entitled to be paid by his employer in an accounting year, bonus, in accordance with the provisions of this Act, provided he has worked in the establishment for not less than thirty working days in that year.

The Maternity Benefit Act, 1961

The purpose of the Maternity Benefit Act, 1961 is to regulate the employment of pregnant women in certain establishments for certain periods and to ensure that they get paid leave for a specified period before and after childbirth, or miscarriage or medical termination of pregnancy. It provides, inter alia, for payment of maternity benefits, medical bonus and prohibits the dismissal of and reduction of wages paid to pregnant women, etc. Government, further amended the Act which is known as The Maternity Benefit (Amendment) Act, 2016, effective from March 28, 2017 introducing



more benefits for pregnant women in certain establishments.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (—SHWW Act||) provides for the protection of women at workplace and prevention of sexual harassment at workplace. The SHWW Act also provides for a redressal mechanism to manage complaints in this regard. Sexual harassment includes one or more of the following acts or behaviour namely, physical contact and advances or a demand or request for sexual favors or making sexually coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature. The SHWW Act makes it mandatory for every employer of a workplace to constitute an Internal Complaints Committee, which shall always be presided upon by a woman.

The Industrial Disputes Act, 1947 and Industrial Dispute (Central) Rules, 1957

Industrial Dispute Act, 1947 and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The Industrial Disputes Act, 1947 (IDA) was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond a prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment.

GENERAL LEGISLATIONS

The Indian Contract Act, 1872

The Indian Contract Act, 1872 (—Contract Act||) codifies the way in which a contract may be entered into, executed, implementation of the provisions of a contract and effects of breach of a contract. A person is free to contract on any terms he chooses. The Contract Act also provides for circumstances under which contracts will be considered as void' or voidable'. The Contract Act contains provisions governing certain special contracts, including indemnity, guarantee, bailment, pledge, and agency.

Sale of Goods Act, 1930

The law relating to the sale of goods is codified in the Sale of Goods Act, 1930. It defines sale and agreement to sell as a contract whereby the seller transfers or agrees to transfer the property in goods to the buyer for a price and provides that there may be a contract of sale between part owner and another and that the contract of sale may be absolute or conditional.

Consumer Protection Act, 2019 (“CPA”)

The CPA, which repeals the Consumer Protection Act, 1986, was enacted to provide simpler and quicker access to redress consumer grievances. It seeks to protect and promote the interests of consumers against deficiencies and defects in goods or services and secure the rights of a consumer against unfair trade practices, which may be practiced by manufacturers, service providers and traders. Further, the definition of “consumer” has been expanded under the CPA to include persons engaged in online and offline transactions through electronic means or by teleshopping, or direct-selling or multi-level marketing.

The Competition Act, 2002

The Competition Act, 2002 prohibits anti-competitive agreements, abuse of dominant positions by enterprises and regulates —combinations|| in India. The Competition Act also established the Competition Commission of India (the —CCI) as the authority mandated to implement the Competition Act. Combinations which are Likely to cause an appreciable adverse effect on competition in a relevant market in India are void under the Competition Act. The obligation to notify a combination to the CCI falls upon the acquirer in case of an acquisition, and on all parties to the combination jointly in case of a merger or amalgamation.

Transfer of Property Act, 1882 (“TP Act”)

The Transfer of Property Act, 1882 (the —TP Act||) establishes the general principles relating to transfer of property in India. It forms a basis for identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for that purpose.

The Indian Stamp Act, 1899

Under the Indian Stamp Act, 1899, stamp duty is payable on instruments evidencing a transfer or creation or extinguishment of any right, title or interest in immovable property. Stamp duty must be paid on all instruments specified under the Stamp Act at the rates specified in the schedules to the Stamp Act. The applicable rates for stamp duty on instruments chargeable with duty vary from state to state.

The Registration Act, 1908

The purpose of the Registration Act, amongst other things, is to provide a method of public registration of documents so as to give information to people regarding legal rights and obligations arising or affecting a particular property, and to perpetuate documents which may afterwards be of legal importance, and also to prevent fraud.

Negotiable Instruments Act, 1881

In India, the laws governing monetary instruments such as cheques are contained in the Negotiable Instruments Act, 1881. The Act provides effective legal provision to restrain people from issuing cheques without having sufficient funds in their account or any stringent provision to punish them in the event of such cheque not being honoured by their bankers and returned unpaid. Section 138 of the Act, creates statutory offence in the matter of dishonour of cheques on the ground of insufficiency of funds in the account maintained by a person with the banker which is punishable with imprisonment for a term which may extend to two year, or with fine which may extend to twice the amount of the cheque, or with both.

Information Technology Act, 2000 (as amended by Information Technology Amendment Act, 2008):

The Information Technology Act, 2000 (the IT Act) is an Act of the Indian Parliament notified on October 17, 2000. It is the primary law in India dealing with cybercrime and electronic commerce. It was enacted with the purpose of providing legal recognition to electronic transactions and facilitating electronic filing of documents. The IT Act further provides for civil and criminal liability including fines and imprisonment for various cyber- crimes, including unauthorized access to computer systems, unauthorized modification to the contents of computer systems, damaging computer systems, the unauthorized disclosure of confidential information and computer fraud.

Limitation Act, 1963

The law relating to Law of Limitation to India is the Limitation Act, 1859 and subsequently Limitation Act, 1963 which was enacted on 5th of October, 1963 and which came into force from 1st of January, 1964 for the purpose of consolidating and amending the legal principles relating to limitation of suits and other legal proceedings. The basic concept of limitation is relating to fixing or prescribing of the time period for barring legal actions. According to Section 2 (j) of the Limitation Act, 1963, period of limitation’ means the period of limitation prescribed for any suit, appeal or application by the Schedule, and prescribed period’ means the period of limitation computed in accordance with the provisions of this Act.

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OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

HISTORY OF OUR COMPANY

Our Company was originally incorporated on December 15, 1998 as a Private Limited Company as “Trust Systems and Software (India) Limited” vide Registration No. 117470 under the provisions of the Companies Act, 1956 with the Registrar of Companies, Mumbai. Pursuant to a special resolution passed by the Shareholders at their Extra ordinary General Meeting held on September 16, 2023, our Company was converted from a Private Limited Company to Public Limited Company and consequently, the name of our Company was changed to ‘Trust Systems and Software (India) Limited’ and a Fresh Certificate of Incorporation consequent to Conversion was issued on September 29, 2023 by the Registrar of Companies, Mumbai. Further, pursuant to special resolution passed by the Shareholders at their Extra Ordinary General Meeting held on November 22, 2023, our company has changed its name from “Trust Systems and Software (India) Limited” to “Trust Fintech Limited” and a fresh certificate of incorporation consequent to name change was issued on December 14, 2023 by the Registrar of Companies, Mumbai. The Corporate Identification Number of our Company is U72100MH1998PLC117470.

Presently, we carry out our operations from our Registered Office and 2 offices for business purpose as per the below details:

| Sr. No. | Particulars | Address |
|---------|-------------------|--|
| 1. | Registered Office | PLOT NO.11/4, I.T. PARK, GAYATRI NAGAR PARSODI, NAGPUR, Maharashtra, India, 440022 |
| 2. | Mumbai Office | 509, "E-Square", Subhash Road, Vile Parle, Mumbai-400057 |
| 3. | Pune Office | 101, Navkar Avenue A2, Behind Axis Bank, Bavdhan, Pune-411021 |

CHANGES IN OUR REGISTERED OFFICE

Our Registered Office is presently situated at Plot no.11/4, i.t. Park, Gayatri Nagar Parsodi, Nagpur, Maharashtra, India, 440022.

The details of the change of Registered office of the Company are as follows:

| Sr. No | Date of Change | Shifted from | Shifted to |
|--------|--------------------|--|---|
| 1. | December 10, 2002* | 50, Ravindra Nagar, Nagpur, Maharashtra- 440022 | Plot No. 75, Hindustan Colony, Wardha Road, Nagpur, Maharashtra – 440015 |
| 2. | August 17, 2007 | Plot No. 75, Hindustan Colony, Wardha Road, Nagpur, Maharashtra – 440015 | Plot No. 11/4, IT Park, Gayatri Nagar, Parsodi, Nagpur, Maharashtra – 440022. |

***Note:** We are unable to trace complete documents of the relevant form filled with ROC for change in Registered office of the company and therefore details mentioned above are extracted from available Board resolutions in the records of the Company. we have relied on the search report from PCS Firm i.e. Kaustubh Moghe and Associates having certificate of practice no. 12486 dated January 25, 2024 for tracing changes in Registered Office. For further information, please refer to the Chapter titled “Risk Factors” and Risk No. 7 on the Page No. 30 of this Prospectus.

CHANGES IN NAME CLAUSE

| Date of Amendment | Particular | Reason |
|-----------------------|---|--|
| On September 16, 2023 | Change in name of company from “Trust Systems and Software (India) Private Limited” to “Trust Systems and Software (India) Limited” | Conversion of Company from Private to Public |
| On December 14, 2023 | Change in name of company from “Trust Systems and Software (India) Limited” to “Trust Fintech Limited” | For Administrative Purpose |

MAIN OBJECTS OF OUR COMPANY

The object clauses of the Memorandum of Association of our Company enable us to undertake our present activities. The main objects of our Company as per the Object Clause of Memorandum of Association of the Company are as under:

1. To carry on the business of Software development and allied services.
2. To provide turnkey software solutions.
3. To do software exports.

AMENDMENTS TO THE MOA OF OUR COMPANY SINCE INCORPORATION:

Since incorporation, there has been following amendment made to the MoA of our Company:

| Date of Amendment | Particulars of Amendment |
|-------------------|---|
| March 14, 2005* | Increase in Authorized capital of Company from Rs. 20,00,000 to Rs. 50,00,000. |
| February 28, 2012 | Increase in Authorized capital of Company from Rs. 50,00,000 to Rs. 2,00,00,000. |
| April 23, 2014 | Increase in Authorised capital of Company from Rs. 2,00,00,000 to Rs. 3,00,00,000. |
| March 30, 2016 | Increase in Authorised capital of Company from Rs. 3,00,00,000 to Rs. 5,00,00,000. |
| March 22, 2017 | Increase in Authorised capital of Company from Rs. 5,00,00,000 to 6,00,00,000. |
| October 04, 2023 | Change in name of Company from "Trust Systems and Software (India) Private Limited" to "Trust System and Software (India) Limited". |
| November 15, 2023 | Increase in Authorised capital of Company from Rs. 6,00,00,000 to 25,00,00,000. |
| December 14, 2023 | Change in name of Company from "Trust System and Software (India) Limited" to "Trust Fintech Limited". |

**Note: We are unable to trace some of documents for the information provided above, we have relied on the search report from PCS Firm i.e. Kaustubh Moghe and Associates having certificate of practice no. 12486 dated January 25, 2024 for tracing changes in Amendment in MOA since incorporation. For further information, please refer to the Chapter titled "Risk Factors" and Risk No. 7 on the Page No. 30 of this Prospectus.*

KEY EVENTS AND MILESTONES:

The following table sets forth the key events and milestones in the history of our Company, since incorporation:

| YEAR | PARTICULARS |
|------|--|
| 1999 | Incorporation of our Company as a Private Limited Company with the name of "Trust Systems and Software (India) Private Limited" with the vision of delivering world-class technology solutions to a virtually integrated business community. |
| 2003 | Developed ERP (Power Plant Monitoring system PPMS). Implemented all power plants at head office of Maharashtra State Electricity Distribution company Limited. |
| 2003 | Empanelled with Government of Maharashtra as IT service Provider for state wise computerization |
| 2007 | TrustBank CBS Version 1 Core Banking solution SQL Server 2008 & ASP.net partnered with SAP for its product SAP B1. |
| 2013 | Ranked among Top Core banking solution provider Globally |
| 2015 | CRISIL rated company for "High Performance capability and High Financial Strength (2A)" |
| 2015 | Empanelled by NeGD as agency for Integration of different Applications with e- Governance system for Digi-locker system. |
| 2017 | Empanelled by Government of India as a GSP (Goods and Services Tax Suvidha Provider) |
| 2017 | Launched SoftGST product specially designed for Banks for GST Compliances |
| 2017 | Launched Mobile app and internet banking app for Bank's customers |
| 2020 | ISO 27001 Certified Company |
| 2021 | TrustBank CBS Version pro 7 Core Banking solution SQL Server 2019 & ASP.net, C#, Java Script |
| 2021 | Launched LOS (Loan Origination software SAAS basis for banks) |
| 2021 | Microsoft Gold Partner As a "Independent Software vendor" |
| 2021 | CMMI level 5 Certified company |
| 2022 | Empanelment of Fintech with Union Bank of India for Development, Customization & Maintenance of new Software applications. |
| 2022 | Certificate of appreciation from The Central Board of Indirect Taxes and Customs for prompt fillings of return and payment of Goods and services tax. |
| 2023 | Launched NPA recovery management, audit and compliance module |



| | |
|------|--|
| 2023 | Received order from USA for implementation of CBS in credit union |
| 2023 | Empanelled vendor of NAFCUB to provide CBS and all other related services to urban cooperative Banks. |
| 2023 | Converted to Public Limited Company – consequently the name of the company was changed to 'Trust Systems and Software (India) Limited' |
| 2023 | Change in the name of company from "Trust Systems and Software (India) Limited" to "Trust Fintech Limited". |

DETAILS OF BUSINESS OF OUR COMPANY

Trust Fintech Limited is a Nagpur based SaaS Product focused company which has carved a niche in providing Core Banking Software, IT Solutions, ERP Implementation and Customized Software Solutions Development, SAP B1 and Offshore IT services for the BFSI sector. TFL was founded by Mr. Hemant Chafale, Mr. Heramb Ramkrishna, Mr. Mandar Kishor Deo with a focus on delivering secured core banking solutions & world-class technology solutions to a virtually integrated banking and financial eco-system. The company has evolved in the last 25 years and adapted to the technological and market shifts to reach the current business model and product version. Trust Fintech is consistently expanding its business footprints in India and Globally by adapting to ever-changing regulatory compliances for the global BFSI sector.

We have invested in developing more than 10+ (ten) banking related products for Commercial and Cooperative Banks and Financial Institutions, which comprise Core Banking Software, Loan Origination software, GST compliance software, Financial Accounting & Billing Software, GST Suvidha provider, SAP B1 Services (for Implementation, Support and Add-on Development), Various add-on modules for Statutory Report Generation, ATM Reconciliation, Anti-Money Laundering, Agency Banking, Mobile Banking leveraging end to end solutions to address the evolving needs of banking Solutions. Since we provide banking solutions, therefore all the product solutions are built by keeping in mind the RBI compliance requirements, which the banks have to follow and also the product is designed in configurable architect, which gives the flexibility to incorporate the changes which may be required to be complied by the banks, pursuant to the change in the policy and compliances as notified by the RBI. Also, our Core Banking Product (TrustBankCBS) is flexible enough to customize for the Central Bank requirements, by customizing this software, we have served this software in India Shri Lanka, Nepal, California, Gambia, Tanzania, Ghana, Liberia, Nigeria, Zimbabwe, and few more countries.

Our company is majorly involved in the Implementation, and deployment of Core banking Software i.e. TrustBankCBS or MicroFinS. TrustBankCBS mainly serves the needs of medium to large banks & financial institutions and MicroFinS serves the needs of Small & growing Co-operative Societies, SACCOS & similar banking institutions. Our flagship product, TrustBankCBS, is a web-based software. It is available "on-premises with infrastructure" i.e. it offers the flexibility to the customer to deploy TrustBankCBS on their own premises with customized infrastructure. Alternatively, it is also available as off-the-shelf banking software solution in a 'Software as a Service' (SaaS) model. This covers bundled solutions of software and hosting infrastructure on a rental basis for those preferring a hassle-free.

Our company proudly holds several quality certifications including ISO 27001:2013, ISO 9001:2015, and CMMI Level 5 reaffirming our commitment to management of information security, comprehensive IT solutions, and advanced software services. Also, TrustBankCBS Software is tested for "VAPT" by CERT-IN certified auditors which demonstrates security and robustness of the software. With 25+ years of operational excellence and a dedicated team of 250+, we provide advanced software services to Public Sector Banks, Co-Operative Banks, District Co-Operative Banks, Regional Rural Banks, Large Credit Societies, NBFC, Large commercial Banks (Add-on Business), PACS, Credit Unions in USA and South American countries that meet international quality. Currently, we are serving customers in more than 15 States of India and in more than 10 countries including California, Nepal, Gambia, Ghana, Liberia, Nigeria, Sri Lanka, Tanzania, Zimbabwe, Siberia, Central Africa Republic.

Our organization currently operates through its offices located in Nagpur, Pune, and Mumbai spread across total area of 1064.42 sq. mtr. accommodating a workforce of over 250+ employees. The Nagpur property is currently over utilized and lacks the capacity to accommodate additional personnel.

For details on the description of Our Company's activity, business model, marketing strategy, strength, completion of business, please see "Our Business", "Management Discussion and Analysis of Financial Conditions" and "Basis for Issue Price" on page 141, 259 and 113 of this Prospectus respectively.

HOLDING COMPANY OF OUR COMPANY

Our company does not have any Holding Company as on the date of filling of this Prospectus.

SUBSIDIARY COMPANY OF OUR COMPANY

Our Company has no Subsidiary Company as on the date of filing of this Prospectus.

ASSOCIATE AND JOINT VENTURES OF OUR COMPANY

Our Company does not have any associate and joint ventures as on the date of this Prospectus.

OTHER DECLARATIONS AND DISCLOSURES

Our Company is not a listed entity and its securities have not been refused listing at any time by any recognized stock exchange in India or abroad. Further, Our Company has not made any Public Issue or Rights Issue (as defined in the SEBI ICDR Regulations) in the past. No action has been taken against Our Company by any Stock Exchange or by SEBI. Our Company is not under winding up nor has received a notice for striking off its name from the relevant Registrar of Companies.

FUND RAISING THROUGH EQUITY OR DEBT

For details in relation to our fund-raising activities through equity or debt, please refer to the chapters titled “*Capital Structure*” beginning on page number 63 respectively, of this Prospectus.

REVALUATION OF ASSETS

Except as stated below, our Company has not re-valued its assets since incorporation:

| Sr. No. | Year of Revaluation | Type of Asset | Nature of Asset | Book Value of Asset (in Lacs) | Value after Revaluation (in Lacs) |
|----------------|----------------------------|----------------------|---|--------------------------------------|--|
| 1. | 2022-23 | Land | Land situated at 11/4, Gayatri Nagar, IT Park, Nagpur | 100.34 | 801.00 |

*For Revaluation of Assets certificate dated January 07, 2024, by the Peer Reviewed auditor of the issue, M/s Abhijit Kelkar & Co.

CHANGES IN THE ACTIVITIES OF OUR COMPANY HAVING A MATERIAL EFFECT

Other than as stated in this prospectus, there has been no change in the activities being carried out by our Company during the preceding five years from the date of this prospectus which may have a material effect on the profits / loss of our Company, including discontinuance of lines of business, loss of agencies or markets and similar factors.

INJUNCTIONS OR RESTRAINING ORDERS

Our Company is not operating under any injunction or restraining order.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS/BANKS

There have been no Defaults or Rescheduling of borrowings with financial institutions/banks in last 3 financial years.

STRIKES AND LOCK-OUTS



Our company has, since incorporation has not been involved in any labor disputes or disturbances including strikes and lockouts. As on the date of this Prospectus, our employees are not unionized.

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

As on the date of this Prospectus, there have been no time and cost overrun in any of the projects undertaken by our Company.

SHAREHOLDERS' AGREEMENT

Our Company does not have any subsisting shareholders' agreement as on the date of this Prospectus.

OTHER AGREEMENTS

Except as disclosed in the title "*Material Contracts and Documents for Inspection*" on page No. 357 as on the of this Prospectus our Company has not entered into any agreements other than those entered into in the ordinary course of business and there are no material agreements entered into more than two years before the date of this Prospectus.

AGREEMENTS WITH KEY MANAGERIAL PERSONNEL, DIRECTORS, PROMOTERS OR ANY OTHER EMPLOYEE

As on the date of this Prospectus, there are no agreements entered into by our Key Managerial Personnel or Directors or Promoters or any other employee of our Company, either by themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of our Company.

COLLABORATION AGREEMENT

As on the date of this Prospectus, our Company is not party to any collaboration agreement.

STRATEGIC PARTNERS

Our Company does not have any strategic partner(s) as on the date of this Prospectus.

FINANCIAL PARTNERS

As on the date of this Prospectus, our Company does not have any financial partners.

ACQUISITION OF BUSINESS/UNDERTAKINGS

There is no Merger, Amalgamation, Acquisition of Business or Undertaking etc. with respect to our Company and we have not acquired a business undertaking in last 10 years.

DIVESTMENT OF BUSINESS/UNDERTAKING BY COMPANY IN LAST 10 YEARS.

There has been no divestment by the Company of any business or undertaking in last 10 years.

NUMBER OF SHAREHOLDER OF OUR COMPANY

Our Company has **30 (Thirty)** shareholders as on date of this Prospectus. For further details on the Shareholding Pattern of our Company, please refer to the Chapter titled "*Capital Structure*" beginning on page 63 of this Prospectus.

DETAILS OF PAST PERFORMANCE

For details of Change of management, please see chapter titled *“Our Business”* and *“Our History and Certain Corporate Matters”* on page 141 and 189 respectively of this Prospectus.

DETAILS OF FINANCIAL PERFORMANCE

For details in relation to our financial performance in the previous five financial years, including details of non-recurring items of income, refer to section titled *“Financial Statements”* beginning on page 225 of this Prospectus.

GUARANTEES GIVEN BY PROMOTER OFFERING ITS SHARES IN THE OFFER FOR SALE

This Issue is a fresh issue of Equity Shares and our Promoters are not offering their shares in this Issue.

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OUR MANAGEMENT

BOARD OF DIRECTORS

As per the Articles of Association of our Company, we are required to have not less than 3 (Three) Directors and not more than 15 (Fifteen) Directors on its Board, subject to provisions of Section 149 of Companies Act, 2013. As on date of this Prospectus, our Board consist of Eight (8) Directors, out of which Four (4) are Executive Director, three (3) are Non-Executive Independent Director and One (1) is Non-Executive women Director.

| Sr. No. | Name | DIN | Category | Designation |
|---------|--------------------------|----------|----------------|----------------------|
| 1. | Hemant Padmanabh Chafale | 01590781 | Executive | Managing Director |
| 2. | Mandar Kishor Deo | 01590926 | Executive | Whole time Director |
| 3. | Heramb Ramkrishna Damle | 02734881 | Executive | Whole time Director |
| 4. | Anand Shanker Kane | 07635348 | Executive | Director & CFO |
| 5. | Sandhya Narendra Gulhane | 10432093 | Non- Executive | Director |
| 6. | Nitin Dattatraya Alshi | 05252946 | Non- Executive | Independent Director |
| 7. | Kapil Dilip Chandrayan | 05311061 | Non- Executive | Independent Director |
| 8. | Prasad A Dongarkar | 03025312 | Non- Executive | Independent Director |

The following table sets forth certain details regarding the members of our Company's Board as on the date of this Prospectus:

| S. No. | Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term | Age | Other Directorship |
|--------|---|-----|---|
| 1. | <p>Mr. Hemant Padmanabh Chafale</p> <p>Designation: Managing Director</p> <p>Address: Plot No. 50, near Ganesh mandir, Ravindra Nagar, Rana Pratap Nagar, Nagpur, Maharashtra-440022</p> <p>Date of Birth: 05/03/1970</p> <p>Qualification: Bachelor of Engineering in Instrument Engineering from Marathwada University.</p> <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>Term: 5 years w.e.f. December 01, 2023</p> <p>Date of First Appointment: December 17, 1998</p> <p>Date of Appointment as Managing Director: December 01, 2023</p> <p>DIN: 01590781</p> | 54 | <p><u>Indian Private Limited Company</u></p> <p>Nil</p> <p><u>Indian Public Limited Company</u></p> <p>Nil</p> <p><u>Indian Limited Liability Partnership</u></p> <p>Nil</p> <p><u>Indian Hindu Undivided Family</u></p> <p>Nil</p> |
| 2. | <p>Mr. Mandar Kishor Deo</p> | 54 | <p><u>Indian Private Limited Company</u></p> |

| S. No. | Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term | Age | Other Directorship |
|--------|---|-----|---|
| | <p>Designation: Whole Time Director</p> <p>Address: Plot No. 07, Flat No. 11, Bhaskar Apartment, Bajaj Nagar, Shankar Nagar, Nagpur-440010</p> <p>Date of Birth: 01/03/1970</p> <p>Qualification:</p> <ul style="list-style-type: none"> Professional Diploma in Computer Programming and Applications (PDCPA) from La Salle University, USA <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>Term: 5 Years w.e.f. December 01, 2023</p> <p>Date of First Appointment: 12/03/2010</p> <p>DIN: 01590926</p> | | <p>Nil</p> <p><u>Indian Public Limited Company</u></p> <p>Nil</p> <p><u>Indian Limited Liability Partnership</u></p> <p>Nil</p> <p><u>Indian Hindu Undivided Family</u></p> <p>Nil</p> |
| 3. | <p>Mr. Heramb Ramkrishna Damle</p> <p>Designation: Whole Time Director</p> <p>Address: Flat no 503, Building A Sargam Society, Nanded City, Sinhgad Road, Pune, Maharashtra-411041</p> <p>Date of Birth: 19/07/1976</p> <p>Qualification:</p> <ul style="list-style-type: none"> Bachelor Degree in Mechanical Engineering from Amravati University Master of Business Administration from Pune University <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>Date of First Appointment: March 12, 2010</p> <p>Term: 5 Years w.e.f. December 01, 2023</p> <p>DIN: 02734881</p> | 47 | <p><u>Indian Private Limited Company</u></p> <p>Nil</p> <p><u>Indian Public Limited Company</u></p> <p>Nil</p> <p><u>Indian Limited Liability Partnership</u></p> <p>Nil</p> <p><u>Indian Hindu Undivided Family</u></p> <p>Nil</p> |
| 4. | <p>Mr. Anand Shankar Kane</p> <p>Designation: Director & CFO</p> <p>Address: 102, Amrut Dhara Heights, 591, Jame</p> | 60 | <p><u>Indian Private Limited Company</u></p> <p>Nil</p> <p><u>Indian Public Limited Company</u></p> |



| S. No. | Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term | Age | Other Directorship |
|--------|--|-----|--|
| | <p>Jamshed Road, Near Kapole Niwas, Matunga, East Mumbai, Maharashtra- 400019</p> <p>Date of Birth: 12/10/1963</p> <p>Qualification:</p> <ul style="list-style-type: none"> Bachelor of Commerce, Gujarat University Management and Professional Services course at Harvard Business School <p>Occupation: Business</p> <p>Nationality: Indian</p> <p>Date of First Appointment: October 18, 2016</p> <p>Date of Appointment as CFO: October 21, 2023</p> <p>DIN: 07635348</p> | | <p>Nil</p> <p><u>Indian Limited Liability Partnership</u></p> <p>Nil</p> <p><u>Indian Hindu Undivided Family</u></p> <p>Nil</p> |
| 5. | <p>Mrs. Sandhya Narendra Gulhane</p> <p>Designation: Non- Executive Director</p> <p>Address: Plot No. 294, Flat No. t1, Pushpa Laxmi Apartment, Near Ambedkar Bank, Ranapratap Nagar, Nagpur- 440022</p> <p>Date of Birth: 23/11/1966</p> <p>Qualification:</p> <ul style="list-style-type: none"> Master of Science (Applied Electronics) from Amravati University <p>Occupation: Professional</p> <p>Nationality: Indian</p> <p>Date of Appointment: January 06, 2024</p> <p>Term: 3 Years w.e.f. January 06, 2024</p> <p>DIN: 10432093</p> | 57 | <p><u>Indian Private Limited Company</u></p> <p>Nil</p> <p><u>Indian Public Limited Company</u></p> <p>Nil</p> <p><u>Indian Limited Liability Partnership</u></p> <p>Nil</p> <p><u>Indian Hindu Undivided Family</u></p> <p>Nil</p> |
| 6. | <p>Mr. Nitin Dattatraya Alshi</p> <p>Designation: Non- Executive independent Director</p> <p>Address: Plot No. 202, Near Nutan Bharat School, Abhyankar Nagar, Nagpur- 440010</p> <p>Date of Birth: 05/03/1970</p> | 54 | <p><u>Indian Private Limited Company</u></p> <ul style="list-style-type: none"> GrowProfit Advisors Private Limited <p><u>Indian Public Limited Company</u></p> <p>Nil</p> <p><u>Indian Limited Liability Partnership</u></p> |

| S. No. | Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term | Age | Other Directorship |
|--------|--|-----|---|
| | <p>Qualification:</p> <ul style="list-style-type: none"> Chartered Accountant from Institute of Chartered Accountants of India Cost Accountant from Institute of Cost Accountants of India Postgraduation diploma in Enterprise Risk Management from The Institute of Chartered Financial Analysts of India University, Tripura Post Qualification course in Information Systems Audit (ISA) from The Institute of Chartered Accountants of India <p>Occupation: Professional</p> <p>Nationality: Indian</p> <p>Date of Appointment: January 06, 2024</p> <p>Term: 3 Years w.e.f. January 06, 2024</p> <p>DIN: 05252946</p> | | <p>Nil</p> <p><u>Indian Hindu Undivided Family</u></p> <p>Nil</p> |
| 7. | <p>Dr. Kapil Dilip Chandrayan</p> <p>Designation: Non- Executive Independent Director</p> <p>Address: Shattarka, 60 Nehru Nagar, khamla Road, Vivekanand Nagar, Nagpur- 440015</p> <p>Date of Birth: 06/05/1982</p> <p>Qualification:</p> <ul style="list-style-type: none"> Doctor of Philosophy from Rashtrasant Tukadoji Maharaj Nagpur University Master of Business Administration (Marketing Management) from Yashwantrao Chavan Maharashtra Open University, Nashik Master of Arts from University of Pune Bachelor of Commerce from Rashtrasant Tukadoji Maharaj Nagpur University Post Graduate Diploma in Business Administration from Symbiosis Centre for Distance Learning, Pune <p>Occupation: Professional</p> <p>Nationality: Indian</p> <p>Date of Appointment: January 06, 2024</p> <p>Term: 3 Years w.e.f. January 06, 2024</p> | 41 | <p><u>Indian Private Limited Company</u></p> <p>Nil</p> <p><u>Indian Public Limited Company</u></p> <p>Nil</p> <p><u>Indian Limited Liability Partnership</u></p> <ul style="list-style-type: none"> Sharada Consultancy Services LLP <p><u>Indian Hindu Undivided Family</u></p> <p>Nil</p> |



| S. No. | Name, DIN, Date of Birth, Qualification, Designation, Occupation, Address, Nationality and Term | Age | Other Directorship |
|--------|--|-----|--|
| | DIN: 05311061 | | |
| 8. | <p>Mr. Prasad Annaji Dongarkar</p> <p>Designation: Non- Executive Independent Director</p> <p>Address: 925 A Ward, Devkar Panand Kolhapur, Hotel Royal Roof Mage, karvir, Kolhapur, Maharashtra- 416012</p> <p>Date of Birth: 01/01/1970</p> <p>Qualification:</p> <ul style="list-style-type: none"> Bachelor of Engineering (Instrumentation) from Marathwada University <p>Occupation: Professional</p> <p>Nationality: Indian</p> <p>Date of Appointment: January 06, 2024</p> <p>Term: 3 Years w.e.f. January 06, 2024</p> <p>DIN: 3025312</p> | 53 | <p><u>Indian Private Limited Company</u></p> <ul style="list-style-type: none"> Veracity Entrepreneurs Advisors Private Limited <p><u>Indian Public Limited Company</u></p> <p>Nil</p> <p><u>Indian Limited Liability Partnership</u></p> <p>Nil</p> <p><u>Indian Hindu Undivided Family</u></p> <p>Nil</p> |

BRIEF PROFILE OF THE DIRECTORS OF OUR COMPANY

Mr. Hemant Padmanabh Chafale, aged 54 years, is the Founder & Managing Director of the Company. With a Bachelor's degree in Instrumentation Engineering (in 1992) he has extensive experience in Control Systems in various industries such as Chemicals, Petrochemicals and Steel. He has successfully designed and implemented various MIS packages as team leader and is completely familiar with every aspect of software applications in various businesses.

Earlier in his career, Mr. Hemant worked with-

- Indo Rama Synthetics Ltd Nagpur,
- Bombay Dyeing and Manufacturing Co Ltd. and
- ESSAR Projects Ltd. Surat in Control System domains for 5 years.

He also serves as a director at Nagpur Nagarik Sahakari Bank and was President at Vidarbha Vaibhav NGO which is managing Professor Rajendra Singh (Rajju Bhaiya) Science Exploratory. Additionally, his chartered membership at TIE Nagpur Chapter reflects his active engagement in entrepreneurial circles. He is also chartered member at TIE Nagpur Chapter. Mr. Hemant is having more than 31 years of experience in Software delivery.

Mr. Mandar Kishor Deo, aged 54 years, is the whole-time director & Technical Head in TFL. He is having bachelor degree in science and an Associate Member of Institute of Engineers (AMIE, equivalent to an Engineering degree) plus a Professional Diploma holder in Computer Programming and Applications (PDCPA) from La Salle University, USA. Mr. Mandar is very well versed with designing, development of large systems, ERP core banking, mobility solution and cloud computing across all technology platforms. Before joining Trust, he was working as Freelance consultant. With over 31 years of professional experience, Mr. Mandar has been an integral part of TFL since inception. He is very well qualified to supervise the overall Software Development at Trust Fintech.

Mr. Heramb Ramkrishna Damle, aged 47 years, is the whole-time director & Marketing head in the company. He is

having Bachelor Degree in Mechanical Engineering from Amravati University and Master of Business Administration from Pune University. Mr. Damle worked for Jubiral Systems in ERP domain for one year before joining Trust Fintech. He is having good understanding about Business needs with BFSI sector focusing on domestic and international sales. With over 23 years of professional experience, Mr. Damle has been an integral part of TFL since inception. Mr. Damle with his techno-commercial approach towards software development, has successfully developed new business segments and partner network for Trust Fintech.

Mr. Anand Shankar Kane, aged 60 years, is the Executive Director & CFO on the board of Trust Fintech Limited. He has Graduated in Commerce and Management Professional Service course at Harvard Business School in 2012. Mr. Kane started his carrier with a large PSU- Bank of Baroda in 1984. Mr. Kane also worked with Banks like Standard Chartered Bank (UAE) and after then he Joined HDFC Bank in 1997 as senior management position. Moved to I- flex solutions in 2005 which was taken over by Oracle Financial Services (OFS) in 2006. He Headed the Business & Solutions team as director for Global Sales at Oracle financial services Ltd (TDMS Group). With having more than 40 years of experience, Mr. Kane joined Trust as Director Global Sales & Strategy in 2016.

Mrs. Sandhya Narendra Gulhane, aged 57 years, is the Non- Executive Director on the board of Trust Fintech Limited. She is having Master of Science (Applied Electronics) from Amravati University. She is having expertise in the GST domain, including comprehensive knowledge of GST laws, rules, and notifications. Specialized in designing and developing customized GST ASP solutions for the banking sector. Mrs. Sandhya also having experience in Global ERP, particularly SAP B1 and have ability to tailor ERP solutions for diverse industries such as Newspaper, Service, and Manufacturing. Mrs. Sandhya is skilled IT Professional with over 25 years of experience in Project Management, Client/Server Technologies, product development, SDLC, UML designing tools, and Object-oriented Methodologies.

Mr. Nitin Dattatraya Alshi, aged 54 years, is the Non- Executive Independent Director on the board of Trust Fintech Limited. He is having more than 22 years of experience as Chartered Accountant and also having a professional degree in accountancy and costing. Mr. Nitin is Ex member of Internal Audit Standard Board, ICAI, Delhi. He was former President of Nagpur wing of Mumbai chapter of Institute of Internal Auditors (USA). Also, Mr. Nitin serves as a former member of board of governance of Mumbai chapter of Institute of Internal Auditors (USA).

Dr. Kapil Dilip Chandrayan, is the consultant to the CEO office at the National Skill Development Corporation. Dr. Kapil is having experience in strategic communication, stakeholder engagement, and sustainable development. He also works as Resource person, Researcher and Theme writer for training related to Sustainable Development Goals (SDGs), District Human Development Report with YASHADA Pune & Water Safety Plan, NEERI & WHO. He has been Strategic Communication Consultant for various project like 'Nagpur Metro Rail Project' since Jan 2015, Nagpur Smart City Project' since July 2015, 'Nagpur 24x7 Water Supply Project' since 2010. He also works as Resource person, Researcher and Theme writer for training related to Sustainable Development Goals (SDGs), District Human Development Report with YASHADA Pune & Water Safety Plan, NEERI & WHO. He is a Founder President of Not-for-Profit Advocacy and Research Organization Centre for Development Research.

Mr. Prasad Annaji Dongarkar, aged 53 years, is the non-executive director on the board of Trust Fintech Limited. Mr. Prasad holds degree in Bachelor of Engineering (Instrumentation). He is having experience of 18 plus years in providing Consultancy, Awareness & Advance trainings, and Management System Assessment in facilitations, trainings & assessments of various management systems. Mr. Prasad is associated with various certification agencies like DQS, DNV, SGS for delivery of audits and trainings. He Conducted over 400 in house & open house-training programs Functional Safety professional - Trainer, assessor & auditor. He served in the field of third-party assessment of Customers.

Note:

None of the above-mentioned Directors are on the RBI List of willful defaulters as on the date of this Prospectus.

- 1) None of the Promoters, persons forming part of our Promoter Group, our directors or persons in control of our Company or our Company are debarred by SEBI from accessing the capital market.*
- 2) None of the Promoters, Directors or persons in control of our Company, have been or are involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.*

TALENT BEHIND SUCCESS OF TRUST FINTECH:

Mr. Adhir Ranjan Behera- Principle Solution Architect



Mr. Adhir Ranjan Behera, a seasoned professional with a B.Sc., MCA, and C-DAC Certification, boasts a rich background, including 2 years in E-Com Technology in Nagpur. Currently serving as the Principal Solution Architect at Trust Fintech Limited since 2004. He plays a pivotal role in designing innovative solutions that drive the company's technological advancements. With a robust educational foundation and practical experience, Mr. Behera brings a valuable blend of skills, contributing significantly to Trust Fintech's technological landscape.

Mr. Lokesh Khatri – Vice President, Product Development

Mr. Lokesh Khatri, a highly qualified professional with MCSD (Microsoft Certified Solution Developer) and MCDBA (Microsoft Certified Database Administrator) certifications, possesses a strong foundation in technology. At Trust in 2004, Mr. Khatri holding position of Vice President – Product Development (CBS) in our organization. He uses his technical knowledge and leadership skills to play a crucial role in making the company's core banking solutions successful. His expertise contributes greatly to the overall achievements of the team.

Mr. Sanjay Yugaonkar - HOD, Database Analysis Team

Mr. Sanjay Yugaonkar, currently serving as Head of the Database Analysis Team, possess a Bachelor degree in Commerce. Mr. Sanjay is having experience of more than 26 years in banking sector. In past, Mr. Sanjay worked with Virtual galaxy Infotech Pvt Ltd., SoftNet Knowledge Private Ltd. and Grover Infotech Pvt Ltd as Project manager. In 2017, Mr. Sanjay join Trust Fintech as Senior Project manager, Data migration. He is having technological expertise over Microsoft.Net, Expertise in data mining, troubleshooting database related issues and understanding of data analysis of different vendor specific products. Expertise in performance tuning and solutions over database related operations. with his technological background and managerial experience, At Trust, Mr. Sanjay is valuable asset for database analysis and project management.

Mr. Rajesh Panditrao - Marketing Manager

An Engineering Graduate with over two decades of experience in co-operative banking, specializing in sales and marketing leadership roles. In his working career, Mr. Rajesh has Proven track record in successfully launching core banking software for co-op banks, adept at managing dealer networks, and implementing effective marketing strategies. He is Recognized for creative team leadership and excellence in driving product launches and having expertise in office administration, market research, and achieving target-driven results. In 2020, Mr. Rajesh Joins Trust Systems as AVP (Sales), for overseeing the sales and marketing of TrustBankCBS to co-op banks in Maharashtra. Currently, serving as Marketing Manager at Trust, Mr. Rajesh continues to contribute his strategic insights and leadership to the organization's success.

Mr. Nitin Paliwal – General Manager (Pre Sales)

Mr. Nitin appointed as Marketing manager in Trust System, hold diploma in Mechanical Engineering and diploma in Computer operations. He is having more than 25 years of experience as Marketing Manager, Pre-Sales system study and Implementation & customer supports executive in various Software Solution Companies such as SIFY Software, The Soft Innovators, IT IS The Master's Software. He is having experience of 16 years and 6 months at Trust Fintech serving as Marketing Manager at Trust by contributing his skills for success and innovation in the Pre Sales.

Mr. Milind Baxi –General Manager (Marketing)

Mr. Milind, an engineering Professional, handles responsibility of go to market activities for banking products and GST software. He possesses CRM Post graduation, which helped in enhancing relationships with company customers. In Past, Mr. Milind worked for HCL infosystems and Sesame Software in Banking software and Infrastructure Industry. At Trust, Mr. Milind having experience of more than 8 years actively engages with customers to understand their software requirements, effectively managing customer relations. He aligns his expertise with the sales of SAP B1 services, ensuring that customers derive maximum value from their investments.

Mr. Sanjay Nickkawade – Head, Implementation Team

Mr. Sanjay Nickkawade is a professional with a B.A. and comprehensive training in Oracle technologies. He has completed 14 years at TFL, currently he's acting as Support & Implementation Manager at Trust Fintech Limited, he oversees seamless integration of new technologies, resolves technical issues, and leads a support team. Mr. Sanjay's

practical knowledge is evident in successfully implemented solutions, streamlining processes, and enhancing overall client satisfaction. With strong communication and problem-solving skills, Mr. Nickkawade is a valuable asset to the organization.

Mr. Suresh Ramteke – Head- Digital Banking Implementation

Mr. Suresh Ramteke, with a B. Com, PGDCCA, and M. Com, has been an integral part of Trust Fintech Limited since November 1999. With a robust academic background in Commerce and Computer Applications, he has risen to the position of Manager BFSI and currently heads the Trust Fintech team. Mr. Suresh’s long-standing tenure with Trust since 1999, reflects loyalty and commitment to the organization. Mr. Ramteke brings a diverse skill set and extensive experience within the BFSI domain, making him a valuable asset to Trust Fintech Limited.

Mr. Ashish Singh- Project Manager

Mr. Ashish Singh, holding degrees in B. Com and M. Com, serves as a Project Manager since July 1, 2004, showcasing long-term commitment and expertise. His tenure highlights a successful within the organization. Mr. Singh's role involves effective project management, where he has consistently demonstrated leadership and organizational skills, contributing significantly to the successful execution of various projects over the years.

FAMILY RELATIONSHIP BETWEEN DIRECTORS

Except as stated below, none of the Directors of the Company are related to each other as per Section 2(77) of the Companies Act, 2013:

| S. No. | Name of the Director | Other Director | Relationship with other Director |
|---------------|------------------------------|--------------------------|---|
| 1 | Mr. Hemant Padmanabh Chafale | Heramb Ramkrishna Damle | Brother-in-law |
| 2 | Mr. Heramb Ramkrishna Damle | Hemant Padmanabh Chafale | Brother-in-law |

Details of current and past directorship(s) in listed companies whose shares have been / were suspended from being traded on the stock exchanges and reasons for suspension

None of our Directors is / was a director in any listed company during the last five years before the date of filing of this Draft Prospectus, whose shares have been / were suspended from being traded on the any stock exchange.

Details of current and past directorship(s) in listed companies which have been/ were delisted from the stock exchange(s) and reasons for delisting

None of our Directors are currently or have been on the board of directors of a public listed company whose shares have been or were delisted from any stock exchange.

Details of arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which of the Directors were selected as a director or member of senior management.

There are no arrangements or understandings with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Managerial Personnel were selected as a director or member of the senior management.

TERMS AND CONDITIONS OF EMPLOYMENT OF THE DIRECTORS

i. Executive Directors

| | |
|--|----------------------------------|
| Name | Hemant Padmanabh Chafale |
| Designation | Managing Director |
| Period | 5 years w.e.f. December 01, 2023 |
| Date of approval of shareholder | December 23, 2023 |



| | |
|--------------------------------------|----------------------------------|
| Remuneration for F.Y. 2022-23 | Rs. 26.90 Lakhs |
| Perquisite | As per the rules of the company* |

| | |
|--|-----------------------------------|
| Name | Mandar Kishor Deo |
| Designation | Whole Time Director |
| Period | 5 years w.e.f. December 01, 2023 |
| Date of approval of shareholder | December 23, 2023 |
| Remuneration for F.Y. 2022-23 | Rs. 26.90 Lakhs |
| Perquisite | As per the rules of the company * |

| | |
|--|----------------------------------|
| Name | Heramb Ramkrishna Damle |
| Designation | Whole Time Director |
| Period | 5 years w.e.f. December 01, 2023 |
| Date of approval of shareholder | December 23, 2023 |
| Remuneration for F.Y. 2022-23 | Rs. 26.90 Lakhs |
| Perquisite | As per the rules of the company* |

| | |
|--------------------------------------|-----------------------------------|
| Name | Anand Shankar Kane |
| Designation | Executive Director & CFO |
| Date of approval as Director | September 29, 2017 |
| Period | 5 years w.e.f. December 01, 2023 |
| Date of approval as CFO | October 21, 2023 |
| Remuneration for F.Y. 2022-23 | Rs. 26.90 Lakhs |
| Perquisite | As per the rules of the company * |

***As per the rule of the company refer to:** In addition to salary, he shall be entitled to perquisites and allowances like HRA, medical reimbursement, travelling allowances, and other payments in the nature of perquisites and allowances as agreed by the Board of Directors, subject to overall ceiling of remuneration stipulated in sections 2(78) and 197 read with Schedule V of the Act.

ii. Non-Executive Directors

Non-Executive Directors including Independent Directors are not entitled to any remuneration except sitting fees for attending meetings of the Board, or of any committee of the Board. They are entitled to a sitting fee for attending the meeting of the Board and the Committee thereof respectively.

Note: No portion of the compensation as mentioned above was paid pursuant to a bonus or profit-sharing plan.

SHAREHOLDING OF DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a director is not required to hold any shares in our Company to qualify him for the office of the Director of our Company. The following table details the shareholding in our Company of our Directors in their personal capacity, as on the date of this Prospectus:

| Sr. No. | Name of the Directors | No. of Equity Shares held | % of pre-issue paid-up Equity Share capital in our Company |
|---------|--------------------------|---------------------------|--|
| 1. | Hemant Padmanabh Chafale | 1,12,63,852 | 64.21% |
| 2. | Heramb Ramkrishna Damle | 11,44,304 | 6.52% |
| 3. | Anand Shankar Kane | 9,59,577 | 5.47% |
| 4. | Mandar Kishor Deo | 8,31,747 | 4.74% |
| 5. | Sandhya Narendra Gulhane | 9,600 | 0.05% |

| Sr. No. | Name of the Directors | No. of Equity Shares held | % of pre-issue paid-up Equity Share capital in our Company |
|---------|-------------------------|---------------------------|--|
| 6. | Nitin Dattatraya Alshi | - | 0.00% |
| 7. | Kapil Dilip Chandrayan | - | 0.00% |
| 8. | Prasad Annaji Dongarkar | - | 0.00% |

INTEREST OF DIRECTORS

All of our Directors may be deemed to be interested to the extent of fees payable to them (if any) for attending meetings of the Board or a committee thereof as well as to the extent of remuneration payable to them for their services as Directors of our Company and reimbursement of expenses as well as to the extent of commission and other remuneration, if any, payable to them under our Articles of Association. Some of the Directors may be deemed to be interested to the extent of consideration received/paid or any loans or advances provided to any bodies corporate including companies and firms, and trusts, in which they are interested as directors, members, partners or trustees.

All our directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them or their relatives in our Company, or that may be subscribed for and allotted to our non-promoter Directors, out of the present Issue and also to the extent of any dividend payable to them and other distribution in respect of the said Equity Shares.

The Directors may also be regarded as interested in the Equity Shares, if any, held or that may be subscribed by and allocated to the companies, firms and trusts, if any, in which they are interested as directors, members, partners, and/or trustees.

Our directors may also be regarded interested to the extent of dividend payable to them and other distribution in respect of the Equity Shares, if any, held by them or by the companies/firms/ventures promoted by them or that may be subscribed by or allotted to them and the companies, firms, in which they are interested as Directors, members, partners and promoters, pursuant to this Issue. All our directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by the Company with either the Directors himself, other company in which they hold directorship or any partnership firm in which they are partners, as declared in their respective declarations.

Interest in promotion of Our Company

Except Promoters, none of our non-promoter Directors have any interest in the promotion of our Company.

Interest in the property of Our Company

Our directors have no interest in any property acquired by our Company neither in the preceding two years from the date of this Prospectus nor in the property proposed to be acquired by our Company as on the date of filing of this Prospectus. Our directors also do not have any interest in any transaction regarding the acquisition of land, construction of buildings and supply of machinery, etc. with respect to our Company.

Interest in the business of Our Company

Save and except as stated otherwise in Related Party Transaction in the chapter titled “*Financial Information*” beginning on page number 256 of this Prospectus, Our Directors do not have any other interests in our Company as on the date of this Prospectus. Our directors are not interested in the appointment of Underwriters, Registrar and Bankers to the Issue or any such intermediaries registered with SEBI.

Details of Service Contracts

None of our directors have entered into any service contracts with our Company except for acting in their individual capacity as director and no benefits are granted upon their termination from employment other than the statutory benefits provided by our Company.

Except statutory benefits upon termination of their employment in our Company or retirement, no officer of our



Company, including the directors and key Managerial personnel, are entitled to any benefits upon termination of or retirement from employment.

Bonus or Profit-Sharing Plan for the Directors

There is no bonus or profit-sharing plan for the Directors of our Company.

Contingent and Deferred Compensation Payable to Directors

No Director has received or is entitled to any contingent or deferred compensation.

Other Indirect Interest

Except as stated in chapter titled — “*Financial Information*” beginning on page 225 of this Prospectus, none of our sundry debtors or beneficiaries of loans and advances are related to our directors.

Borrowing Power of the Board

The Board of Directors are vested with the power to borrow, pursuant to Section 179(3)(d) of Companies Act 2013. However, pursuant to Section 180(1)(c) Companies Act, 2013 and the rules made thereunder that any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business), exceeds the aggregate of the paid-up capital of the Company, free reserve & security premium, the approval of shareholders by way of Special Resolution will be required. The company has passed a special resolution dated January 06, 2024 for approval of borrowing limits not exceeding Rs. 14 crores only.

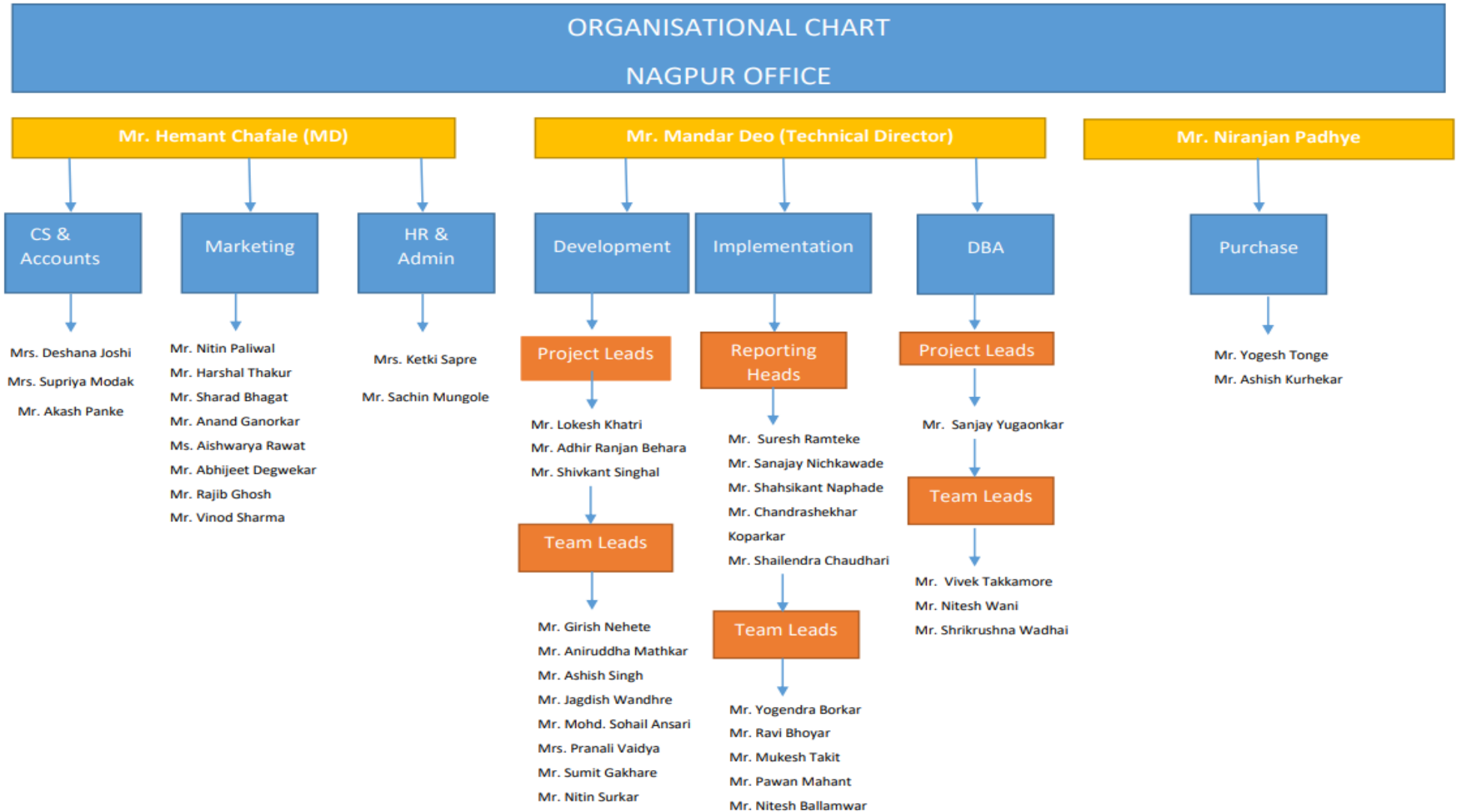
Changes in The Board for the Last Three Years

Save and except as mentioned below, there had been no change in the Directorship during the last three (3) years:

| Sr. No. | Name of Director | Date of Event (M/D/Y) | Reason for Change |
|----------------|--------------------------|------------------------------|--|
| 1. | Hemant Padmanabh Chafale | December 01, 2023 | Appointed as Managing Director |
| 2. | Mandar Kishor Deo | December 01, 2023 | Appointed as Whole Time Director |
| 3. | Heramb Ramkrishna Damle | December 01, 2023 | Appointed as Whole Time Director |
| 4. | Anand Shankar Kane | December 01, 2023 | Appointed as Executive Director |
| 5. | Sandhya Narendra Gulhane | January 06, 2024 | Appointed as Non- Executive Director |
| 6. | Nitin Dattatraya Alshi | January 06, 2024 | Appointed as Non- Executive Independent Director |
| 7. | Kapil Dilip Chandrayan | January 06, 2024 | Appointed as Non- Executive Independent Director |
| 8. | Prasad Annaji Dongarkar | January 06, 2024 | Appointed as Non- Executive Independent Director |

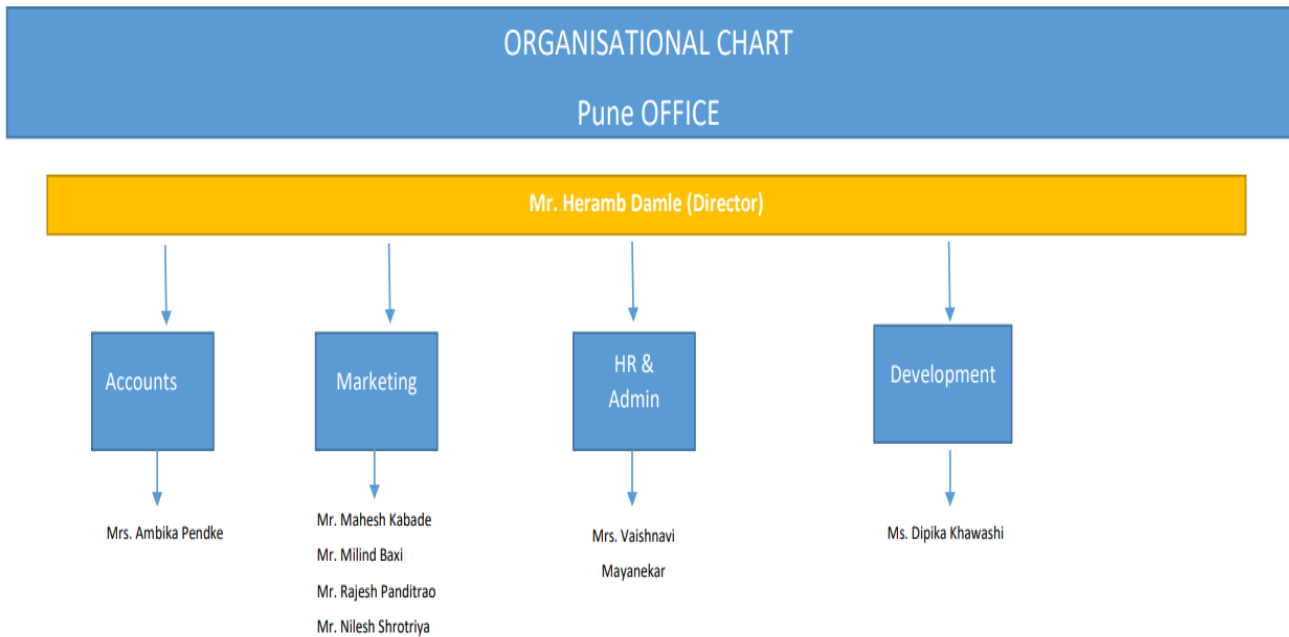
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Management Organization Structure (Head Office)

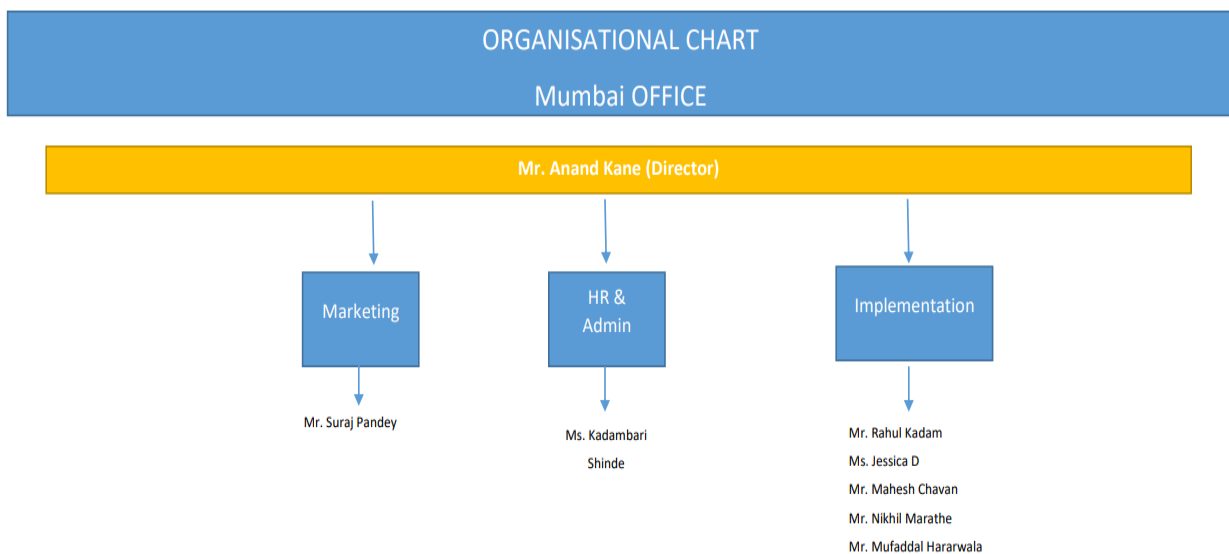




Management Organization Structure (Pune Office)



Management Organization Structure (Mumbai Office)



CORPORATE GOVERNANCE

In additions to the applicable provisions of the Companies Act, 2013 with respect to the Corporate Governance, provisions of the SEBI Listing Regulations will be applicable to our company immediately upon the listing of Equity Shares on the Stock Exchanges. As on date of this Prospectus, as our Company is coming with an issue in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended from time to time, the requirement specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of SEBI (LODR) Regulations, 2015 is not applicable to our Company, although we require to comply with requirement of the Companies Act, 2013 wherever applicable. Our Company has complied with the corporate governance requirement,

particularly in relation to appointment of independent directors, woman director on our Board, constitution of an Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. Our Board functions either on its own or through committees constituted thereof, to oversee specific operational areas.

The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our Company has constituted the following Committees of the Board:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility

Details of each of these committees are as follows:

AUDIT COMMITTEE

The Audit Committee was re-constituted *vide* Board resolution dated January 06, 2024 pursuant to Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI Listing Regulations. As on the date of this Prospectus, the Audit Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|-----------------------------|-------------------------------------|-------------------------------------|
| Mr. Nitin Alshi | Chairperson | Non- Executive Independent Director |
| Mr. Kapil Dilip Chandrayan | Member | Non- Executive Independent Director |
| Mr. Anand Kane | Member | Whole Time Director |

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

The scope of Audit Committee shall include but shall not be restricted to the following:

1. Oversight the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence and performance and effectiveness of audit process.
8. Approval of any transactions of the Company with Related Parties, including any subsequent modification thereof.
9. Scrutiny of inter-corporate loans and investments.



10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors on any significant findings and follow up thereon.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
20. Carrying out any other function as it mentioned in the terms of reference of the Audit Committee.

The Audit Committee enjoys following powers:

- a) To investigate any activity within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal or other professional advice
- d) To secure attendance of outsiders with relevant expertise if it considers necessary
- e) The audit committee may invite such of the executives as it considers appropriate (and particularly the head of the finance function) to be present at the meetings of the committee, but on the occasions, it may also meet without the presence of any executives of the Issuer. The finance director, head of internal audit committee.

The Audit Committee shall mandatorily review the following information:

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters/letters of internal control weaknesses issued by the statutory auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The Audit Committee shall meet at-least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the audit committee whichever is greater, but there shall be minimum of two independent members present.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was constituted at a meeting of the Board of Directors held on January 06, 2024. As on the date of this Prospectus the Nomination and Remuneration Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|----------------------|------------------------------|------------------------------------|
| Mr. Nitin Alshi | Chairperson | Non-Executive Independent Director |
| Mr. Prasad Dongarkar | Member | Non-Executive Independent Director |
| Mrs. Sandhya Gulhane | Member | Non- Executive Director |

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

The role of the Nomination and Remuneration Committee includes, but not restricted to, the following:

1. Formulation of the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to, the remuneration of the directors, Key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors.
3. Devising a policy on diversity of Board of Directors.
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria, laid down, and recommend to the Board of Directorstheir appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

The Meetings of the Committee shall be held at such regular intervals as may be required. The quorum will be either two members or one third of the members of the Nomination and Remuneration Committee whichever is greater, including at-least one independent director.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee has been formed by the Board of Directors, at the meeting held on January 06, 2024. As on the date of this Prospectus the Stakeholders Relationship Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|----------------------|------------------------------|------------------------------------|
| Mr. Nitin Alshi | Chairperson | Non-Executive Independent Director |
| Mr. Hemant Chafale | Member | Managing Director |
| Mr. Anand Kane | Member | Whole Time Director |

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

This Committee supervises all grievances of Shareholders and Investors and its terms of reference include the following:

1. Allotment and listing of our shares in future.
2. Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;
3. Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
4. Reference to statutory and regulatory authorities regarding investor grievances;
5. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
6. And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.



The Stakeholders Relationship Committee is required to meet at-least once in a year.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee has been formed by the Board of Directors, at the meeting held on January 06, 2024. As on the date of this Prospectus the Corporate Social Responsibility Committee comprises of:

| Name of the Director | Designation in the Committee | Nature of Directorship |
|-----------------------------|-------------------------------------|-------------------------------------|
| Mr. Hemant Chafale | Chairperson | Managing Director |
| Mr. Heramb Damle | Member | Whole Time Director |
| Mr. Kapil Dilip Chandrayan | Member | Non- Executive Independent Director |

Our Company Secretary and Compliance officer will act as the secretary of the Committee.

The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act 2013. The Company Secretary shall act as the secretary of the Corporate Social Responsibility Committee.

The terms of reference of the Corporate Social Responsibility Committee include the following:

1. To formulate and recommend to the Board, a CSR policy which will indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
3. To monitor the CSR policy of the Company from time to time;
4. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The quorum for the CSR Committee Meeting shall be one – third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher.

Any members of this committee may be removed or replaced any time by the board, any member of this committee ceasing to be a director shall be ceased to be a member of this committee.

Compliance with SME Listing Regulations

The provisions of the SEBI (Listing Obligation and Disclosures) Regulations, 2015 will be applicable to our Company immediately upon the listing of Equity Shares of our Company on Emerge Platform of NSE.

KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

| | |
|--|---|
| Name | : Mr. Hemant Padmanabh Chafale |
| Designation | : Managing Director |
| Date of Appointment at current | : December 01, 2023 |
| Designation | |
| Qualification | : Bachelor of Engineering in Instrument Engineering |
| Previous Employment | : Essar Projects Limited |
| Overall Experience | : More than 31 years of experience in software delivery |
| Remuneration paid in F.Y. (2022-23) | : Rs. 26.90 Lakhs |

| | |
|---|---|
| Name | : Mr. Mandar Kishor Deo |
| Designation | : Whole Time Director |
| Date of Appointment at current Designation | : December 01, 2023 |
| Qualification | : <ul style="list-style-type: none"> • Bachelor degree in science • Professional Diploma in Computer Programming and Applications (PDCPA) from La Salle University, USA • Associate Member of Institute of Engineers |
| Previous Employment | : Freelance Consultant |
| Overall Experience | : More than 31 Years of experience and very well qualified to supervise the overall Software Development at Trust systems. |
| Remuneration paid in F.Y. (2022-23) | : Rs. 26.90 Lakhs |

| | |
|---|--|
| Name | : Mr. Heramb Ramkrishna Damle |
| Designation | : Whole Time Director |
| Date of Appointment at current Designation | : December 01, 2023 |
| Qualification | : <ul style="list-style-type: none"> • Bachelor Degree in Mechanical Engineering from Amravati University • Master of Business Administration from Pune University |
| Previous Employment | : Jubiral Systems |
| Overall Experience | : More than 23 years of experience and techno-commercial approach towards software development |
| Remuneration paid in F.Y. (2022-23) | : Rs. 26.90 Lakhs |

| | |
|---|--|
| Name | : Mr. Anand Shankar Kane |
| Designation | : Executive Director & CFO |
| Date of Appointment at current Designation | : October 21, 2023 |
| Qualification | : <ul style="list-style-type: none"> • Bachelor of Commerce, Gujarat University • Management and Professional Services course at Harvard Business School |
| Previous Employment | : Oracle Financial Services Limited |
| Overall Experience | : More than 40 years of experience |
| Remuneration paid in F.Y. (2022-23) | : Rs. 26.90 Lakhs |

| | |
|--|---|
| Name | : Ms. Deshana J. Pathak |
| Designation | : Company Secretary & Compliance Officer |
| Date of Appointment | : August 21, 2023 |
| Qualification | : <ol style="list-style-type: none"> 1. Master of Commerce 2. Bachelor of Legislative Law 3. Company Secretary |
| Previous Employment | : Hydco Engineering Private Limited |
| Overall Experience | : Overall Experience of 14 years |
| Remuneration paid in F.Y. (2022-23) | : NA (* In current financial years withdrawing salary- Rs. 55,000 P.M.) |



Notes:

- All of our Key Managerial Personnel mentioned above are on the payrolls of our Company as permanent employees.
- There is no agreement or understanding with major shareholders, customers, suppliers or others pursuant to which any of the above-mentioned personnel was selected as a director or member of senior management.
- None of our Key Managerial Personnel has entered into any service contracts with our company and no benefits are granted upon their termination from employment other than statutory benefits provided by our Company.

Family Relationship Between Key Managerial Personnel

Except as stated below, none of the KMP of the Company are related to each other as per section 2(77) of the Companies Act, 2013.

| S. No. | Name of the KMP | Other KMP | Relationship with other KMP |
|--------|------------------------------|------------------------------|-----------------------------|
| 1 | Mr. Hemant Padmanabh Chafale | Mr. Heramb Ramkrishna Damle | Brother-in-law |
| 2 | Mr. Heramb Ramkrishna Damle | Mr. Hemant Padmanabh Chafale | Brother-in-law |

Bonus and/ or Profit-Sharing Plan for the Key Managerial Personnel

Our Company does not have any bonus and / or profit-sharing plan for the key managerial personnel.

Contingent and Deferred Compensation Payable to Key Managerial Personnel

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

Shareholding of the Key Managerial Personnel

Except as discussed below, none of our Key Managerial Personnel is holding any Equity Shares in our Company as on the date of this Prospectus.

| Sr. No. | Name of KMP | No. of Equity Shares Held | % of pre-issue paid-up Equity Share capital in our Company |
|---------|--------------------------|---------------------------|--|
| 1. | Hemant Padmanabh Chafale | 1,12,63,852 | 64.21% |
| 2. | Heramb Ramkrishna Damle | 11,44,304 | 6.52% |
| 3. | Anand Shankar Kane | 9,59,577 | 5.47% |
| 4. | Mandar Kishor Deo | 8,31,747 | 4.74% |

Interest of Key Managerial Personnel

None of our key managerial personnel have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to our Company as per the terms of their appointment and reimbursement of expenses incurred by them during the ordinary course of business.

Changes in Our Company's Key Managerial Personnel During the Last three Years

Following have been the changes in the Key Managerial Personnel during the last three years:

| Sr. No. | Name of KMP | Date of Change | Reason |
|---------|--------------------------|-------------------|---|
| 1. | Tapasi Das | May 31, 2023 | Resignation as Company Secretary |
| 2. | Deshana J. Pathak | August 21, 2023 | Appointment as Company Secretary & Compliance Officer |
| 3. | Hemant Padmanabh Chafale | December 01, 2023 | Appointment as Managing Director |

| | | | |
|----|-------------------------|-------------------|--|
| 4. | Mandar Kishor Deo | December 01, 2023 | Appointment as Whole Time Director |
| 5. | Heramb Ramkrishna Damle | December 01, 2023 | Appointment as Whole Time Director |
| 6. | Anand Shankar Kane | December 01, 2023 | Appointment as Executive Director |
| 7. | Anand Shankar Kane | October 21, 2023 | Appointment as Chief Financial Officer |

Note: Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.

Scheme of Employee Stock Options or Employee Stock Purchase

Our Company does not have any Employee Stock Option Scheme or other similar scheme giving options in our Equity Shares to our employees.

Loans to Key Managerial Personnel

There are no loans outstanding against the key managerial personnel other than the loan mentioned in the chapter – “Restated Financial Statement” page no. 225.

Payment of Benefits to Officers of Our Company (Non-Salary Related)

Except for the payment of salaries and perquisites and reimbursement of expenses incurred in the ordinary course of business, and the transactions as enumerated in the chapter titled “*Financial Information*” and the chapter titled “*Our Business*” beginning on pages 225 and 141 of this Prospectus, we have not paid/ given any benefit to the officers of our Company, within the two preceding years nor do we intend to make such payment/ give such benefit to any officer as on the date of this Prospectus.

RETIREMENT BENEFITS

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company.

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OUR PROMOTERS AND PROMOTER GROUP

OUR INDIVIDUAL PROMOTERS:

1. Mr. Hemant Padmanabh Chafale
2. Mr. Sanjay Padmanabh Chafale
3. Mr. Heramb Ramkrishna Damle
4. Mr. Anand Shankar Kane
5. Mr. Mandar Kishor Deo

DETAILS OF OUR INDIVIDUAL PROMOTERS

| | |
|---|---|
|  | <p>Mr. Hemant Padmanabh Chafale, aged 53 years, is the Managing Director of the Company. With a Bachelor's degree in Instrumentation Engineering (in 1992) he has extensive experience in Control Systems in various industries such as Chemicals, Petrochemicals, Steel, and Cement. He has successfully designed and implemented various MIS packages as team leader and is completely familiar with every aspect of software applications in various businesses. Earlier in his career, he worked with Indo Rama Synthetics Ltd Nagpur in Control system domains for 5 years, Bombay Dyeing and Manufacturing Co Ltd. and ESSAR Projects Ltd. Surat. He also serves as a director at Nagpur Nagarik Sahakari Bank and was President at Vidarbha Vaibhav NGO which is managing Professor Rajendra Singh (Rajju Bhaiya) Science Exploratory. Additionally, his chartered membership at TIE Nagpur Chapter reflects his active engagement in entrepreneurial circles. He is also chartered member at TIE Nagpur Chapter. Mr. Hemant is having more than 31 years of experience in Software delivery.</p> |
|  | <p>Mr. Sanjay Padmanabh Chafale, aged 55 years, is the Promoter & advisor of the company. He is holding bachelor degree in Computer science with Project Management Profession. In his early profession, Mr. Sanjay worked with Kale consultancy and Satyam computers. Since 2000, Mr. Sanjay worked with Fiserv USA for its CBS as a Director and as head of Product development. Having more than 31 years of experience, Mr. Sanjay working as independent consultants for large corporate houses. Mr. Sanjay has been advisor and Investor of Trust since inception.</p> |
|  | <p>Mr. Heramb Ramkrishna Damle, aged 47 years, is the whole-time director on the board of the company. He is having Bachelor Degree in Mechanical Engineering from Amravati University and Master of Business Administration from Pune University. Mr. Damle worked for Jubiral Systems in ERP domain for one year before joining Trust in 2000. He is having good understanding about Business needs with BFSI sector focusing on domestic and international sales. More than 23 years of experience and with his techno-commercial approach towards software development, he has successfully developed new business segments and partner network for Trust systems.</p> |

Permanent Account Number- ABGPC2622K

Permanent Account Number- AAQPC0341Q

Permanent Account Number- AFXPD3240H



Mr. Anand Shankar Kane, aged 60 years, is the Executive Director & CFO on the board of Trust Fintech Limited. He has Graduated in Commerce and Management Professional Service course at Harvard Business School in 2012. Mr. Kane started his carrier with a large PSU- Bank of Baroda in 1984. Mr. Kane also worked with Banks like Standard Chartered Bank (UAE) and after then he Joined HDFC Bank in 1997 as senior management position. Moved to I-flex solutions in 2005 which was taken over by Oracle Financial Services (OFS) in 2006. He Headed the Business & Solutions team as director for Global Sales at Oracle financial services Ltd (TDMS Group). With having more than 40 years of experience, Mr. Kane joined Trust as Director Global Sales & Strategy in 2016.

Permanent Account Number- ADYPK2034P



Mr. Mandar Kishor Deo, aged 53 years, is the whole-time director on the board of the company. He is having Professional Diploma holder in Computer Programming and Applications (PDCPA) from La Salle University, USA. Mr. Mandar is very well versed with designing, development of large systems, ERP core banking, mobility solution and cloud computing across all technology platforms. Before joining Trust, he was working as Freelance consultant. Mr. Mandar is having more than 31 Years of experience and very well qualified to supervise the overall Software Development at Trust systems.

Permanent Account Number- AEYPD0010R

Our Company confirms that the Permanent Account Number, Bank Account Number, Passport Number, Driving License and Aadhar Card of our promoter, shall be submitted to the NSE at the time of filing the Draft Red Herring Prospectus.

OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1) (pp) of SEBI (ICDR) Regulations,2018 includes the following persons:

a. Individual Promoter

The natural persons who are part of our Promoter Group (due to the relationship with our Promoter), other than the Promoter named above are as follows:

| Sr. No. | Relationship | Mr. Hemant Padmanabh Chafale | Mr. Sanjay Padmanabh Chafale | Mr. Heramb Ramkrishna Damle | Mr. Anand Shankar Kane | Mr. Mandar Kishor Deo |
|---------|--------------|--|--|--------------------------------|--------------------------|-----------------------------|
| 1. | Father | Late Padmanabh B Chafale | Late Padmanabh B Chafale | Mr. Ramkrishna Dhundiraj Damle | Late Shankar Yadao Kane | Mr. Kishore L Deo |
| 2. | Mother | Late Suhasini P. Chafale | Late Suhasini P. Chafale | Mrs. Rekha Ramkrishna Damle | Late Vijaya Shankar Kane | Mrs. Ratnaprabha K Deo |
| 3. | Spouse | Mrs. Janhavi H. Chafale | Mrs. Rashmi Sanjay Chafale | Mrs. Anagha Heramb Damle | Mrs. Swati Anand Kane | Late Mrs. Amruta Mandar Deo |
| 4. | Brother | <ul style="list-style-type: none"> • Mr. Sanjay P. Chafale • Mr. Unmesh P. Chafale | <ul style="list-style-type: none"> • Mr. Hemant Chafale • Mr. Unmesh P Chafale | Mr. Jitendra Ramkrishna Damle | NA | NA |



| | | | | | | |
|-----|----------------|--|--|-----------------------------|--|--|
| 5. | Sister | Mrs. Ujjwala Milind Borikar | Mrs. Ujjwala Milind Borikar | Mrs. Janhavi Hemant Chafale | NA | Ms. Samita K Deo |
| 6. | Son | Mr. Jay H. Chafale | <ul style="list-style-type: none"> Chinmay Chafale Adawait Chafale | Mr. Tejas Heramb Damle | NA | NA |
| 7. | Daughter | Dr. Purva H. Chafale | NA | Isha Heramb Damle | Neha Anand Kane | NA |
| 8. | Spouse Father | Mr. Ramkrishna D Damle | Late Keshao Takalikar | Mr. Anil Digambar Soman | Late Vishwanath Kane | Late Mr. Moreshwar Pande |
| 9. | Spouse Mother | Mrs. Rekha D Damle | Mrs. Kunda Takalikar | Mrs. Suhas Anil Soman | Late Shakuntala Kane | Late Mrs. Sunita M. Pande |
| 10. | Spouse Brother | <ul style="list-style-type: none"> Mr. Heramb R. Damle Mr. Jitendra R. Damle | NA | Mr. Nilesh Anil Soman | NA | Mr. Aniket Pande |
| 11. | Spouse Sister | NA | <ul style="list-style-type: none"> Mrs. Shilpa Joshi Mrs. Vrinda Chauth Kantiwar | NA | <ul style="list-style-type: none"> Mrs. Padma Sunil Bhaskare Mrs. Shamika Ashok Kale | <ul style="list-style-type: none"> Mrs. Akshata Kulkarni Mrs. Nilambari Kulkarni |

5. Companies and proprietorship firms forming part of our Promoter Group are as follows:

| Relationship with Promoter | Individual Promoter | | | | |
|---|---|--------------------------|-------------------------|---------------------------------------|--------------------|
| | Hemant Padmanabh Chafale | Sanjay Padmanabh Chafale | Heramb Ramkrishna Damle | Anand Shankar Kan | Mandar Kishore Deo |
| Any company in which 20% or more of the share capital is held by the promoter or an immediate relative of the promoter or a firm or HUF in which the promoter or any one or more of his immediate relatives is a member | 1. Softshell Systems (India) Pvt. Ltd. 2. Lextech Consultant Pvt. Ltd. | NIL | NIL | 1. Lextech Consultant Private Limited | NIL |
| Any company in which a company (mentioned above) holds 20% of the total holding | NIL | NIL | NIL | NIL | NIL |
| Any HUF or firm in which the aggregate share of the promoter and his immediate relatives is equal to or more than 20% of the total holding | 1. Shri Renuka Roadlines | NIL | NIL | NIL | NIL |

OTHER UNDERTAKINGS AND CONFIRMATIONS

Our Company undertakes that the details of Permanent Account Number, Bank Account Number, Driving License, Aadhar and Passport Number of the Promoters will be submitted to the Emerge Platform of NSE, where the securities of our Company are proposed to be listed at the time of submission of Prospectus.

Our Promoters have confirmed that they have not been identified as willful defaulters.

No violations of securities laws have been committed by our Promoters in the past or are currently pending against them. None of our Promoters are debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

COMMON PURSUITS OF OUR PROMOTERS

None of our Promoter Group Entity is having business objects similar to our business as mentioned in the Chapter "Our Group Entities" beginning on page 219 of the Prospectus.

INTEREST OF THE PROMOTERS

Interest in the promotion of Our Company

Our Promoters Mr. Hemant Padmanabh Chafale, Mr. Sanjay Padmanabh Chafale, Mr. Heramb Ramkrishna Damle, Mr. Anand Shankar Kane and Mr. Mandar Kishor Deo may be deemed to be interested in the promotion of the Issuer to the extent of the Equity Shares held by them as well as their relatives and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. Further, Our Promoters may also be interested to the extent of Equity Shares held by or that may be subscribed by and allotted to companies and firms in which either of them are interested as a director, member or partner.

Interest in the property of Our Company

Our Promoters do not have any interest in any property acquired by Our Company in last two years or proposed to be acquired by our Company.

Interest as Member of our Company

As on the date of this Prospectus, our Promoters and Promoter Group together hold **1,64,04,717 (93.51%)** Equity Shares of our Company and are therefore interested to the extent of their shareholding and the dividend declared, if any, by our Company. Except to the extent of shareholding of the Promoters in our Company, our Promoters does not hold any other interest in our Company.

Payment Amounts or Benefit to Our Promoters during the Last Two Years

No payment has been made or benefit given to our Promoters in the two years preceding the date of this Prospectus except as mentioned / referred to in this chapter and in the section titled 'Our Management', 'Financial Statements' and 'Capital Structure' on page 195, 225 and 63 respectively of this Prospectus. Further as on the date of this Prospectus, there is no bonus or profit-sharing plan for our Promoters.

CONFIRMATIONS

For details on litigations and disputes pending against the Promoters and defaults made by them including violations of securities laws, please refer to the section titled "Outstanding Litigation and Material Developments" on page 271 of this Prospectus. Our Promoters have not been declared a willful defaulter by the RBI or any other governmental authority.

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OUR GROUP ENTITIES

As per definition of group companies as per Sections 2(1)(t) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 shall include (i) the companies (other than our Promoters and Subsidiaries) with which there were related party transactions as disclosed in the Restated Financial Statements during any of the last three Fiscals in respect of which the Restated Financial Information is included in this Prospectus; and (ii) such other companies as are considered material by the Board. Our Board considered the below mentioned companies as material, pursuant to which the following entities are identified as Group Entities of our Company-

Except as stated below, there is no company which is considered material by the Board of Directors of our Company to be identified as Group Company. No equity shares of our group entities are listed on any of the stock exchange and they have not made any public or rights issue of securities in the preceding three years.

1. Softshell Systems India Pvt Ltd
2. Lextech Consultants Private Limited
3. Shri Renuka Roadlines

1. Softshell Systems India Pvt Ltd.

Corporate Information

Softshell Systems India Pvt Ltd. was incorporated on November 13, 1998 under Companies Act, 1956. The registered office of the company is situated at Plot No. 2, Laxmi Nagar, Nagpur, Maharashtra, India- 440022. The Corporate Identification Number is U72100MH1998PTC117273.

Brief Profile of the Company

The Softshell Systems India Pvt. Ltd. is professionally managed working in the service sector from more than a decade Softshell founded in 1998 in Nagpur to offer range of services including IT Solutions Consulting and Technology Consulting as per the requirement and suitability of an organization. Our objective of consultation services is to provide a solution which must add value to our customer's business. The company advise you about the software solutions that best add value to your business. Either through investment in new solutions, improved IT architecture or usability, or by creating even better integration between existing software solutions.

Board of Director

The Directors of Softshell Systems India Private Limited as on December 31, 2023 are as follows:

| Name | Designation |
|--------------------------|-------------|
| Unmesh Padmanabh Chafale | Director |
| Niranjan Padhye | Director |

Capital Structure and Shareholding Pattern

As on December 31st, 2023, the authorized share capital of the Company is Rs. 45,00,000/- (4,50,000 Equity shares of Rs.10/- each). The paid-up share capital Rs. 28,98,970 /- (2,89,897 Equity shares of Rs.10/- each).

As on December 31st, 2023, the shareholding pattern of Softshell Systems India Private Limited is as follows:

| Name of shareholder | No. of Equity Shares Held | % of Shareholding |
|---|---------------------------|-------------------|
| Unmesh Padmanabh Chafale | 1,54,460 | 53.28 |
| Niranjan Balchandra Padhye | 12,600 | 4.35 |
| Trust Fintech Limited (Earlier Known as Trust Systems and Software (India) Limited) | 4,913 | 1.69 |
| Allied Digital Services Limited | 1,17,924 | 40.68 |
| Total | 2,89,897 | 100% |

Financial Information

(Amount in Lakhs Except EPS & NAV)

| Particular | Financial year ended March 31, 2023 | Financial year ended March 31, 2022 | Financial year ended March 31, 2021 |
|---|--|--|--|
| Equity Share Capital | 28.98 | 28.98 | 28.98 |
| Reserve and surplus (excluding Revaluation reserve, if any) | 681.74 | 683.24 | 682.35 |
| Net Worth | 710.68 | 712.23 | 711.34 |
| Sales/Turnover including Other Income | 79.41 | 73.14 | 96.14 |
| Profit/(Loss) after Tax | (0.15) | 0.89 | 1.12 |
| Earnings Per Share (in Rs) | (0.52) | 0.31 | 0.39 |
| Net Asset Value per Share (in Rs.) | 245.16 | 245.68 | 245.37 |

2. Lextech Consultants Private Limited

Corporate Information

Lextech Consultants Private Limited was incorporated on September 29, 2017 under Companies Act, 2013. The registered office of the company is situated at 509/510, 5th Floor, E Square, Subhash Road, Vile Parle East, Mumbai City, Maharashtra, India- 400057. The Corporate Identification Number is U74999MH2017PTC300278.

Brief Profile of the Company

The main object of the company is to provide solution to corporate and individual clients for setting up of a business entity, managing all sorts of statutory compliances of a business entity and to advise them in field of taxation, accounting, business funding and other allied matters and to process various direct and indirect taxation compliances and to provide services related to outsourcing of skilled and semi-skilled activities.

Board of Director

The Directors of Softshell Systems India Private Limited as on December 31, 2023 are as follows:

| Name | Designation |
|------------------------|-------------|
| Arati Anand Desai | Director |
| Ujjwala Borikar Milind | Director |
| Swati Anand Kane | Director |

Capital Structure and Shareholding Pattern

As on December 31st, 2023, the authorized share capital of the Company is Rs. 2,00,000/- (2,000 Equity shares of Rs.100/- each). The paid-up share capital Rs. 1,00,000 /- (1,000 Equity shares of Rs.100/- each).

As on December 31st, 2023, the shareholding pattern of Lextech Consultants Private Limited is as follows:

| Name of shareholder | No. of Equity Shares Held | % of Shareholding |
|--|---------------------------|-------------------|
| Swati Anand Kane | 333 | 33.30% |
| Ujjwala Milind Borikar | 333 | 33.30% |
| Arati A Deshai | 324 | 32.40% |
| Trust Systems and Software (India) Private Limited | 10 | 1.00% |
| Total | 1,000 | 100% |

Financial Information

(Amount in Lakhs Except EPS & NAV)

| Particular | Financial year ended | Financial year ended | Financial year ended |
|------------|----------------------|----------------------|----------------------|
|------------|----------------------|----------------------|----------------------|



| | March 31, 2023 | March 31, 2022 | March 31, 2021 |
|---|----------------|----------------|----------------|
| Equity Share Capital | 1.00 | 1.00 | 1.00 |
| Reserve and surplus (excluding Revaluation reserve, if any) | (37.57) | (35.10) | (30.42) |
| Net Worth | (36.57) | (34.10) | (29.42) |
| Sales/Turnover including Other Income | - | - | - |
| Profit/(Loss) after Tax | (2.46) | (4.68) | (2.06) |
| Earnings Per Share (in Rs) | - | - | - |
| Net Asset Value per Share (in Rs.) | (3657.03) | (3410.54) | (2942.13) |

3. Shri Renuka Roadlines

Shri Renuka Roadlines is a sole proprietorship firm which is managed and controlled by Mr. Hemant Padmanabh Chafale. Shri Renuka Roadlines is in the business of providing SUVs pre-installed with concrete testing machines to cement companies on a rental basis. Additionally, it is also doing business of providing Tourist taxi.

CONFIRMATION

Our Promoters and persons forming part of Promoter Group have confirmed that they have not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them. Additionally, none of the Promoters and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities.

Further, our company or our group entity or any entity promoted by the promoters, has not been in default in payment of listing fees to any stock exchange in the last three years or has not been delisted or suspended in the past and not been proceeded against by SEBI or other regulatory authority in connection with investor related issues or otherwise.

INTEREST OF OUR GROUP ENTITIES

None of our Group Entities are interested in the promotion of our Company. Except as disclosed in the section titled "Restated Financial Statements" beginning on page 225 of the Prospectus and to the extent of their shareholding in our Company, our Group Entities do not have any other interest in our Company.

LITIGATION

For details on litigations and disputes pending against the Promoters and Promoter Group entities and defaults made by them, please refer to the chapter titled, 'Outstanding Litigations and Material Developments' beginning on page 271 of this Prospectus.

DISASSOCIATION BY THE PROMOTERS IN THE LAST THREE YEARS

None of our Promoters have disassociated themselves from any of the companies / partnership firms during preceding three years.

SALES / PURCHASES BETWEEN OUR COMPANY AND GROUP ENTITIES

There is no sale purchase between our Company and Group Entities except as mentioned in Related Party Disclosures under the chapter titled "Financial Statement" beginning on page 256 of this Prospectus.

COMMON PURSUITS

There are no common pursuits among our Company and Group Entities or any objects similar to that of our Company's business



RELATED PARTY TRANSACTION

For details on related party transaction of our Company, please refer to Restated Financial statement beginning on page 256 of this Prospectus.

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DIVIDEND POLICY

Under the Companies Act, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors, under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion.

Dividends are payable within 30 days of approval by the Equity Shareholders at the Annual General Meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the —record date are entitled to be paid the dividend declared by our Company.

Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

We have not declared dividend in any Financial Year.

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SECTION IX- FINANCIAL INFORMATION

RESTATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED STANDALONE FINANCIAL STATEMENTS OF TRUST FINTECH LIMITED

The Board of Directors
Trust Fintech Limited
11/4, Infotech Park, Gayatri Nagar,
Nagpur 440022

Independent Auditor's Examination Report on Restated Financial Statements in connection with the proposed Initial Public Offering on SME Platform ("IPO" or "SME IPO") of Trust Fintech Limited (Formerly Known as Trust Systems and Software (I) Private Limited)

Dear Sir,

1. This report is issued in accordance with the terms of our agreement dated 07 January, 2024.
2. We have examined, the attached Restated Financial Statements, expressed in Indian Rupees in Lakhs of **Trust Fintech Limited (Formerly Known as Trust Systems and Software (I) Private Limited)** (the "**Company**" or the "**Issuer**"), comprising:
 - a) the "Restated Statement of Assets and Liabilities" as at September 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021;
 - b) the "Restated Statement of Profit and Loss" for the period ended September 30, 2023, for years ended March 31, 2023, March 31, 2022 and March 31, 2021;
 - c) the "Restated Statement of Cash Flows" for the period ended September 30, 2023, for years ended March 31, 2023, March 31, 2022 and March 31, 2021; and
 - d) the "Notes to the Restated Financial Statements" for the period ended September 30, 2023, for years ended March 31, 2023, March 31, 2022 and March 31, 2021;

(Hereinafter together referred to as the the "Restated Financial Statements"), as approved by the Board of Directors of the Company at their meeting held on 21 October, 2023 for the purpose of inclusion in the Draft Red Herring Prospectus ("**DRHP**")/Red Herring Prospectus ("**RHP**")/ Prospectus prepared by the Company in connection SME IPO of NSE Limited ("**NSE**").

3. These restated summary statements have been prepared in accordance with the requirements of
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") as amended from time to time;
 - b) Paragraph (A) of Clause 11 (I) of Part A of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended to date (the "SEBI ICDR Regulations") issued by the Securities and Exchange Board of India (the "SEBI"); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

Management's Responsibility for the Restated Financial Statements

4. The Company's Board of Directors is responsible for the preparation of the Restated Financial Statements for the purpose of inclusion in the Draft Red Herring Prospectus/Red Herring Prospectus/ Prospectus to be filed with Securities and Exchange Board of India ("SEBI"), SME platform of stock exchanges NSE Limited ("**NSE**") , BSE Limited ("**BSE**") and Registrar of Companies (Mumbai), where the equity shares of the Company are proposed to be listed

("Stock Exchanges"), in connection with the proposed IPO. The Restated Financial Statements have been prepared by the Management of the Company in accordance with the basis of preparation stated in Note 2 forming part of 'Significant Accounting Policies' of the Restated Financial Statements.

The Board of Directors of the Company is responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Statements. The Board of Directors of the Company are also responsible for identifying and ensuring that the Company complies with the Act, the ICDR Regulations and the Guidance Note.

Auditor's Responsibilities

5. We have examined such Restated Financial Statements taking into consideration:

- a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated 08 December, 2023 in connection with the proposed SME IPO of equity shares of the Company;
- b) The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
- c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Financial Statements; and
- d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the proposed IPO of equity shares of the Company.

6. These Restated Financial Statements have been compiled by the Company's management from:

Audited special purpose interim financial statements of the Company as at and for the period ended September 30, 2023 prepared in accordance with the Accounting Standards as applicable, and the presentation requirements of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 (IGAAP) which was approved by the Board of Directors at their meeting held on 24 October, 2023 and

Audited Financial Statements of the Company as at and for years ended March 31, 2023, March 31, 2022 and March 31, 2021, prepared in accordance with the IGAAP which has been approved by the Board of Directors at their meeting held on 31 August, 2023, 05 September, 2022 and 02 November, 2021 respectively.

7. For the purpose of our examination, we have relied on:

Auditors' reports issued by M/s. Rodi Dabir And Company dated 24 October, 2023 on the special purpose Interim financial statements of the Company as at and for the three months period ended June 30, 2023, and

Auditors' Report issued by M/s. Rodi Dabir and Company, dated 31 August, 2023, 05 September, 2022 and 02 November, 2021 on the financial statements of the Company as at and for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 respectively, as referred in Paragraph 6 above.

Opinion

8. Based on our examination and according to the information and explanations given to us, we report that the Restated Financial Statements:

- a) have been prepared after incorporating adjustments for the change in accounting policies, material errors and regrouping / reclassifications, if any, retrospectively in the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021 to reflect the same accounting treatment as per the accounting policies and grouping / classifications followed as at and for the three months period ended September 30, 2023.
- b) does not contain any qualifications requiring adjustments.
- c) have been prepared in accordance with the Act, the ICDR Regulations and the Guidance Note.



9. The Restated Financial Statements does not reflect the effects of events that occurred subsequent to the respective dates of the reports on the special purpose interim financial statements and audited financial statements mentioned in paragraph 6 above
10. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report

Restriction on Use

12. Our report is intended solely for use of the Board of Directors for inclusion in the Offer Document in connection with the proposed SME IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

For Abhijit Kelkar and Company

Chartered Accountants
FRNNo:121920W

CA Kalpesh Bhute
Partner
Membership No 178818

Place: Nagpur

Date: 07/01/2024
UDIN: 24178818BKCYBF1728



STANDALONE RESTATED BALANCE SHEET

(Amount in Lakhs Unless otherwise stated)

| EQUITY AND LIABILITIES | Note | As at September 30, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------|---|-------------------------------------|-------------------------------------|-------------------------------------|
| 1. Shareholder's Funds | | | | | |
| (a) Share Capital | 3 | 518.49 | 518.49 | 518.49 | 518.49 |
| (b) Reserves and Surplus | 4 | 2928.06 | 2200.11 | 997.90 | 864.25 |
| (c) Money Received against Share Warrants | | | | | |
| | | 3446.55 | 2718.60 | 1516.39 | 1382.73 |
| 2. Share Application Money Pending Allotment | | | | | |
| 3. Non-Current Liabilities | | | | | |
| (a) Long-Term Borrowings | 5 | .00 | .00 | 135.30 | 4.03 |
| (b) Deferred Tax Liabilities (Net) | | 1.23 | 1.23 | .00 | .58 |
| (c) Other Long-Term Liabilities | | | | | |
| (d) Long-Term Provisions | | | | | |
| Total non-current liabilities | | 1.23 | 1.23 | 135.30 | 4.61 |
| 4. Current liabilities | | | | | |
| (a) Short-Term Borrowings | 6 | -34.32 | -3.80 | -16.61 | -48.37 |
| (b) Trade Payables | 7 | 39.23 | 146.65 | 180.51 | 179.90 |
| (i) Total Outstanding Dues of Micro and Small Enterprises | | | | | |
| (ii) Total Outstanding Dues Other than Micro and Small Enterprises | | | | | |
| (c) Other Current Liabilities | 8 | 6.53 | 5.88 | 1.09 | 1.09 |
| (d) Short-Term Provisions | 9 | 154.56 | 122.52 | 82.57 | 15.33 |
| (e) Duties & Taxes | 10 | 375.66 | 127.82 | 59.47 | 54.72 |
| Total current liabilities | | 541.66 | 399.06 | 307.03 | 202.67 |
| Inter Company Balance | | | | | |
| TOTAL | | 3989.43 | 3118.89 | 1958.72 | 1590.01 |
| ASSETS | | As at September 30, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
| 1. Non-Current Assets | | | | | |
| (a) Property, Plant & Equipment and Intangible Assets | | | | | |
| (i) Property, Plant and Equipment | 11 | 1053.29 | 1006.28 | 170.11 | 140.07 |
| (ii) Intangible Assets | | | | | |
| (iii) Capital work-in-progress | | .00 | .00 | .00 | .00 |
| (iv) Intangible Assets under development | 16 | 587.93 | 437.93 | 262.81 | 262.81 |
| (b) Non-Current Investments | 12 | 42.80 | 36.17 | 36.17 | 36.17 |
| (c) Deferred Tax Assets (Net) | 34 | .00 | .00 | 2.67 | .00 |
| (d) Long Term Loans and Advances | 13 | .00 | .00 | .00 | .00 |
| (e) Non-Current Assets | 14 | 298.69 | 258.93 | 238.83 | 222.41 |
| Total non-current assets | | 1982.71 | 1739.31 | 710.59 | 661.46 |
| 2. Current Assets | | | | | |
| (a) Current Investments | 15 | 324.92 | 324.92 | 511.10 | 257.08 |

| | | | | | |
|---------------------------------|----|----------------|----------------|----------------|----------------|
| (b) Inventories | | .00 | .00 | .00 | .00 |
| (c) Trade Receivables | 17 | 1455.13 | 849.31 | 479.99 | 396.37 |
| (d) Cash and Cash Equivalents | 18 | 29.32 | 112.58 | 100.29 | 236.68 |
| (e) Short-Term Loans & Advances | 19 | .00 | .00 | .00 | .00 |
| (f) Other Current Assets | 20 | 197.36 | 92.78 | 156.76 | 38.43 |
| Total current assets | | 2006.72 | 1379.59 | 1248.13 | 928.56 |
| TOTAL | | 3989.43 | 3118.89 | 1958.72 | 1590.01 |

As per our Annexed Audit Report of Even Date

For Abhijit Kekar & Co
Chartered Accountants
FRN: 121920W

CA Kalpesh Bhute,
M.No - 178818
Partner

UDIN: 24178818BKCYBF1728

Place: Nagpur
Date: 07-01-2024

**For & on behalf of Board of Directors
of Trust Fintech Limited**
(Formerly known as Trust Systems and Software (India) Private Limited)

HEMANT CHAFALE
Director
DIN: 01590781

MANDAR DEO
Director
DIN: 01590926

ANAND KANE
Whole Time Director & CFO
DIN: 07635348

DESHANA JOSHI
Company Secretary
MEM. NO. A-26358



STANDALONE RESTATED STATEMENT OF PROFIT AND LOSS

(Amount in Lakhs Unless otherwise stated)

| Particulars | Note No | For the Period ending 30th September 2023 | For the Period ending 31st March 2023 | For the Period ending 31st March 2022 | For the Period ending 31st March 2021 |
|---|----------|---|---------------------------------------|---------------------------------------|---------------------------------------|
| I. Revenue from Operations | 21 | 1882.14 | 2254.34 | 1763.25 | 2394.66 |
| II. Other Income | 22 | 0.99 | 15.85 | 36.75 | 23.28 |
| III Total Income (I+II) | | 1883.13 | 2270.19 | 1800.00 | 2417.94 |
| IV Expenses: | | | | | |
| Cost of Materials Consumed | 23 | 175.88 | 435.66 | 371.71 | 947.14 |
| Purchase of stock-in-Trade | 24 | .00 | .00 | .00 | .00 |
| Changes in Inventories of Finished Goods, and Stock-in-Trade | 25 | -150.00 | -175.12 | .00 | -26.00 |
| Employee Benefit Expenses | 26 | 598.09 | 1055.48 | 861.04 | 845.21 |
| Finance Costs | 27 | 1.13 | 3.78 | 1.72 | 3.94 |
| Depreciation and Amortization Expenses | 28 | 22.43 | 49.48 | 47.04 | 13.29 |
| Other Expenses | 29 | 262.83 | 359.86 | 339.96 | 340.35 |
| Total Expenses | | 910.36 | 1729.14 | 1621.48 | 2123.93 |
| V Profit before exceptional, extraordinary, Prior Period item & tax (III-IV) | | 972.77 | 541.05 | 178.53 | 294.01 |
| VI Exceptional Items | 30 | .00 | .00 | .00 | .00 |
| VII Profit before extra-ordinary item & Tax (V-VI) | | 972.77 | 541.05 | 178.53 | 294.01 |
| VIII Extraordinary Items | 31 | .00 | .00 | .00 | .00 |
| IX. Profit before Tax (VII-VIII) | | 972.77 | 541.05 | 178.53 | 294.01 |
| X. Tax Expenses: | | | | | |
| (I) Current Tax | | 244.83 | 134.94 | 46.82 | 73.43 |
| (II) Deferred Tax | 6 | .00 | 3.90 | -3.25 | .93 |
| (III) Earlier Tax | | .00 | .00 | 1.30 | |
| XI. Profit/(Loss) from Continuing Operations (VII-VIII) | | 727.95 | 402.21 | 133.66 | 219.66 |
| XII. Profit/(Loss) from Discontinuing Operations | | | | | |
| XIII. Tax Expense of Discounting Operations | | | | | |
| XIV. Profit/(Loss) from dis-Continuing Operations after tax (XII-XIII) | | .00 | .00 | .00 | .00 |
| XV. Profit/ (Loss) for the Period (XI + XIV) | | 727.95 | 402.21 | 133.66 | 219.66 |
| XVI. Earnings per share of Rs. 10/- each | | | | | |
| (I) Basic | | 14.04 | 7.76 | 2.58 | 4.24 |
| (II) Diluted | | 14.04 | 7.76 | 2.58 | 4.24 |
| Significant Accounting Policies | 1 | | | | |
| Notes refer to above form an integral part of the financial statements | | | | | |

As per our Annexed Audit Report of Even Date

For Abhijit Kekar & Co
Chartered Accountants
FRN: 121920W

CA Kalpesh Bhute,
M.No - 178818
Partner

Place: Nagpur
Date: 07-01-2024

UDIN: 24178818BKCYBF1728

**For & on behalf of Board of Directors
of Trust Fintech Limited**
(Formerly known as Trust Systems and Software (India) Private
Limited)

HEMANT CHAFALE
Director
DIN: 01590781

MANDAR DEO
Director
DIN: 01590926

ANAND KANE
Whole Time Director & CFO
DIN: 07635348

DESHANA JOSHI
Company Secretary
MEM. NO. A-26358



STANDALONE RESTATED STATEMENT OF CASH FLOWS

(Amount in Lakhs Unless otherwise stated)

| Particulars | As at September 30, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|--|--------------------------------|----------------------------|----------------------------|----------------------------|
| A. Cash Flow from Operating Activities | | | | |
| Profit before extraordinary items and tax | | | | |
| Adjustments for: | 972.77 | 541.05 | 133.66 | 219.66 |
| Depreciation | 22.43 | 49.48 | 47.04 | 13.29 |
| Interest Expenses (Finance Cost) | 1.13 | 3.78 | 1.72 | 3.94 |
| Interest Income | 1.81 | 18.84 | -36.75 | -24.22 |
| Provision for Current Tax | -244.83 | -134.94 | | |
| <u>Non-Cash Expenses Debited to P & L A/c</u> | | | | |
| Operating Profit before Working Capital Changes | 753.31 | 478.21 | 145.67 | 212.67 |
| Changes in working capital: | | | | |
| Adjustments for: | | | | |
| Decrease/(Increase) in Trade and other receivables | -605.81 | -369.33 | -83.62 | 245.18 |
| Decrease/(Increase) in Inventories | -150.00 | -175.12 | .00 | -26.00 |
| Decrease/(Increase) in Other Current Assets | -104.59 | 63.98 | -118.33 | 153.71 |
| (Decrease)/Increase in Trade & Other Payable | -107.42 | -33.86 | 72.60 | -101.59 |
| (Decrease)/Increase in Other Current Liabilities | .65 | 4.79 | .00 | .00 |
| (Decrease)/Increase in Short Term Provisions | 24.94 | 84.79 | | |
| (Decrease)/Increase in Duties & Taxes | 254.95 | 23.50 | | |
| Net cash flow from / (used in) operating activities | 66.03 | 76.96 | 16.32 | 483.96 |
| B. Cash Flow from Investing Activities | | | | |
| Purchase of Fixed Assets | -69.45 | -85.65 | -77.08 | -43.36 |
| Sale of Fixed Assets (Net) | .00 | .00 | .00 | .00 |
| Purchase of Investments | .00 | 186.18 | -254.01 | -356.83 |
| Interest Received | -1.81 | -18.84 | 36.75 | 24.22 |
| Loan & Advances to Others | .00 | .00 | -16.42 | 2.10 |
| Decrease/(Increase) in Non-Current Assets | -39.75 | -20.10 | | |
| Decrease/(Increase) in Non-Current Investments | -6.64 | .00 | | |
| Net Cash (Used in) Investing Activities | -117.64 | 61.59 | -310.77 | -373.86 |
| C. Cash Flow from Financing Activities | | | | |
| Increase/(Decrease) in Share Capital / Reserve & Surplus | .00 | .00 | .00 | .00 |
| (Increase)/Decrease in Deferred Tax Asset | .00 | .00 | -3.25 | .93 |
| Proceeds from Long-Term borrowings | .00 | -135.30 | 131.27 | -1.83 |
| Proceeds from Short Term borrowings | -30.52 | 12.81 | 31.76 | 60.25 |
| Finance Cost | -1.13 | -3.78 | -1.72 | -3.94 |
| Net from / (used in) financing activities | -31.65 | -126.27 | 158.06 | 55.40 |
| Net increase / (decrease) in Cash and cash equivalents | -83.26 | 12.29 | -136.39 | 165.50 |
| Opening Balance of Cash and cash equivalents | 112.58 | 100.29 | 236.68 | 71.18 |
| Closing Balance of Cash and cash equivalents | 29.32 | 112.58 | 100.29 | 236.68 |

As per our Annexed Audit Report of Even Date

For Abhijit Kekar & Co
Chartered Accountants
FRN: 121920W

CA Kalpesh Bhute,
M.No - 178818
Partner

Place: Nagpur
Date: 07-01-2024

UDIN: 24178818BKCYBF1728

**For & on behalf of Board of Directors
of Trust Fintech Limited**
(Formerly known as Trust Systems and Software (India) Private
Limited)

HEMANT CHAFALE
Director
DIN: 01590781

MANDAR DEO
Director
DIN: 01590926

ANAND KANE
Whole Time Director & CFO
DIN: 07635348

DESHANA JOSHI
Company Secretary
MEM. NO. A-26358



SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS AS RESTATED

1. Corporate Information

Trust Systems and Software India Limited (formerly known as Trust Systems and Software India Private Limited) (the company) is a private limited company registered under the erstwhile Companies Act 1956 in the business of software development services and software solutions. It started its operations in 1999 has an all-India footprint with Nagpur office. The company operates from its office at Nagpur.

The Company has converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the extraordinary general meeting of the shareholders of the Company held on 16th September, 2023 and consequently the name of the Company has been changed to Trust Systems and Software (I) Limited in a fresh certificate of incorporation obtained from the Registrar of Companies on 4th October, 2023.

These restated financial statements were authorized for issue in accordance with a resolution of the Board of Directors on 21st October, 2023.

These restated financial statements are presented in Indian Rupees ('Rupees' or 'Rs.' or 'INR') and are rounded to the nearest Thousands, except per share data and unless stated otherwise.

2. Summary of significant accounting policies

A. Basis of preparation of restated financial statements

The restated financial statements of the Company comprise financial statement for the nine months period ended September 30, 2023, for the year ended March 31, 2023, March 31, 2022 and March 31, 2021 that had been previously prepared and audited as per the requirements of Companies Act, 2013 and now restated as per the requirements of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (the SEBI ICDR Regulations) issued by the Securities and Exchange Board of India (SEBI) on September 11, 2018 as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992 and Guidance note on reports in Company Prospectus (Revised 2019) (Guidance Note) issued by the Institute of Chartered Accountants of India (ICAI). The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous years.

These Statements have been prepared by the Management for the purpose of inclusion in the Red Herring Prospectus ('RHP')/Prospectus in connection with its proposed initial public offering of equity shares.

1. The Restated Financial Information have been compiled by the Management from:
 - I) Audited special purpose interim financial statements of the Company as at and for the Half Year ended September 30, 2023 prepared in accordance with the Accounting Standards as applicable, which was approved by the Board of Directors at their meeting held on 24 October 2023 and
 - II) Audited Financial Statements of the Company as at and for years ended March 31, 2023, March 31, 2022 and March 31, 2021, prepared in accordance with the IGAAP which has been approved by the Board of Directors at their meeting held on 31 August 2023, 05 September 2022 and 02 November 2021 respectively.
2. The Restated Financial Information have been prepared to contain information/disclosures and incorporating adjustments set out below in accordance with the ICDR Regulations:
 - i) Adjustments to the profits or losses of the earlier years for the changes in accounting policies if any to

reflect what the profits or losses of those years would have been if a uniform accounting policy was followed in each of these years and of material errors, if any;

- ii) Adjustments for reclassification/regroupings of the corresponding items of income, expenses, assets and liabilities retrospectively in the six months period /years ended September 30, 2023, March 31, 2023, March 31, 2022 and March 31, 2021, in order to bring them in line with the groupings as per the Restated Financial Information of the Company for the period ended September 30, 2023 and the requirements of the SEBI Regulations, if any; and
- iii) The resultant impact of tax due to the aforesaid adjustments, if any.

B. Use of estimates

The preparation of restated financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

C. Property plant and equipment

Tangible assets are stated at cost, less accumulated depreciation and impairment (if any). Cost consists of acquisition cost comprising purchase price (excluding rebates and discounts) and direct cost incurred to make the asset ready to use.

Subsequent expenditure related to an item of property plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of property plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

During the Financial Year 2022-23, the company has revalued its Land at the prevalent market rates and accordingly revaluation reserve is created to the extent of Rs 8 crores.

D. Depreciation on property plant and equipment

Depreciation on property plant and equipment is provided on written down value method considering the useful lives prescribed in Schedule II to the Companies Act, 2013.

E. Intangible assets

Intangible assets are stated at cost which includes any directly attributable expenditure on making the asset ready for its intended use. Intangible assets are amortized over the expected duration of benefit or ten years on written down value method. Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. The company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the effect that useful life of an intangible asset exceeds ten years, the company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.



The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

F. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

G. Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

H. Foreign currency transactions and balances Initial recognition

I.

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Exchange differences

All other exchange differences are recognized as income or as expenses in the period in which they arise.

J. Provisions and contingent liabilities & contingent assets

Provisions are recognized for present obligations of uncertain timing or amount arising as a result of a past event where a reliable estimate can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events, are also disclosed as contingent liabilities unless the probability of outflow of resources embodying economic benefit is remote.

K. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

I. Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted, at the reporting date.

Deferred income tax reflects the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences of earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxable entity and the same taxation authority.

M. Revenue recognition

Revenue from operations are recognized on completion of the project and rendering of services or on completion of the stipulated benchmarks / frequency as per the terms of agreement.

Interest income is recognized on the basis of accrual method on the rates applicable to the transactions. Rent is recognized on the basis of accrual as per the agreement.

Income from investment is accounted for on accrual basis when the right to receive income is established.



N. Employee benefits

Retirement benefit in the form of provident fund contribution to statutory provident fund, pension fund, superannuation fund and ESI are defined contribution schemes. The contributions are charged to the statement of profit and loss for the year when the contributions are due. The company has no obligation, other than the contribution payable to the provident fund.

O. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**For Abhijit Kelkar & Co.
Chartered Accountants**

**CA Kalpesh Bhute
Mem.No.:178818
Date: 07/01/2024
Place: Nagpur**

NOTE 3: Share Capital**A. EQUITY SHARE CAPITAL****Authorised equity share capital****(Rupees in Lakhs)**

| Particulars | As at 30th September 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|-------------------------------|------------------------------|--------------------------|--------------------------|--------------------------|
| Equity Shares of Rs.10/- each | 600.00 | 600.00 | 600.00 | 600.00 |
| Total | 600.00 | 600.00 | 600.00 | 600.00 |

Issued, Subscribed & Fully Paid-up**(Rupees in Lakhs)**

| Particulars | As at 30th September 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|-------------------------------|------------------------------|--------------------------|--------------------------|--------------------------|
| Equity Shares of Rs.10/- each | 518.49 | 518.49 | 518.49 | 518.49 |
| Total | 518.49 | 518.49 | 518.49 | 518.49 |

Movement in equity share capital/Reconciliation of Shares Outstanding

| Sr. No. | Particulars | As at 30th September-2023 | | As at 31st March- 2023 | | As at 31st March- 2022 | | As at 31st March- 2021 | |
|---------|--|------------------------------|--------------------------|---------------------------|--------------------------|---------------------------|--------------------------|---------------------------|--------------------------|
| | | No. Shares | Amount (Rupees in Lakhs) | No. Shares | Amount (Rupees in Lakhs) | No. Shares | Amount (Rupees in Lakhs) | No. Shares | Amount (Rupees in Lakhs) |
| | Balance at the beginning of the year | 51,84,868 | 518.49 | 51,84,868 | 518.49 | 51,84,868 | 518.49 | 51,84,868 | 518.49 |
| Add : | Issued during the year as bonus shares | - | - | - | - | - | - | - | - |
| Less : | Bought back during the year | - | - | - | - | - | - | - | - |
| | Balance at the end of the year | 51,84,868 | 518.49 | 51,84,868 | 518.49 | 51,84,868 | 518.49 | 51,84,868 | 518.49 |

List of shareholders holding more than 5% of equity shares

| Name of the Shareholder | As at 30th September 2023 | | As at 31st March 2023 | | As at 31st March 2022 | | As at 31st March 2021 | |
|-------------------------|------------------------------|-------|--------------------------|-------|--------------------------|-------|--------------------------|-------|
| | In Nos | In % | In Nos | In % | In Nos | In % | In Nos | In % |
| Hemant Chafale | 35,19,954 | 67.89 | 35,29,954 | 68.08 | 35,29,954 | 68.08 | 35,29,954 | 68.08 |
| Heramb Damle | 3,57,595 | 6.90 | 3,57,595 | 6.90 | 3,57,595 | 6.90 | 3,57,595 | 6.90 |
| Sanjay P Chafale | 6,60,004 | 12.73 | 6,60,004 | 12.73 | 6,60,004 | 12.73 | 6,60,004 | 12.73 |
| Mandar Deo | 2,59,921 | 5.01 | 2,59,921 | 5.01 | 2,59,921 | 5.01 | 2,59,921 | 5.01 |
| Anand Kane | 2,99,868 | 5.78 | 2,99,868 | 5.78 | 2,99,868 | 5.78 | 2,99,868 | 5.78 |

Statement of Shares held by Promoters as on 30th September-2023

| Name Of Promoter | As at 30th September 2023 | | As at 31st March 2023 | | As at 31st March 2022 | | As at 31st March 2021 | |
|------------------|------------------------------|-------|--------------------------|-------|--------------------------|-------|--------------------------|-------|
| | In Nos | In % | In Nos | In % | In Nos | In % | In Nos | In % |
| Hemant Chafale | 35,19,954 | 67.89 | 35,29,954 | 68.08 | 35,29,954 | 68.08 | 35,29,954 | 68.08 |
| Heramb Damle | 3,57,595 | 6.90 | 3,57,595 | 6.90 | 3,57,595 | 6.90 | 3,57,595 | 6.90 |
| Sanjay P Chafale | 6,60,004 | 12.73 | 6,60,004 | 12.73 | 6,60,004 | 12.73 | 6,60,004 | 12.73 |
| Mandar Deo | 2,59,921 | 5.01 | 2,59,921 | 5.01 | 2,59,921 | 5.01 | 2,59,921 | 5.01 |



| | | | | | | | | |
|-------|-----------|-------|-----------|-------|-----------|-------|-----------|-------|
| Total | 47,97,474 | 92.53 | 48,07,474 | 92.72 | 48,07,474 | 92.72 | 48,07,474 | 92.72 |
|-------|-----------|-------|-----------|-------|-----------|-------|-----------|-------|

NOTE 4: Reserves & Surplus

(Rupees in Lakhs)

| Particulars | As at 30th September 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|---|---------------------------|-----------------------|-----------------------|-----------------------|
| General reserve | | | | |
| As per last Balance Sheet | 1250.20 | 847.99 | 714.33 | 494.68 |
| Add: Transferred from surplus in Statement of Profit and Loss | 727.95 | 402.21 | 133.66 | 219.66 |
| Less: Utilised / transferred during the year for: | | | .00 | .00 |
| subtotal A | 1978.15 | 1250.20 | 847.99 | 714.33 |
| Securities premium reserve | 149.91 | 149.91 | 149.91 | 149.91 |
| Revaluation Reserve | 800.00 | 800.00 | .00 | |
| subtotal B | 949.91 | 949.91 | 149.91 | 149.91 |
| Total | 2928.06 | 2200.11 | 997.90 | 864.25 |

NON-CURRENT LIABILITIES

NOTE 5

(Rupees in Lakhs)

| Long-Term Borrowings | As at 30th September 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|--|---------------------------|-----------------------|-----------------------|-----------------------|
| I. Secured Loans: | | | | |
| Term Loans from Banks | | | | |
| Car loan Allahabad Bank (50217778507) | .00 | .00 | .00 | .00 |
| Car loan Allahabad Bank (50359855912) | .00 | .00 | .30 | 4.03 |
| Loan against Deposit | .00 | .00 | 135.00 | .00 |
| Total-Long term Secured Loan | .00 | .00 | 135.30 | 4.03 |
| II. Unsecured Loans: | | | | |
| From Others | | | | |
| Directors | .00 | .00 | .00 | .00 |
| Indian Rupee Loan (Refer Note (b) below) | | | | |
| Total-Long term Unsecured Loan | - | - | - | - |
| Total (I +II) | .00 | .00 | 135.30 | 4.03 |

NOTE 6: Short-Term Borrowings

(Rupees in Lakhs)

| Particulars | As at 30th September 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|--------------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| I. Secured Loans: | | | | |
| 1. Loans Repayable on Demand: | | | | |
| A) from Banks | | | | |
| - From Bank Allahabad Bank | -34.32 | -3.80 | -29.61 | -61.37 |
| [Limit of Rs. 11000000 against | | | | |

| | | | | |
|--|---------------|--------------|---------------|---------------|
| hypothecation of Property] | | | | |
| B) from other Parties | | | | |
| 2. Loans and Advances from related Parties | - | - | - | - |
| 3. Deposits | - | - | - | - |
| 4. Other Loans and Advances (Specific Nature) | - | - | - | - |
| 5. Current Maturities of Long-Term Borrowings | - | - | - | - |
| Total Secured Short-Term Loan | -34.32 | -3.80 | -29.61 | -61.37 |

| Particulars | As at 30th September 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|---|---------------------------|-----------------------|-----------------------|-----------------------|
| II. UNSECURED: | | | | |
| a) Loans Repayable on Demand: | | | | |
| A) from Banks | | | | |
| The Company is not declared as wilful defaulter by Bank or financial institution. | - | - | - | - |
| B) from other Parties | | | | |
| b) Loans and Advances from related Parties | | | | |
| Loan from Director | - | - | 13.00 | 13.00 |
| Total Unsecured Short-Term Loan | | .00 | 13.00 | 13.00 |
| TOTAL (I + II) | -34.32 | -3.80 | -16.61 | -48.37 |

NOTE 7: Trade Payables

(Rupees in Lakhs)

| Particulars | As at 30th September 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|---------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| Short Term Trade Payable | | | | |
| Trade Payable (Annexure 1) | 39.23 | 146.65 | 180.51 | 179.90 |
| Total | 39.23 | 146.65 | 180.51 | 179.90 |

NOTE 8: Other Current Liabilities

(Rupees in Lakhs)

| Particulars | As at 30th September 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|---------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| Deposits From Employees: | | | | |
| 1) S.D. (Adhir Behara) | .04 | .04 | .04 | .04 |
| 2) S.D. (Gaurav Shionkar) | .17 | .17 | .17 | .17 |
| 3) S.D. (Govind Joshi) | .04 | .04 | .04 | .04 |
| 4) S.D. (Manish Chaurasia) | .03 | .03 | .03 | .03 |
| 5) Manish purohit | - | - | - | - |



| | | | | |
|----------------------------------|-------------|-------------|-------------|-------------|
| 6) Advance Received From Debtors | 6.21 | 5.56 | .78 | .78 |
| 7) S.D. (Shailendra Choudhary) | .03 | .03 | .03 | .03 |
| Total | 6.53 | 5.88 | 1.09 | 1.09 |

NOTE 9: Short-Term Provisions

(Rupees in Lakhs)

| Particulars | As at 30th September 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|--|------------------------------|--------------------------|--------------------------|--------------------------|
| Provision For Employees Benefit | | | | |
| 1. Electricity bill payable | .05 | .05 | .91 | .66 |
| 2. E.S.I.C. Payable | .05 | .15 | .11 | .15 |
| 3. Provident Fund payable | 2.58 | 4.35 | 11.33 | .25 |
| 4. Salary to Director Payable | -19.79 | -14.37 | 6.54 | 2.66 |
| 5. SALARY PAYABLE A/C. | 119.90 | 131.98 | 63.14 | 10.96 |
| 6. Travelling exp payable | 44.28 | .00 | .00 | .00 |
| 7. TDS Payable FY | .00 | .00 | .00 | .00 |
| 8. TDS on suppliers | .00 | .00 | .00 | .00 |
| 9. NMC payable | 7.07 | .00 | .00 | .00 |
| 10. Profession tax payable | .42 | .36 | .00 | .52 |
| 11. Telephone Exp Payable | .00 | .00 | .54 | .14 |
| 12. Gst payable | .00 | .00 | .00 | .00 |
| Total | 154.56 | 122.52 | 82.57 | 15.33 |

NOTE 10: Duties & Taxes

(Rupees in Lakhs)

| Particulars | As at 30th September 2023 | As at 31st March 2023 | As at 31st March 2022 | As at 31st March 2021 |
|----------------|------------------------------|--------------------------|--------------------------|--------------------------|
| 1. TDS Payable | 252.41 | 31.75 | 14.22 | 5.43 |
| 2. GST Payable | 123.26 | 96.07 | 45.25 | 49.29 |
| Total | 375.66 | 127.82 | 59.47 | 54.72 |

Trade Payables ageing Schedule

Annexure-9

(Amount in Rupees Lakh)

| 31 st March, 2023 | | | | | | |
|------------------------------|-----------------------------|--|-----------|-----------|-------------------|-------|
| Sr.No | Particulars | Outstanding for the following periods from the due date of payment | | | | Total |
| | | Less than 1 Yr | 1-2 Years | 2-3 Years | More than 3 Years | |
| i) | MSME | - | - | - | - | - |
| ii) | Others | 88.58 | - | - | - | 88.58 |
| iii) | Disputed Dues-MSME | - | - | - | - | - |
| iv) | Disputed Dues-Others | - | - | - | - | - |

| | | | | | | |
|--|-----------------------------|--------------|------------|------------|------------|--------------|
| | | | | | | |
| | TOTAL TRADE PAYABLES | 88.58 | .00 | .00 | .00 | 88.58 |

Notes: If Due date is not given, then take date of Transaction i.e date on which risk and rewards are transferred

Defination of Dispute is taken from section 5(6) of IBC 2016

Ageing is considered from the date of transaction

(Amount in Rupees Lakhs)

| 31 st March, 2022 | | | | | | |
|------------------------------|-----------------------------|--|-----------|-----------|-------------------|-------|
| Sr.No | Particulars | Outstanding for the following periods from the due date of payment | | | | Total |
| | | Less than 1 Yr | 1-2 Years | 2-3 Years | More than 3 Years | |
| i) | MSME | - | - | - | - | - |
| | | - | - | - | - | - |
| ii) | Others | - | - | - | - | - |
| | | - | - | - | - | - |
| iii) | Disputed Dues-MSME | - | - | - | - | - |
| | | - | - | - | - | - |
| iv) | Disputed Dues-Others | - | - | - | - | - |
| | | - | - | - | - | - |
| | TOTAL TRADE PAYABLES | - | - | - | - | - |

Notes: If Due date is not given, then take date of Transaction i.e date on which risk and rewards are transferred

Defination of Dispute is taken from section 5(6) of IBC 2016

Ageing is considered from the date of transaction

Note 31: The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

| Particulars | As at 31st March-2022 | As at 31st March-2021 |
|--|-----------------------|-----------------------|
| Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end | - | - |
| Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end | - | - |
| Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| Interest due and payable towards suppliers registered under MSMED Act, for payments already made | - | - |
| Further interest remaining due and payable for earlier years | - | - |
| Total | - | - |



Note 11: Fixed Asset

(Amount in Rupees Lakh)

| Sr. No | Particulars | Rate | Gross Block as on September 30, 2023 | | | | Depreciation as on September 30, 2023 | | | | Net Block as on September 30, 2023 | |
|--------|-----------------------------|------|--------------------------------------|--------------------------|---------------------------|------------------|---------------------------------------|--------------------------|---------------------------|------------------|------------------------------------|----------------------|
| | | | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | WDV as on 30.09.2023 | WDV as on 31.03.2023 |
| 1 | Land | - | 810.00 | 18.62 | .00 | 828.62 | .00 | .00 | .00 | .00 | 828.62 | 810.00 |
| 2 | Computer and Printer | 0.40 | 329.23 | 13.14 | .00 | 342.37 | 264.29 | 12.99 | .00 | 277.28 | 65.09 | 64.93 |
| 3 | Furnitures & Fixtures | 0.18 | 51.19 | 4.87 | .00 | 56.07 | 43.85 | .66 | .00 | 44.52 | 11.55 | 7.34 |
| 4 | Office Equipment | 0.18 | 64.83 | 32.72 | .00 | 97.55 | 35.62 | 2.64 | .00 | 38.26 | 59.29 | 29.21 |
| 5 | Electrical Installation | 0.14 | 11.79 | .09 | .00 | 11.88 | 8.09 | .26 | .00 | 8.35 | 3.53 | 3.70 |
| 6 | Water Meter | 0.14 | .02 | .00 | .00 | .02 | .02 | .00 | .00 | .02 | .00 | .00 |
| 7 | Car Honda BR-V | 0.26 | 12.24 | .00 | .00 | 12.24 | 10.43 | .23 | .00 | 10.67 | 1.57 | 1.80 |
| 8 | Car Honda City | 0.26 | 10.05 | .00 | .00 | 10.05 | 9.28 | .10 | .00 | 9.38 | .67 | .77 |
| 9 | Building | 0.05 | 101.67 | .00 | .00 | 101.67 | 50.15 | 1.29 | .00 | 51.44 | 50.23 | 51.52 |
| 10 | Car Fortuner | 0.26 | 43.32 | .00 | .00 | 43.32 | 19.90 | 3.03 | .00 | 22.93 | 20.39 | 23.42 |
| 11 | Solar panel | 0.18 | 15.60 | .00 | .00 | 15.60 | 2.03 | 1.23 | .00 | 3.25 | 12.35 | 13.57 |
| | Total (Current Year) | | 1449.94 | 69.45 | .00 | 1519.38 | 443.66 | 22.43 | .00 | 466.09 | 1053.29 | 1006.28 |

(Amount in Rupees Lakh)

| Sr. No | Particulars | Rate | Gross Block as on March 31, 2023 | | | | Depreciation as on March 31, 2023 | | | | Net Block as on March 31, 2023 | |
|--------|-------------------------|------|----------------------------------|--------------------------|---------------------------|------------------|-----------------------------------|--------------------------|---------------------------|------------------|--------------------------------|----------------------|
| | | | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | WDV as on 31.03.2023 | WDV as on 31.03.2022 |
| 1 | Land | - | 10.00 | 800.00 | .00 | 810.00 | .00 | .00 | .00 | .00 | 810.00 | 10.00 |
| 2 | Computer and Printer | 0.40 | 272.09 | 57.14 | .00 | 329.23 | 232.41 | 31.88 | .00 | 264.29 | 64.93 | 39.68 |
| 3 | Furnitures & Fixtures | 0.18 | 51.19 | .00 | .00 | 51.19 | 42.23 | 1.62 | .00 | 43.85 | 7.34 | 8.96 |
| 4 | Office Equipment | 0.18 | 36.32 | 28.51 | .00 | 64.83 | 32.04 | 3.58 | .00 | 35.62 | 29.21 | 4.28 |
| 5 | Electrical Installation | 0.14 | 11.79 | .00 | .00 | 11.79 | 7.50 | .60 | .00 | 8.09 | 3.70 | 4.30 |

| | | | | | | | | | | | | |
|----|-----------------------------|------|---------------|---------------|------------|----------------|---------------|--------------|------------|---------------|----------------|---------------|
| 6 | Water Meter | 0.14 | .02 | .00 | .00 | .02 | .02 | .00 | .00 | .02 | .00 | .00 |
| 7 | Car Honda BR-V | 0.26 | 12.24 | .00 | .00 | 12.24 | 9.80 | .63 | .00 | 10.43 | 1.80 | 2.43 |
| 8 | Car Honda City | 0.26 | 10.05 | .00 | .00 | 10.05 | 9.01 | .27 | .00 | 9.28 | .77 | 1.04 |
| 9 | Building | 0.05 | 101.67 | .00 | .00 | 101.67 | 47.44 | 2.71 | .00 | 50.15 | 51.52 | 54.23 |
| 10 | Car Fortuner | 0.26 | 43.32 | .00 | .00 | 43.32 | 11.72 | 8.18 | .00 | 19.90 | 23.42 | 31.60 |
| 11 | Solar panel | 0.18 | 15.60 | .00 | .00 | 15.60 | 2.02 | .01 | .00 | 2.03 | 13.57 | 13.58 |
| | Total (Current Year) | | 564.29 | 885.65 | .00 | 1449.94 | 394.18 | 49.48 | .00 | 443.66 | 1006.28 | 170.11 |

(Amount in Rupees Lakh)

| Sr. No | Particulars | Rate | Gross Block as on March 31, 2022 | | | | Depreciation as on March 31, 2022 | | | | Net Block as on March 31, 2022 | |
|--------|-----------------------------|------|----------------------------------|--------------------------|---------------------------|------------------|-----------------------------------|--------------------------|---------------------------|------------------|--------------------------------|----------------------|
| | | | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | WDV as on 31.03.2022 | WDV as on 31.03.2021 |
| 1 | Land | - | 10.00 | .00 | .00 | 10.00 | .00 | .00 | .00 | .00 | 10.00 | 10.00 |
| 2 | Computer and Printer | 0.40 | 211.71 | 60.38 | .00 | 272.09 | 205.96 | 26.45 | .00 | 232.41 | 39.68 | 5.75 |
| 3 | Furnitures & Fixtures | 0.18 | 50.74 | .45 | .00 | 51.19 | 40.33 | 1.90 | .00 | 42.23 | 8.96 | 10.41 |
| 4 | Office Equipment | 0.18 | 36.32 | .00 | .00 | 36.32 | 31.09 | .95 | .00 | 32.04 | 4.28 | 5.23 |
| 5 | Electrical Installation | 0.14 | 11.13 | .66 | .00 | 11.79 | 6.87 | .62 | .00 | 7.50 | 4.30 | 4.26 |
| 6 | Water Meter | 0.14 | .02 | .00 | .00 | .02 | .02 | .00 | .00 | .02 | .00 | .00 |
| 7 | Car Honda BR-V | 0.26 | 12.24 | .00 | .00 | 12.24 | 8.96 | .85 | .00 | 9.80 | 2.43 | 3.28 |
| 8 | Car Honda City | 0.26 | 10.05 | .00 | .00 | 10.05 | 8.64 | .36 | .00 | 9.01 | 1.04 | 1.40 |
| 9 | Building | 0.05 | 101.67 | .00 | .00 | 101.67 | 44.58 | 2.85 | .00 | 47.44 | 54.23 | 57.09 |
| 10 | Car Fortuner | 0.26 | 43.32 | .00 | .00 | 43.32 | .68 | 11.04 | .00 | 11.72 | 31.60 | 42.64 |
| 11 | Sonal panel | 0.18 | .00 | 15.60 | .00 | 15.60 | .00 | 2.02 | .00 | 2.02 | 13.58 | .00 |
| | Total (Current Year) | | 487.21 | 77.08 | .00 | 548.69 | 347.14 | 47.04 | .00 | 394.18 | 170.11 | 140.07 |

(Amount Rupees in Lakh)

| Sr. No | Particulars | Rate | Gross Block as on March 31, 2021 | | | | Depreciation as on March 31, 2021 | | | | Net Block as on March 31, 2021 | |
|--------|-------------|------|----------------------------------|--------------------------|---------------------------|------------------|-----------------------------------|--------------------------|---------------------------|------------------|--------------------------------|----------------------|
| | | | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | WDV as on 31.03.2021 | WDV as on 31.03.2020 |
| 1 | Land | - | 10.00 | .00 | .00 | 10.00 | .00 | .00 | .00 | .00 | 10.00 | 10.00 |



| | | | | | | | | | | | | |
|----|-----------------------------|------|---------------|--------------|------------|---------------|---------------|--------------|------------|---------------|---------------|---------------|
| 2 | Computer and Printer | 0.40 | 211.71 | .00 | .00 | 211.71 | 202.13 | 3.85 | .00 | 205.96 | 5.75 | 9.58 |
| 3 | Furnitures & Fixtures | 0.18 | 50.74 | .00 | .00 | 50.74 | 38.03 | 2.30 | .00 | 40.33 | 10.41 | 12.71 |
| 4 | Office Equipment | 0.18 | 36.32 | .00 | .00 | 36.32 | 29.94 | 1.16 | .00 | 31.09 | 5.23 | 6.39 |
| 5 | Electrical Installation | 0.14 | 11.10 | .04 | .00 | 11.13 | 6.19 | .68 | .00 | 6.87 | 4.26 | 4.91 |
| 6 | Water Meter | 0.14 | .02 | .00 | .00 | .02 | .02 | .00 | .00 | .02 | .00 | .00 |
| 7 | Car Honda BR-V | 0.26 | 12.24 | .00 | .00 | 12.24 | 7.81 | 1.15 | .00 | 8.96 | 3.28 | 4.43 |
| 8 | Car Honda City | 0.26 | 10.05 | .00 | .00 | 10.05 | 8.15 | .49 | .00 | 8.64 | 1.40 | 1.89 |
| 9 | Building | 0.05 | 101.67 | .00 | .00 | 101.67 | 41.58 | 3.00 | .00 | 44.58 | 57.09 | 60.09 |
| 10 | Car Fortuner | 0.26 | .00 | 43.32 | .00 | 43.32 | .00 | .68 | .00 | .68 | 42.64 | .00 |
| 11 | Sonal panel | 0.18 | .00 | .00 | | .00 | .00 | .00 | .00 | .00 | .00 | .00 |
| | Total (Current Year) | | 443.85 | 43.36 | .00 | 487.21 | 333.85 | 13.29 | .00 | 347.14 | 140.07 | 110.00 |

Note 12: Non Current Investments

(Amount in Rupees Lakh)

| Sr. No | Particulars | As at 30th September-2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|--------|--|---------------------------|-----------------------|-----------------------|-----------------------|
| 1 | Investment in Share of Softshell (4,913 shares, 1.69% held) | 25.00 | 25.00 | 25.00 | 25.00 |
| 2 | FD Against Bank Guarantee | 17.79 | 11.16 | 11.16 | 11.16 |
| 3 | Shares of Lextech Consultants Pvt. Ltd. (10 shares, 10% held) | .01 | .01 | .01 | .01 |
| | | | | | |
| | Total | 42.80 | 36.17 | 36.17 | 36.17 |

Note 13: Long Term Loans and Advances

(Amount in Rupees Lakh)

| Sr. No | Particulars | As at 30th September-2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|--------|------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| 1 | Long Term Loans and Advances | - | - | - | - |
| | | | | | |
| | Total | - | - | - | - |

Loans or Advances granted to Promoters, directors, KMP's and Other Related Parties that are either repayable on demand or without specifying any terms or period of repayment

| Sr. No | Particulars | As at 30th September-2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|--------|-----------------|---------------------------|-----------------------|-----------------------|-----------------------|
| I | PROMOTERS | | | | |
| | | | | | |
| II | DIRECTORS | | | | |
| | | | | | |
| III | KMP'S | | | | |
| | | | | | |
| IV | RELATED PARTIES | | | | |

Note 14: Non-Current Assets

(Amount in Rupees Lakh)

| Sr. No | Particulars | As at 30th September-2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|--------|-------------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| I | <u>Advance for Purchase of Land</u> | 151.13 | 151.13 | 151.13 | 151.13 |
| II | Security Deposit | | | | |
| | a) Secured, Considered Good : | | | | |
| | Earnest Money Deposit | 68.97 | 45.68 | 22.66 | 3.84 |
| | Other Deposit | 54.53 | 54.49 | 53.17 | 53.17 |
| | b) Unsecured, Considered Good : | | | | |
| | Herambh Damle | 1.00 | 1.00 | 1.00 | 1.00 |



| | | | | | |
|-----|-----------------------------------|---------------|---------------|---------------|---------------|
| | Vinay Gautam | 2.25 | 2.25 | 2.25 | 2.25 |
| | c) Doubtful | | | | |
| | | | | | |
| III | Other Loans & Advances | | | | |
| | Employee advance Nagpur | 11.13 | -5.76 | -1.46 | -.22 |
| | Employee advance Pune | -.41 | .06 | .11 | .05 |
| | Employee advance Mumbai | | | - | - |
| | Loan to Lextech | 9.99 | 9.99 | 9.99 | 9.99 |
| | Salary advances | .10 | .10 | .00 | 1.21 |
| | | | | | |
| | Total | 298.69 | 258.93 | 238.83 | 222.41 |

Note 15: Current Investments

(Amount in Rupees Lakh)

| Sr. No | Particulars | As at 30th September-2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|--------|-----------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| 1 | BG for Coal Office (O.V.9.75) | .13 | .13 | .13 | .13 |
| 2 | BG for Muslim Bank | 1.25 | 1.25 | 1.25 | 1.25 |
| 3 | Fixed Deposit with Allahabad Bank | 323.54 | 323.54 | 509.71 | 255.70 |
| 4 | FD 0543651000001625 | | | | |
| | | | | | |
| | Total | 324.92 | 324.92 | 511.10 | 257.08 |

The Company has not traded or invested in Crypto currency or virtual currency during the financial year.

Note 16: Intangible Assets under Development

(Amount in Rupees Lakh)

| Sr. No. | Particulars | As at 30th September-2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|---------|------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| 1 | Work in Progress | 587.93 | 437.93 | 262.81 | 262.81 |
| | | | | | |
| | Total | 587.93 | 437.93 | 262.81 | 262.81 |

Note 17: Trade Receivables

(Amount in Rupees Lakh)

| Sr. No. | Particulars | As at 30th September-2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|---------|--|---------------------------|-----------------------|-----------------------|-----------------------|
| 1 | As per the Schedule attached-18 (a) (Annexure 3) | 1455.13 | 849.31 | 479.99 | 396.37 |
| Less : | Provision for doubtful Debts | | | | |
| | Total | 1455.13 | 849.31 | 479.99 | 396.37 |

Statement of Ageing of Trade Receivables as on 31st March -2023

| | Particulars | Outstanding for the following periods from the due date of payment | | | | | Total |
|------|---|--|-----------------|-----------------|-----------------|-------------------|--------|
| | | Less than 6 Months | 6 Months-1 Year | 1Year - 2 Years | 2 Years-3 Years | More than 3 Years | |
| i) | UNDISPUTED TRADE RECEIVABLES- Considered Good | 849.31 | NIL | NIL | NIL | NIL | 849.31 |
| ii) | UNDISPUTED TRADE RECEIVABLES- Considered Doubtful | | | | | | |
| iii) | DISPUTED TRADE RECEIVABLES- Considered Good | | | | | | |
| iv) | DISPUTED TRADE RECEIVABLES- Considered Doubtful | | | | | | |
| | TOTAL TRADE RECEIVABLES | 849.31 | .00 | .00 | .00 | .00 | 849.31 |

Note 18: Cash and Cash Equivalent

(Amount in Rupees Lakhs)

| Sr. No. | Particulars | As at 30th September-2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|---------|-------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| 1 | CASH | | | | |
| | Cash Balance | 33.86 | 31.14 | 26.59 | 25.44 |
| | Pune Petty Cash Balance | 25.59 | 25.49 | 19.75 | 14.30 |
| | Mumbai petty cash | .27 | .29 | .76 | .81 |
| 2 | BANK | | | | |
| | State Bank of India | .36 | 1.35 | 1.37 | 90.01 |
| | Bank of Baroda | .08 | .08 | .08 | .08 |
| | ICICI Bank | -63.91 | 4.98 | 7.32 | 61.48 |
| | Axis Bank pune | 30.10 | 46.70 | 37.01 | 39.15 |
| | Axis Bank | 1.42 | 1.14 | 5.22 | 2.35 |
| | IDBI Bank | 1.54 | 1.41 | 2.18 | 3.05 |
| | Total | 29.32 | 112.58 | 100.29 | 236.68 |

Note 19: Short term Loans and Advances

(Amount in Rupees Lakhs)

| Sr. No. | Particulars | As at 30th September-2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|---------|--------------|---------------------------|-----------------------|-----------------------|-----------------------|
| 1 | Others | - | - | - | - |
| | Total | - | - | - | - |



Note 20: Other Current Assets

(Amount in Rupees Lakhs)

| Sr. No. | Particulars | As at 30th September-2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|---------|-------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| 1 | Interest Accrued on FD | 16.05 | 16.17 | 21.96 | 5.40 |
| 2 | IT Refund FY 14-15 | .00 | | .00 | .31 |
| 3 | IT Refund FY 15-16 | .00 | | .00 | .99 |
| 4 | IT Refund FY 17-18 | .94 | .94 | .94 | .94 |
| 5 | IT Refund FY 18-19 | .00 | | .84 | 1.27 |
| 6 | It refund FY 2019-20 | .84 | .84 | .00 | 6.98 |
| 7 | MVAT Appeal Part Payment | .00 | | .00 | 6.47 |
| 8 | Deposit for Bangalore Flat | .00 | | .00 | .15 |
| 9 | IT REFUND | -10.70 | -10.70 | .00 | 15.90 |
| 10 | Expenses for Work In Progress | 85.52 | 85.52 | 85.52 | .00 |
| 11 | Tds recoverable | 47.90 | | 47.49 | .00 |
| 12 | Advance tax | 56.81 | .00 | .00 | .00 |
| | Total | 197.36 | 92.78 | 156.76 | 38.43 |

Note 21: Revenue from operations

(Amount in Rupees Lakhs)

| Sr. No. | Particulars | As at 30th September 2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|---------|-------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| 1 | Revenue from Operations | 1452.00 | 2042.32 | 1626.59 | 2216.28 |
| 2 | Export Sales | 430.14 | 212.02 | 136.66 | 178.38 |
| | Total | 1882.14 | 2254.34 | 1763.25 | 2394.66 |

Note 22: Other income

(Amount in Rupees Lakhs)

| Sr. No. | Particulars | As at 30th September 2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|---------|----------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| 1 | Discount Received | -.79 | .04 | .01 | .27 |
| 2 | Freight Charges | .00 | | | .00 |
| 3 | Rate difference(US dollar) | -.03 | -3.03 | .13 | -.93 |
| 4 | Interest Received | .00 | | .00 | .03 |
| 5 | Interest Received on FD | 1.81 | 18.84 | 23.23 | 7.68 |
| 6 | Rent Received | .00 | | 12.00 | 6.00 |
| 7 | Interest on IT Refund | .00 | | .95 | 10.23 |
| 8 | Other receipts | .00 | | .43 | .00 |
| | Total | .99 | 15.85 | 36.75 | 23.28 |

Note 23: Cost of materials consumed

(Amount in Rupees Lakhs)

| Sr. No. | Particulars | As at 30th September-2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|---------|---|---------------------------|-----------------------|-----------------------|-----------------------|
| 1 | Software Development related costs | | | | |
| | Contract resources cost | 175.88 | 427.56 | 340.73 | 928.27 |
| | Sub-total (a) | 175.88 | 427.56 | 340.73 | 928.27 |
| 2 | DIRECT/PRODUCTIONS EXPENSES | | | | |
| | Annual maintainance, Installation & Manpower Supply Charges | .00 | 8.10 | 30.99 | 18.87 |
| | Sub-total (b) | .00 | 8.10 | 30.99 | 18.87 |
| | Total | 175.88 | 435.66 | 371.71 | 947.14 |

Note 24: Purchases of stock-in-trade

(Amount in Rupees Lakhs)

| Sr. No. | Particulars | As at 30th September-2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|---------|-----------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| | Purchases of stock-in-trade | - | - | - | - |
| | Total | - | - | - | - |

Note 25: Changes in inventories of Finished goods & Stock in Trade

(Amount in Rupees Lakhs)

| Sr. No. | Particulars | As at 30th September-2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|---------|-------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| 1 | Work in progress | | | | |
| | Opening Stock | 437.93 | 262.81 | 262.81 | 236.81 |
| Less: | Closing Stock | 587.93 | 437.93 | 262.81 | 262.81 |
| | Total | -150.00 | -175.12 | .00 | -26.00 |

Note 26: Employee benefits expense

(Amount in Rupees Lakhs)

| Sr. No. | Particulars | As at 30th September-2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|---------|-----------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| 1 | Salaries, Bonus, PF & ESIC | 542.73 | 942.54 | 742.44 | 753.38 |
| 2 | Directors Remuneration | 43.52 | 84.50 | 114.58 | 90.94 |
| 3 | Office Refreshment Expenses | .36 | 1.24 | 4.01 | .89 |
| 4 | Conveyance to Directors | | .79 | .00 | |
| 5 | ESIC | | 1.57 | .00 | |
| 6 | Provident Fund | 10.26 | 19.53 | .00 | |
| 7 | Incentive Paid | .45 | 1.52 | .00 | |
| 8 | Gratuity | .23 | 2.63 | .00 | |



| | | | | | |
|----|-----------------------------|---------------|----------------|---------------|---------------|
| 9 | Admin Charges of PF | .53 | 1.06 | .00 | |
| 10 | Professional Tax (Director) | | .09 | .00 | |
| | | | | | |
| | Total | 598.09 | 1055.48 | 861.04 | 845.21 |

Note 27: Finance costs

(Amount in Rupees Lakhs)

| Sr. No | Particulars | As at 30th September-2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|--------|--|---------------------------|-----------------------|-----------------------|-----------------------|
| 1 | Bank Interest /Charges / Commission | 1.13 | 3.78 | 1.54 | 3.53 |
| 2 | Int on car loan new car Allahabad bank | .00 | .00 | .18 | .41 |
| | | | | | |
| | Total | 1.13 | 3.78 | 1.72 | 3.94 |

Note 28: Depreciation and amortisation expense

(Amount in Rupees Lakhs)

| Sr. No | Particulars | As at 30th September-2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|--------|---------------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| 1 | Depreciation and amortisation expense | 22.43 | 49.48 | 47.04 | 13.29 |
| | Total | 22.43 | 49.48 | 47.04 | 13.29 |

Note 29: Other expenses

(Amount in Rupees Lakhs)

| Sr. No | Particulars | As at 30th September-2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|----------|---|---------------------------|-----------------------|-----------------------|-----------------------|
| A | Administrative Expenses | | | | |
| 1 | Bad Debts | -.11 | -25.42 | 20.58 | 46.59 |
| 2 | Consultancy Charges | 1.84 | .17 | 158.46 | 121.23 |
| 3 | Commission Paid | .00 | .41 | .00 | .00 |
| 4 | Electricity Expenses | 6.16 | 8.92 | 8.99 | 7.66 |
| 5 | Freight Charges | .45 | .10 | .00 | .35 |
| 6 | Interest on ST,TDS,PT,VAT,LBT | .00 | .24 | 4.63 | .64 |
| 7 | Insurance Expenses | 3.47 | 3.18 | 4.24 | 5.03 |
| 8 | Legal exp | 1.51 | .58 | .44 | 1.16 |
| 9 | Misc. exp | .30 | .15 | 1.06 | .50 |
| 10 | Selling & distribution Expenses | 1.01 | 10.40 | .00 | .00 |
| 11 | Office Expenses | 4.50 | 9.37 | 15.16 | 10.27 |
| 12 | Petrol Exp. | .53 | 1.16 | 1.07 | .47 |
| 13 | Postage & Courier Expenses | .46 | .51 | .49 | .39 |
| 14 | Printing & Stationery Charges | 3.85 | 2.29 | 1.58 | 1.90 |
| 15 | Professional Fees | 128.36 | 206.47 | 1.62 | 2.69 |
| 16 | Professional Tax (Employee & Director & PTEC) | .04 | .15 | .00 | .03 |

| | | | | | |
|----|-------------------------------------|---------------|---------------|---------------|---------------|
| 17 | Gift Expenses | .00 | .24 | .00 | .00 |
| 18 | Rent Paid | 15.46 | 36.30 | 36.28 | 33.04 |
| 19 | Repair & maintenance Expenses | 10.94 | 5.05 | 7.99 | 1.86 |
| 20 | Security Charges | 3.19 | 6.35 | 6.47 | 6.42 |
| 22 | Audit Fees, legal Fees, ROC Charges | .00 | 1.40 | 1.39 | |
| 23 | Telephone Expenses | 3.00 | 5.83 | 5.47 | 11.72 |
| 24 | Tender Fees | .54 | -1.10 | 1.40 | .85 |
| 25 | Installation Charges | .00 | 6.25 | .00 | .00 |
| 26 | Food Expenses | 1.64 | 4.14 | .00 | .00 |
| 27 | Axis bank Credit Card, Pune | .00 | .36 | .00 | .00 |
| 28 | Round Off | .00 | .00 | .00 | .00 |
| 29 | Insurance Renewal | .00 | .37 | .31 | .00 |
| 30 | Service Charges | 36.78 | 11.64 | .64 | .00 |
| 31 | NMC Property Tax | 1.65 | .01 | .02 | .43 |
| 32 | water expenses | .05 | .02 | .02 | .00 |
| 33 | Donation | .00 | 1.11 | .00 | .00 |
| 34 | Transport & Courier | .11 | .01 | .00 | .00 |
| 35 | Sbi Credit Card | .46 | 1.25 | .00 | .00 |
| 36 | Car Insurance | .09 | 1.39 | .97 | .00 |
| 37 | Hotel Rent | 3.73 | 7.03 | .00 | .00 |
| 38 | Salary Advance | .00 | .40 | .00 | .00 |
| 39 | Travelling & Conveyance Expenses | 30.32 | 44.31 | 46.25 | 27.77 |
| 40 | DA Expenses | 1.55 | 7.44 | .00 | .00 |
| 41 | M VAT Expenses | .00 | .00 | 5.04 | .00 |
| 42 | Discount & Sales Promotion Expenses | .00 | .00 | 9.40 | 58.34 |
| 43 | Fitting and labour charges | .23 | .00 | .00 | .00 |
| 44 | Medical expenses | .02 | .00 | .00 | .73 |
| 45 | Processing fees | .00 | .00 | .00 | .00 |
| 46 | Other expenses | .69 | .50 | .00 | .28 |
| 47 | Interest on TDS | .00 | .11 | .00 | .00 |
| 48 | Interest on GST | .00 | .77 | .00 | .00 |
| | Payments to Auditors | | | | |
| 1 | For Statutory Audit | .00 | .00 | .00 | .00 |
| 2 | For Taxation matters | .00 | .00 | .00 | .00 |
| 3 | For Other Services | .00 | .00 | .00 | .00 |
| 4 | Reimbursement of expenses | .00 | .00 | .00 | .00 |
| | Total | 262.83 | 359.86 | 339.96 | 340.35 |

Note 30: Exceptional items

(Amount in Rupees Lakhs)

| Sr. No. | Particulars | As at 30th September-2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|---------|-------------|---------------------------|-----------------------|-----------------------|-----------------------|
| | | | | | |



| | | | | | |
|--|--------------|---|---|---|---|
| | | | | | |
| | | | | | |
| | | | | | |
| | Total | - | - | - | - |

Note 31: Extra-Ordinary Items

(Amount in Rupees Lakhs)

| Sr. No. | Particulars | As at 30th September-2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|---------|--------------|---------------------------|-----------------------|-----------------------|-----------------------|
| | | | | | |
| | | | | | |
| | Total | | - | - | - |

Note 32: RELATIONSHIP WITH STRUCK OFF COMPANIES

| | Name of the Stuck Off Company | As at 30 th September-2023 | Nature of Transaction | Balance Outstanding | Relationship if any |
|--|----------------------------------|---------------------------------------|--|---------------------|---------------------|
| | INVESTMENT IN SECURITIES | | The Company does not have any transaction with companies struck off under Section 248 of Companies Act, 2013 | | |
| | RECEIVABLES | | | | |
| | PAYABLES | | | | |
| | SHARE HELD BY STRUCK OFF COMPANY | | | | |
| | OTHER OUTSTANDING BALANCE | | | | |
| | | | | | |

Note 33: Registration of Charge or Satisfaction with Registrar of Companies

There are no charges or satisfaction thereof pending to be registered beyond the statutory period.

Note 34: Deferred Tax Assets

(Amount in Rupees Lakhs)

| Sr. No | Particulars | As at 30th September-2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|--------|--------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| 1 | Deferred Tax Asset | - | - | 2.67 | - |
| | Total | - | - | 2.67 | - |

Note 35: Contingent Liability and Commitments

(Amount in Rupees Lakhs)

| Sr. No | Particulars | As at 30th | As at 31st | As at 31st | As at 31st |
|--------|-------------|------------|------------|------------|------------|
|--------|-------------|------------|------------|------------|------------|

| | | September-2023 | March-2023 | March-2022 | March-2021 |
|---|------------------------------------|----------------|------------|------------|------------|
| 1 | GST Liability (Excluding interest) | 45.30 | - | - | - |
| | Total | 45.30 | - | - | - |

Note 36: VARIOUS RATIOS

| Sr. No | Ratios | As at 31st September-2023 | As at 31st March-2023 | As at 31st March-2022 | As at 31st March-2021 |
|--------|---------------------------------|---------------------------|-----------------------|-----------------------|-----------------------|
| 1 | Current Ratio | 3.70 Times | 3.46 Times | 4.07 Times | 4.58 Times |
| 2 | Debt-Equity Ratio | 1.05 Times | 0.77 Times | 0.85 Times | 0.4 Times |
| 3 | Debt Service Coverage Ratio | - | - | - | - |
| 4 | Return on Equity ratio | 14% | 7.8% | 2.6% | 4.2% |
| 5 | Inventory Turnover ratio | - | - | - | - |
| 6 | Trade Receivable turnover ratio | 77% | 38% | 27% | 17% |
| 8 | Net Capital Turnover ratio | Rs. 3.63 | Rs. 4.37 | Rs. 3.47 | Rs. 4.66 |
| 9 | Net Profit ratio (Before tax) | 52% | 24% | 10% | 12% |
| 10 | Return on Capital Employed | 1.92 Times | 1.15 Times | 0.44 Times | 0.60 Times |
| 11 | Return on Investment | 1.98 Times | 1.11 Times | 0.24 Times | 0.75 Times |
| 12 | Net value of Asset | 51% | 37% | 29.25% | 26.66% |
| 13 | Return on Networth | 27.51% | 20.96% | 8.81% | 15.89% |

Related Party Transaction

| Related Party Transaction | | |
|---------------------------|--|--|
| Sr. No | (i) Key Management Personnel & their relative: | (ii) Enterprises over which parties listed in (i) have significant influence and transactions are carried out during the year: |
| 1 | Mr. Hemant Padmanabh Chafale (Director) | Softshell Systems (India) Pvt. Ltd |
| 2 | Mr. Hemant Padmanabh Chafale (Director) | Shri Renuka Roadlines Prop firm |
| 3 | Mr. Hemant Padmanabh Chafale (Partner) | Lextech Consultants Pvt. Ltd (Director Ujwala Borikar) |
| 4 | Mr. Unmesh Chafale (Relative of director) | Softshell Systems (India) Pvt. Ltd |
| 5 | Mr. Unmesh Chafale (Relative of director) | Shri Renuka Roadlines Prop firm |
| 6 | Mrs. Ujwala Borikar (Relative of director) | Lextech Consultants Pvt. Ltd |
| 7 | Mr. Mandar Deo (Director) | |
| 8 | Mr. Herambh Damle (Director) | |
| 9 | Mr. Anand Kane (Director) | |



Annexure A: The following transactions were carried out with the related parties in the ordinary course of business.

| Sr. No | RELATIONSHIP | Key Management Personnel & their relatives: | | | | Enterprises over which parties listed in (i) have significant influence and transactions are carried out during the year: | | | | GRAND TOTAL | | | |
|--------|--|---|---------|---------|---------|---|---------|---------|---------|-------------------|---------|---------|---------|
| | NATURE OF TRANSACTIONS | Apr'23 to Sept'23 | 2022-23 | 2021-22 | 2020-21 | Apr'23 to Sept'23 | 2022-23 | 2021-22 | 2020-21 | Apr'23 to Sept'23 | 2022-23 | 2021-22 | 2020-21 |
| (A) | Income | | | | | | | | | | | | |
| | 1) Rent Received | | | | | | | | | | | | |
| | Softshell Systems & Software (I) Pvt. Ltd. | - | - | - | - | - | 14.16 | 16.28 | 7.08 | - | 14.16 | 16.28 | 7.08 |
| (B) | Expense | | | | | | | | | | | | |
| | 1) Rent Paid | | | | | | | | | | | | |
| | Lextech Consultants Pvt. Ltd. | - | - | - | - | - | - | 24.00 | 21.24 | - | - | 24.00 | 21.24 |
| | 2) Taxi Hiring Charges | | | | | | | | | | | | |
| | Shri Renuka Roadlines | - | - | - | - | 0.69 | 1.11 | 0.73 | 0.80 | 0.69 | 1.11 | 0.73 | 0.80 |
| | 3) Manpower Supply | | | | | | | | | | | | |
| | Softshell Systems & Software (I) Pvt. Ltd. | - | - | - | - | - | 52.33 | 59.00 | 84.96 | - | 52.33 | 59.00 | 84.96 |
| | 4) Purchase of Hardware | | | | | | | | | | | | |
| | Softshell Systems & Software (I) Pvt. Ltd. | - | - | - | - | - | 27.42 | 17.39 | 18.29 | - | 27.42 | 17.39 | 18.29 |
| (C) | Finance | | | | | | | | | | | | |
| | 1) Loan from Director | | | | | | | | | | | | |
| | Mr. Hemant Chafale | - | - | 13.00 | 13.00 | - | - | - | - | - | - | 13.00 | 13.00 |
| (D) | Remuneration | | | | | | | | | | | | |
| | Mr. Hemant Chafale | 18.91 | 26.90 | 30.00 | 23.24 | 23.64 | - | - | - | 42.55 | - | - | - |
| | Mr. Heramb Damle | 15.91 | 26.90 | 30.00 | 23.24 | 23.64 | - | - | - | 39.55 | - | - | - |

| | | | | | | | | | | | | |
|----------------|--------------|---------------|---------------|--------------|--------------|--------------|---------------|---------------|---------------|--------------|---------------|---------------|
| Mr. Mandar Deo | 15.91 | 26.90 | 30.00 | 23.24 | 23.64 | - | - | - | 39.55 | - | - | - |
| Mr. Anand Kane | 15.91 | 26.90 | 28.58 | 21.24 | 20.66 | - | - | - | 36.57 | - | - | - |
| Total | 66.65 | 107.60 | 131.58 | 90.96 | 92.26 | 95.01 | 117.40 | 132.37 | 158.90 | 95.01 | 130.40 | 145.37 |

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion is intended to convey management's perspective on our financial condition and results of operations for the period ended on September 30, 2023 and financial year ended March 31, 2023, 2022 and 2021. One should read the following discussion and analysis of our financial condition and results of operations in conjunction with our section titled "Financial Statements" and the chapter titled "Financial Information" on page 225 of the Prospectus. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in the section entitled "Risk Factors" on page 28 of this Prospectus. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, kindly refer the chapter titled "Forward-Looking Statements" on page 17 of this Prospectus. Unless otherwise stated, the financial information of our Company used in this section has been derived from the Restated Financial Information. Our financial year ends on March 31 of each year. Accordingly, unless otherwise stated, all references to a particular financial year are to the 12-month period ended March 31 of that year.

In this section, unless the context otherwise requires, any reference to "we", "us" or "our" refers to Trust Fintech Limited, our Company. Unless otherwise indicated, financial information included herein are based on our Restated Financial Statements for the period ended on September 30, 2023 and for the financial year ended March 31, 2023, 2022 and 2021 included in this Red Hearing Prospectus beginning on page 225 of this Prospectus.

BUSINESS OVERVIEW

Trust Fintech Limited is a Nagpur based SaaS Product focused company which has carved a niche in providing Core Banking Software, IT Solutions, ERP Implementation and Customized Software Solutions Development, SAP B1 and Offshore IT services for the BFSI sector. TFL was founded by Mr. Hemant Chafale, Mr. Heramb Ramkrishna, Mr. Mandar Kishor Deo with a focus on delivering secured core banking solutions & world-class technology solutions to a virtually integrated banking and financial ecosystem. The company has evolved in the last 25 years and adapted to the technological and market shifts to reach the current business model and product version. Trust Fintech is consistently expanding its business footprints in India and Globally by adapting to ever-changing regulatory compliances for the global BFSI sector.

We have invested in developing more than 10+ (ten) banking related products for Commercial and Cooperative Banks and Financial Institutions, which comprise Core Banking Software, Loan Origination software, GST compliance software, Financial Accounting & Billing Software, GST Suidha provider, SAP B1 Services (for Implementation, Support and Add-on Development), Various add-on modules for Statutory Report Generation, ATM Reconciliation, Anti-Money Laundering, Agency Banking, Mobile Banking leveraging end to end solutions to address the evolving needs of banking Solutions. All the product solutions are built as per RBI compliance requirements and the configurable software architect gives the flexibility to incorporate the changes in policy and RBI compliance upgrades. Also, our Core Banking Product (TrustBankCBS) is flexible enough to customize for the Central Bank requirements, by customizing this software, we have served this software in India Shri Lanka, Nepal, California, Gambia, Tanzania, Ghana, Liberia, Nigeria, Zimbabwe, and few more countries.

Our company is majorly involved in the Implementation, and deployment of Core banking Software i.e. TrustBankCBS or MicroFinS. TrustBankCBS mainly serves the needs of medium to large banks & financial institutions and MicroFinS serves the needs of Small & growing Co-operative Societies, SACCOS & similar banking institutions. Our flagship product, TrustBankCBS, is a web-based software. It is available "on-premises with infrastructure" i.e. it offers the flexibility to the customer to deploy TrustBankCBS on their own premises with customized infrastructure. Alternatively, it is also available as off-the-shelf banking software solution in a 'Software as a Service' (SaaS) model. This covers bundled solutions of software and hosting infrastructure on a rental basis for those preferring a hassle-free.

Our organization currently operates through its offices located in Nagpur, Pune, and Mumbai spread across total area of 1064.42 sq. mtr. accommodating a workforce of over 250+ employees. The Nagpur property is currently over utilized and lacks the capacity to accommodate additional personnel.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL YEAR AND STUB PERIOD

As per mutual discussion between the Board of the Company and LM, in the opinion of the Board of the Company there have not

arisen any circumstances since the date of the last financial statements as disclosed in this Prospectus and which materially and adversely affect or is likely to affect within the next twelve months except as follows:

Change in status of the Company from private limited to public limited vide special resolution passed at the Extra-Ordinary General Meeting held on September 16,2023.

The authorized capital of the Company has been increased from ₹ 6,00,00,000 to ₹ 25,00,00,000 by creation of 1,90,00,000 new Equity Shares of ₹10 each vide ordinary resolution passed at the Extra-Ordinary General Meeting held on November 15,2023.

Change in name of the Company from Trust Systems and Software (India) limited to Trust Fintech limited vide special resolution passed at the Extra-Ordinary General Meeting held on November 22 ,2023.

The Board of Directors of our Company have approved raising of funds by way of Initial Public Offering vide its resolution dated December 01, 2023.

The Board of Directors of our Company have been authorized to raise the funds by way of Initial Public Offering vide special resolution passed at the Extra-Ordinary General Meeting held on December 23, 2023.

The Shareholders of our Company approved the appointment of Mr. Hemant Chafale as Managing Director in the Extra Ordinary General Meeting held on December 23, 2023.

The Shareholders of our Company regularized the appointment of Mr. Mandar Deo, Mr. Heramb Damle as Whole Time Director in the Extra Ordinary General Meeting held on December 23, 2023.

The Shareholders of our Company regularized the appointment of Mr. Anand Kane as Executive Director in the Extra Ordinary General Meeting held on December 23, 2023.

The Shareholders of our Company regularized the appointment of Mrs. Sandhya Gulhane as Non- Executive Director in the Extra Ordinary General Meeting held on January 06, 2024.

The Shareholders of our Company regularized the appointment of Mr. Prasad Dongarkar, Mr. Nitin Alshi and Mr. Kapil Dilip Chandrayan as Non- Executive Independent Director in the Extra Ordinary General Meeting held on January 06, 2024.

The Board of Directors are vested with the power to borrow, pursuant to Section 179(3)(d) of Companies Act 2013. However, pursuant to Section 180(1)(c) Companies Act, 2013 and the rules made thereunder that any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), exceeds the aggregate of the paid-up capital of the Company and free reserve, the approval of shareholders by way of Special Resolution will be required. The company has passed a special resolution in the Extra-ordinary General Meeting dated January 06, 2024 for approval of borrowing limits

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "*Risk Factor*" beginning on page 28 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:-

Macroeconomic factors affecting the operations of the Company

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
- Fluctuations in exchange rates, potentially impacting profit margins.
- Changes in regulatory requirements for core banking solutions
- Significant developments in India's economic and fiscal policies;
- Volatility in the Indian and global capital market.
- Evolving regulatory requirements in the banking and IT sectors to ensure compliance and avoid penalties.
- Rapid evolution or ever-changing technology upgradation.

Microeconomic factors affecting the operations of the Company

- Ability to retain our skilled personnel;
- Performance of Company's competitors;
- ability to retain existing clients and attract new ones can significantly impact our revenue and market share;
- Monitoring and analyzing the performance of competitors in the market to stay competitive and identify areas for improvement;
- Constant monitoring of emerging technologies.

DISCUSSION ON RESULT OF OPERATION

Our Significant Accounting Policies

For Significant accounting policies please refer Significant Accounting Policies, under Chapter titled "Financial Statements" beginning on page 235 of the Prospectus.

Overview of Revenue & Expenditure

Our revenue and expenses are reported in the following manner:

Revenues

◆ Revenue of operations

Our principal component of revenue from operations is generated from sale of TrustBankCBS AMC, TrustBankCBS One time, TrustBankCBS Rental, Export TrustBankCBS, SAB B1, Soft GST, MicroFins etc.

◆ Other Income

Our other income mainly comprises of interest income from fixed deposits, discount income, Freight charges.

(Amounts in Lakhs)

| Particulars | For the period ended March 31, | | | |
|-------------------------|--------------------------------|----------------|----------------|----------------|
| | September 30,2023 | 2023 | 2022 | 2021 |
| Income | | | | |
| Revenue from operations | 1882.14 | 2254.34 | 1763.25 | 2394.66 |
| As a % of total Income | 99.95% | 99.30% | 97.96% | 99.04% |
| Other Income | 0.99 | 15.85 | 36.75 | 23.28 |
| As a % of Total Income | 0.05% | 0.70% | 2.04% | 0.96% |
| Total Income | 1883.13 | 2270.19 | 1800.00 | 2417.94 |

• Expenditure

Our total expenditure primarily includes cost of material consumed, Employee Benefit Expenses, Finance cost Depreciation & Amortization expenses and other expenses.

• Cost of Material consumed

Our cost of material includes Software Development i.e. Contract Resources cost.

• Employment Benefit Expenses

Our employee benefit expenses mainly include salaries, bonus, PF & ESIC, Directors Remuneration, Provision for Gratuity and Contributions to Provident fund, Gratuity, Incentive paid etc.

• Finance Costs

Our finance costs mainly include Bank interest, Charges and Commission.

- **Depreciation**

| Particulars | For the period ended | For the period ended March 31, |
|-------------|----------------------|--------------------------------|
|-------------|----------------------|--------------------------------|

Depreciation includes depreciation and amortization expenses.

- **Other Expenses**

It includes Professional Fees, consultancy charges, electricity expenses, Insurance expenses, legal expenses, selling & distribution expenses and office expenses, rent paid, repair & maintenance expense, service charges and travelling & conveyance charges.

RESULTS OF OUR OPERATION

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| | | 2023 | 2022 | 2021 |
|--|----------------|----------------|----------------|----------------|
| INCOME | | | | |
| I. Revenue from Operations | 1882.14 | 2254.34 | 1763.25 | 2394.66 |
| As a % of Total Income | 99.95% | 99.30% | 97.96% | 99.04% |
| %Increase/(Decrease) | - | 27.85% | (26.37) % | - |
| II. Other Income | 0.99 | 15.85 | 36.75 | 23.28 |
| As a % of Total Income | 0.05% | 0.70% | 2.04% | 0.96% |
| %Increase/(Decrease) | - | (56.87) % | 57.84% | - |
| III Total Income (I+II) | 1883.13 | 2270.19 | 1800.00 | 2417.94 |
| %Increase/(Decrease) | - | 26.12% | (25.56) % | - |
| IV EXPENSES | | | | |
| Cost of materials consumed | 175.88 | 435.66 | 371.71 | 947.14 |
| As % of Total Income | 9.34% | 19.19% | 20.65% | 39.17% |
| % Increase (Decrease) | - | 17.20% | (60.75) % | - |
| Changes in inventories of Finished goods & Stock in Trade | (150.00) | (175.12) | - | (26.00) |
| As % of Total Income | (7.97) % | (7.71) % | 0.00% | (1.08) % |
| % Increase (Decrease) | - | 0.00% | (100.00) % | - |
| Employee benefits expense | 598.09 | 1055.48 | 861.04 | 845.21 |
| As % of Total Income | 31.76% | 46.49% | 47.84% | 34.96% |
| % Increase (Decrease) | - | 22.58% | 1.87% | - |
| Finance costs | 1.13 | 3.78 | 1.72 | 3.94 |
| As % of Total Income | 0.06% | 0.17% | 0.10% | 0.16% |
| % Increase (Decrease) | - | 119.47% | (56.30) % | - |
| Depreciation and amortization expense | 22.43 | 49.48 | 47.04 | 13.29 |
| As % of Total Income | 1.19% | 2.18% | 2.61% | 0.55% |
| % Increase (Decrease) | - | 5.18% | 253.94% | - |
| Other expenses | 262.83 | 359.86 | 339.96 | 340.35 |
| As % of Total Income | 13.96% | 15.85% | 18.89% | 14.08% |
| % Increase (Decrease) | - | 5.85% | (0.12) % | - |
| Total Expenses: | 910.36 | 1729.14 | 1621.48 | 2123.93 |
| As % of Total Income | 48.34% | 76.17% | 90.08% | 87.84% |
| % Increase (Decrease) | - | 6.64% | (23.66) % | - |
| Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) | 996.34 | 594.31 | 227.29 | 311.24 |
| As % of Total Income | 52.91% | 26.18% | 12.63% | 12.87% |
| % Increase (Decrease) | - | 161.48% | (26.97) % | - |
| Earnings Before Interest and Tax | 973.90 | 544.83 | 180.25 | 297.95 |
| As % of Total Income | 51.72% | 24.00% | 10.01% | 12.32% |
| % Increase (Decrease) | - | 202.27% | (39.50) % | - |
| Earning Before Exceptional Items and Tax | 972.77 | 541.05 | 178.53 | 294.01 |
| As % of Total Income | 51.66% | 23.83% | 9.92% | 12.16% |
| % Increase (Decrease) | - | 203.06% | (39.28) % | - |
| Earning Before Tax | 972.77 | 541.05 | 178.53 | 294.01 |
| As % of Total Income | 51.66% | 23.83% | 9.92% | 12.16% |
| % Increase (Decrease) | - | 203.06% | (39.28) % | - |
| Tax Expense: | 244.83 | 138.84 | 44.87 | 74.35 |
| As % of Total Income | 13.00% | 6.12% | 2.49% | 3.08% |
| % Increase (Decrease) | - | 209.42% | (39.65) % | - |
| Profit (Loss) for the Period | 727.95 | 402.21 | 133.66 | 219.66 |
| As % of Total Income | 38.66% | 17.72% | 7.43% | 9.08% |
| % Increase (Decrease) | - | 200.93% | (39.15) % | - |

(Amount in Lakhs)

Income

Our total revenue from operations for the period ended September 30, 2023 was Rs. 1,883.13 Lakhs which is 99.95% of the total revenue and which includes revenue from sale of services and exports sales.

Expenditure

Total Expenditure for the period ended September 30, 2023 was Rs. 910.36 Lakhs which was about 48.34% of the total revenue and which includes cost of material consumed, Employee Benefit Expenses, Depreciation & Amortization expenses and other expenses.

Cost of Material consumed

Our cost of material for the period ended September 30, 2023 was Rs. 175.88 Lakhs which was about 9.34% of the total revenue which include software development i.e. Contract Resources cost.

Changes in inventories of Finished goods & Stock in Trade

Change in inventories of finished goods & stock in trade for the period ended September 30, 2023 was Rs. (150.00) Lakhs which was about (7.97) %of the total revenue.

Employee Benefit Expense

Our employee benefits expenses for the period ended September 30, 2023 were Rs. 598.09 Lakhs which was about 31.76% of the total revenue and which include salaries, bonus, PF & ESIC, Directors Remuneration, Provision for Gratuity and Contributions to Provident.

Profit before Interest, Depreciation and Tax

Profit / Loss before Interest, Depreciation and Tax for the period ended September 30, 2023 were Rs. 996.34 Lakhs which was about 52.91% of the total revenue.

Finance Costs

Our Financial costs for the period ended September 30, 2023 were Rs. 1.13 Lakhs which was about 0.06% of the total revenue which includes Bank interest/ charges/ commission.

Depreciation and Amortization Expense

Depreciation for the period ended September 30, 2023 were Rs. 22.43 Lakhs which was about 1.19% of the total revenue and which consists of depreciation and amortization expenses.

Other Expenses

Our other expenses for the period ended September 30, 2023 were Rs. 262.83 Lakhs which was about 13.96% of the total revenue and which includes Professional Fees, consultancy charges, electricity expenses, Insurance expenses, legal expenses, selling & distribution expenses and office expenses, rent paid, repair & maintenance expense, service charges and travelling & conveyance charges.

Net Profit after Tax and Extraordinary items

Net Profit after Tax and Extraordinary items for the period ended September 30, 2023 were Rs. 727.95 Lakhs which was about 38.66% of the total revenue.

Rational for Increase in PAT Margins in Stub Period i.e September 30, 2023 from F.Y 2023 to are as follows:

- A) We have received good number of orders in March & April 23 which were executed in first half of FY 23-24.
- B) The customization for order received from partner Internet soft USA for implementation of CBS in credit union happened mostly in first half of 23-24. As per milestone completion, customization billing happened in first half of FY 23-24. Our California USA sales leads to increase in our Global Sales by ₹ 218.12 Lakhs and 102.88% from ₹ 212.02 Lakhs in the fiscal year ended March 31, 2023 to ₹ 430.14 Lakhs in Stub Period i.e September 30, 2023.
Additionally, Since the development cost for this license is already happened in past, this license sold as a one-time License which directly increased profit of company by 3 Cr. Additionally company will provide AMC to them with one-time license fee.
- C) As practice following the resources (Salary) cost is booked to intellectual property as capital work in progress in the current financial year with respect to
- New updates, technology updates in existing TrustBankCBS, MicroFinS.
 - Employed additional 30 resources from March to Sept 23 for development of new modules. Salaries of Resources deployed on design, development of Identified 10 different version / applications carved out of available basic modules.
- Accordingly, Company has capitalized the development expenses, i.e salaries of the employees amounting to Rs. 150.00 Lakhs in the Stub period i.e September 30, 2023.
- D) Earlier Company have developed data migration tool to migrate old data from legacy software in previous year. By this Issuer company could complete the entire CBS switch over in three months which earlier took close to 6 months for migration of legacy system to TrustBankCBS. In the year 2021-22 company have prepared first version of migration tool / utility. In this further fine tuning such as data integrity check, data type validation, data validation was added so the data checking time by user is reduced. The Migration tool development which started in 21-22 is now matured and provides more accurate results with better automation. This has reduced skilled DBA manpower requirements, now any tech support executive with little knowledge of database can complete migration efficiently there by reducing manpower time and cost which lead to reduction in migration / implementation / go live time thereby reducing time to go live resulting in reduction in cost of implementation and increasing profitability.
Overall, these efficiencies in implementation and billing processes contributed to increase in operating margins, thereby leading to an enhanced PAT margin for the Company.

FISCAL YEAR ENDED MARCH 31, 2023 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31,2022

Income

Total revenue has increased by ₹ 470.19 Lakhs and 27.85% from ₹ 1763.25 Lakhs in the fiscal year ended March 31, 2022 to ₹ 2254.34 Lakhs in the fiscal year ended March 31, 2023. The increase in revenue is on account of increase in revenue from operations and increase in export sales.

In FY22-23, the company has made higher revenue due to various reasons. The first reason was COVID recovery started to happened in FY23 due to which banks have started placing more orders and company has observed high demand in their products and services. Secondly, RBI has removed the moratorium and further restriction from the banks which were applied during covid times. Due to the removal of these restrictions, the 'CBS' product of our company has shown good demand and the implementation rate was very high. Lastly, the company has received its first international order from USA which has further supported the revenue in FY22-23.

Expenditure

Total Expenditure increased by ₹ 107.66 Lakhs and 6.64%, from ₹ 1,621.48 Lakhs in the fiscal year ended March 31, 2022 to ₹ 1,729.14 Lakhs in the fiscal year ended March 31, 2023. Overall expenditure was increased mainly due to increase in the cost of material Consumed, Employee Benefit Expenses, finance cost and other expenses.

Cost of Material consumed

Our cost of material consumed increased by ₹ 63.95 Lakhs and 17.20% from ₹ 371.71 Lakhs in the fiscal year ended March 31, 2022 to ₹ 435.66 Lakhs in the fiscal year ended March 31, 2023. Cost of material consumed increased on account of increase in Software development i.e. Contract resources cost.

Changes in inventories of Finished goods & Stock in Trade

Change in inventories of finished goods & stock in trade for the period ended March 31, 2023 was Rs. (175.12) Lakhs which was about (7.71) %of the total revenue.

Employee Benefit Expense

Employee Benefit Expenses increased by ₹ 194.44 Lakhs and 22.58% from ₹ 861.04 Lakhs in the fiscal year ended March 31, 2022 to ₹ 1,055.48 Lakhs in the fiscal year ended March 31, 2023. Overall employee cost was increased due to increase in salary, bonus, PF & ESIC, increase in incentives, Gratuity and Admin charges of PF.

Profit before Interest, Depreciation and Tax

Profit / Loss before Interest, Depreciation and Tax has increased by ₹ 367.01 Lakhs and 161.48% from ₹ 227.29 Lakhs in the fiscal year ended March 31, 2022 to Profit of ₹ 594.31 Lakhs in the fiscal year ended March 31, 2023. Profit before Interest, Depreciation and Tax was increased due to increase in revenue from operations and increase in profit margins.

Finance Costs

Our finance costs increased by ₹ 2.06 Lakhs and 119.47%from ₹ 1.72 Lakhs in the fiscal year ended March 31, 2022 to ₹ 3.78 Lakhs in the fiscal year ended March 31, 2023. The increase was mainly on account of Bank interest/ charges/ commissions.

Depreciation and Amortization Expense

Depreciation in terms of value increased by ₹ 2.44 Lakhs and 5.18% from ₹ 47.04 Lakhs in the fiscal year ended March 31, 2022 to ₹ 49.48 Lakhs in the fiscal year ended March 31, 2023. Increase in depreciation is due to increase in assets i.e. Property, plant and equipment, intangible assets under development.

Other Expenses

Other Expense was increased by ₹ 19.9 Lakhs and 5.85% from ₹ 339.96 Lakhs in the fiscal year ended March 31, 2022 to ₹ 359.86 Lakhs in the fiscal year ended March 31, 2023. Other expenses increase due to increase in Professional Fees, consultancy charges, electricity expenses, Insurance expenses, legal expenses, selling & distribution expenses and office expenses, rent paid, repair & maintenance expense, service charges and travelling & conveyance charges.

Net Profit after Tax and Extraordinary items

Net Profit has increased by ₹ 268.55 Lakhs and 200.93% from 133.66 Lakhs in the fiscal year ended March 31, 2022 to profit of ₹ 402.21 Lakhs in the fiscal year ended March 31, 2023. Net profit was increased due to increase in revenue from operations.

The major cost for any IT company is 'Development Cost' viz Employee Cost. i.e. development of migration tool to transfer old data from legacy software (legacy software is the software through which our new client was operating before reaching to us) to our CBS software. We have developed data migration tool to migrate old data from legacy software to our CBS software which reaped the benefit in this year, as company is able to do initial stage of migration of data in 10 to 15 days compared to previous i.e 3-4 months (*Company is able to do stage 1 Migration in less time out of three stages in total migration*) which has lead to reduction in human resource cost. Further, due to early migration of the client's data from its erstwhile software provider to us the billing cycle has been reduced and hence early payment is received by our company.

One of the more reasons in increase in PAT Margin is the decision by the company to capitalize the development expenses, i.e salaries of the employees amounting to Rs. 175.12 Lakhs in the fiscal year ending on March 31, 2023. In comparison with the fiscal year ending on March 31, 2022, where no such capitalization of employee salaries occurred. By capitalizing these salaries, bottom line of the company has been improved.

FISCAL YEAR ENDED MARCH 31, 2022 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2021

Income

Total revenue has decreased by ₹ 617.94 Lakhs and (25.56) % from ₹ 2417.94 Lakhs in the fiscal year ended March 31, 2021 to ₹ 1800.00 Lakhs in the fiscal year ended March 31, 2022. The increase in revenue due to decrease in Revenue from operations and decrease in export sales.

In FY22-23, the company has made higher revenue due to various reasons. The first reason was COVID recovery started to happen in FY23 due to which banks have started placing more orders and company has observed high demand in their products and services. Secondly, RBI has removed the moratorium and further restriction from the banks which were applied during covid times. Due to the removal of these restrictions, the 'CBS' product of our company has shown good demand and the implementation rate was very high. Lastly, the company has received its first international order from USA which has further supported the revenue in FY22-23.

Expenditure

Total Expenditure decreased by ₹ 502.4 Lakhs and (23.66) %, from ₹ 2,123.93 Lakhs in the fiscal year ended March 31, 2021 to ₹ 1,621.48 Lakhs in the fiscal year ended March 31, 2022. Overall expenditure was decreased mainly due to decrease in cost of material consumed.

Cost of Material consumed

Our cost of material consumed decreased by ₹ 575.42 Lakhs and (60.75) % from ₹ 947.14 Lakhs the fiscal year ended March 31, 2021 to ₹ 371.71 Lakhs in the fiscal year ended March 31, 2022. Cost of material consumed decreased on account of decrease in Software development i.e. Contract resources cost.

Employee Benefit Expense

Employee Benefit Expenses increased by ₹ 15.83 Lakhs and 1.87% from ₹ 845.21 Lakhs in the fiscal year ended March 31, 2021 to ₹ 861.04 Lakhs in the fiscal year ended March 31, 2022. Overall employee cost was increased due to increase in Director remuneration and office refreshment expenses.

Profit before Interest, Depreciation and Tax

Profit / Loss before Interest, Depreciation and Tax has decreased by ₹ 83.95 Lakhs and (26.97) % from ₹ 311.2 Lakhs in the fiscal year ended March 31, 2021 to Profit of ₹ 227.29 Lakhs in the fiscal year ended March 31, 2022. Profit before Interest, Depreciation items and Tax was decrease due to decrease in revenue from operations.

Finance Costs

Our finance costs decreased by ₹ 2.2 Lakhs and (56.30) %from ₹ 3.94 Lakhs in the fiscal year ended March 31, 2021 to ₹ 1.72 Lakhs in the fiscal year ended March 31, 2022. The decrease was due to decrease in Bank interest/ charges/ commissions.

Depreciation and Amortization Expense

Depreciation in terms of value increased by ₹ 33.75 Lakhs and 253.94 %from ₹ 13.29 Lakhs in the fiscal year ended March 31, 2021 to ₹ 47.04 Lakhs in the fiscal year ended March 31, 2022. Increase in depreciation is due to addition in Property, plant & equipment.

Other Expenses

Other Expense was decreased by ₹ 0.39 Lakhs and (0.12) % from ₹ 340.35 Lakhs in the fiscal year ended March 31, 2021 to ₹ 339.96 Lakhs in the fiscal year ended March 31, 2022. Other expenses decrease due to decrease in Bad debts.

Net Profit after Tax and Extraordinary items

Net Profit has decreased by ₹ (86.00) Lakhs and (39.15) %from ₹ 219.66 Lakhs in the fiscal year ended March 31, 2021 to profit of ₹ 133.66 Lakhs in the fiscal year ended March 31, 2022. Net profit was decreased due to decrease in Revenue from operations.

The fluctuation in revenue and PAT in FY 2022 compared to FY 2021 can be attributed to the adverse effects of the COVID-19 pandemic. Most of our customers are Cooperative Banks due to Covid-19 NPA has been increased at Banks and RBI have put restrictions on cooperative Bank's purchase decisions, as a result of new orders were not signed during this period. Further because of moment restrictions till Sept 21 we could not complete onsite implementations for the orders received prior to COVID. The salary expenses continued to be almost same hence profit margin declined.

INFORMATION REQUIRED AS PER ITEM (II) (C) (I) OF PART A OF SCHEDULE VI TO THE SEBI REGULATIONS:

1. Unusual or infrequent events or transactions

Except as described in this Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations

Other than as described in the section titled "Risk Factors" beginning on page 28 of this Prospectus, to our knowledge there are no known significant economic changes that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

3. Income and Sales on account of major product/main activities.

Income and sales of our Company on account of sale of TrustBankCBS AMC, TrustBankCBS One time, TrustBankCBS Rental, Export TrustBankCBS, SAB B1, Soft GST, MicroFins.

4. Whether the company has followed any unorthodox procedure for recording sales and revenues

Our Company has not followed any unorthodox procedure for recording sales and revenues.

5. Future changes in relationship between costs and revenues, in case of events such as future increase in employees or material costs or prices that will cause a material change are known

Our Company's future costs and revenues can be impacted by an increase in employee costs as the Company looks to hire talent with new skills and capabilities.

6. Future relationship between Costs and Income

Our Company's future costs and revenues will be determined by competition, demand/supply situation, Indian Government Policies, foreign exchange rates and interest rates quoted by banks & others.

7. Extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased sales prices.

Increases in our revenues are by and large linked to increases in the volume of business.

8. Total turnover of each major industry segment in which the issuer company operates

The Company is operating in IT & CBS Industry. Relevant industry data, as available, has been included in the chapter titled "Our Industry" beginning on page 125 of this Prospectus.

9. Status of any publicly announced new products or business segments

Our Company has not announced any new services and product and segment / scheme, other than disclosure in this Prospectus.

10. The extent to which the business is seasonal

Our Company's business is not seasonal. However, the business of the Company does depend on country's economy situation and inflation.

11. Any significant dependence on a single or few suppliers or customers

Our Company was significantly dependent on top 10 customers. For further details refer the chapter titled "Risk factor" and "Our Business" on page 30 and 175 of Prospectus.

12. Competitive Conditions

We do face normal competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled "Our Business" on page 141 of this Prospectus.

The Company is operating in IT & CBS Industry. Relevant industry data, as available, has been included in the chapter titled "*Our Industry*" beginning on page 125 of this Prospectus.

FINANCIAL INDEBTEDNESS

In terms of the Articles of Association of the Company, the Board is authorized to accept deposits from members either in advance of calls or otherwise, and generally accept deposits, raise loans or borrow or secure the payment of any sum of moneys to be borrowed together with the moneys already borrowed including acceptance of deposits apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, exceeding the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) or upto such amount subject to members approval from time to time.

Our Company has obtained the necessary consents required under the relevant loan documentation with banks and financial institutions for undertaking activities, such as change in its capital structure, change in its shareholding pattern and change in promoter's shareholding which has a possible change in the management control of our Company.

As on March 31, 2023 our Company has outstanding amount of secured and unsecured borrowings from banks and financial institutions, bodies corporates and others, for further details refer chapter titled "Restated Financial Information" beginning on page no. 241 of this Prospectus.

Brief summary of financial indebtedness of our company as at September 30, 2023:

(Rs. In Lakhs)

| Nature of Borrowing Amount | Amount outstanding as on September 30, 2023 |
|----------------------------|---|
| Secured Borrowings | Nil |
| Unsecured Borrowings | Nil |

Details of Secured Borrowings

| Name of Lender | Nature of the Facility | Amount Sanctioned (Rs. in Lakhs) | Amount Outstanding as on September 30, 2023 | Conditions |
|----------------|------------------------|----------------------------------|---|--|
| Indian Bank | Cash Credit | 99.00 | 0.00 | Repayable on Demand Secured hypothecation of Stock and Book Debts. Interest Rate 10.40% p.a. |

Details of Unsecured Borrowings

| Name of Lender | Nature of the Facility | Amount Sanctioned | Amount Outstanding as on September 30, 2023 as per books of account | Conditions |
|----------------|------------------------|-------------------|---|------------|
| | NIL | NIL | NIL | NIL |

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SECTION X - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except, as stated in this section and mentioned elsewhere in this Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters or Group Companies.

Except as disclosed below there are no:

- a) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years;
- b) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;
- c) pending proceedings initiated against our Company for economic offences;
- d) default and non-payment of statutory dues by our Company;
- e) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies' law in the last five years against our Company, including fines imposed or compounding of offences done in those five years;
- f) material frauds committed against our Company in the last five years.
- g) Pending litigation against the promoter/director in their personal capacities and also involving violation of statutory regulation or criminal offences.
- h) Pending proceeding initiated for economic offences against the director, Promoter, companies and firms promoted by the promoters.
- i) Outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the company including disputed tax liability or prosecution under any enactment.

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies/entities, would be considered material for the purposes of disclosure if:

- a) the monetary amount of the claim made by or against the Company and directors in any such pending litigation is equal to or in excess of 10% of the consolidated revenue of the Company or 25% of the profits before tax of the Company (whichever is lower) as per the last audited financial statements of the Company for a complete financial year, as included in the Offer Documents; or
- b) where the decision in one case is likely to affect the decision in similar cases, even though the amount involved in an individual litigation does not exceed the amount determined as per clause (a) above, and the amount involved in all of such cases taken together exceeds the amount determined as per clause (a) above; and
- c) any such litigation which does not meet the criteria set out in (a) above and an adverse outcome in which would materially and adversely affect the operations or financial position of the Company.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings where in the monetary amount involved is not quantifiable, such litigation has been considered material only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company. Unless otherwise stated to contrary, the information provided is as of date of this Prospectus.

1. Litigations Involving Our Company

A. Against Our Company:

Civil Cases: **NIL**

Criminal Cases: **NIL**

Other Pending Litigation: **NIL**

Tax Proceeding:

a) Income Tax

Proceeding(s) under Income Tax Act, 1961

- i. For the Assessment year 2018-19, the company received notice dated 10/05/2019 vide communication reference number "CPC/1819/G22/1881548907" from the Income Tax Department with subject "Communication of proposed adjustment u/s 143(1)(a) of Income Tax Act, 1961" highlighting proposed adjustment of INR 1,24,651 to total income given the "Disallowance of expenditure indicated in the audit report but not taken into account in computing the total income in the return-143(1)(a)(iv)" and the error description "Any sum received from employees as contribution to any provident fund or superannuation fund or any fund set up under ESI Act or any other fund for the welfare of employees to the extent not credited to the employees account on or before the due date [36(1)(va)]". No response to such notice has been filed by the Company and the current status of such proceeding is pending.
- ii. For the Assessment year 2019-20, the company received notice dated 22/01/2020 vide communication reference number "CPC/1920/G22/1967156568" from the Income Tax Department with subject "Communication of proposed adjustment u/s 143(1)(a) of Income Tax Act, 1961" highlighting proposed adjustment of INR 63,431 to total income given the "Incorrect Claim u/s 143(1)(a)(ii)" and the error description "In Schedule BP, Sl.No.14. Amounts debited to the profit and loss account, to the extent disallowable under section 36 (6s of PartA-OI) is not consistent with amount shown in Sl.No.6.s. Total amount disallowable under section 36 (total of 6a to 6r) of Part-OI". No response to such notice has been filed by the Company and the current status of such proceeding is pending.

b) GST Liability:

Proceeding(s) under CGST ACT, 2017



- i. For the Financial Year 2017-18, the company received a notice dated 23rd July 2021 in Form GST ASMT-10 vide reference number “**ZD270721031294L**” from the Department for intimating discrepancies in the return. Following the said notice, two reminder notices dated 01st November 2021 & 14th December 2021 were issued to the company vide reference number ZD271121001162B & ZD271221040793L respectively. The company submitted three (3) replies dated 18th August 2021, 11th November 2021 and 23rd December 2021 to the said notice vide ARNs ZD270821032366F, ZD2711210106323 and ZD2712210717588 respectively. The department issued an order in DRC-07 dated 12th December 2023 and as per said order, total amount payable by the Company is Rs. 90,37,470/- inclusive of tax, interest and penalty. After exchanging further notices and replies between the department and the company, the company preferred an appeal on 06th February 2023 in Form GST APL-01 against the order dated 12th December 2022 issued by the department in DRC-07 u/s 73(9) read with rule 142 of Maharashtra GST Act. The said appeal was admitted on 09th February 2023 vide reference number ZD270223018025X. There has been no further development in the said proceeding and the current status of the proceedings is “**Appeal Admitted**”.
- ii. For the Financial Year 2020-21, the company received a notice u/s 61(1) dated 14th September 2023 in Form GST ASMT-10 vide reference number ZD270923035207C from the Department for intimating discrepancies in the return and the due date for submitting the reply was 16th October 2023. However, no reply has been submitted till date by the company. There is no further order issued by the department in the said proceedings.

Statutory/Regulatory Proceeding: NIL

B. By Our Company:

Civil Cases: **NIL**

Criminal Cases: **NIL**

Tax Proceeding: **NIL**

Statutory/Regulatory Proceeding: **NIL**

2. Litigations Involving Our Promoters/Directors

A. Against our Promoters/Director

Civil Cases: **NIL**

Criminal Cases: **NIL**

Tax Proceedings:**a) Income Tax****Outstanding Demand(s):**

| Assessment Year | Name of the Assessee | Date of Demand Raised | Demand Reference No. and Section Code | Accrued Interest | Outstanding demand as per Income Tax Portal | Reasons for Demand Notice Issued |
|------------------------|--------------------------------|------------------------------|--|----------------------------|--|--|
| 2009-10 | Heramb Ramkrishna Damle | 23rd August, 2023 | 2023200910000058471T | Not Quantifiable Till Date | INR 48,090 | The Assessee submitted a response to the outstanding demand with the response type "Disagree with demand (Either in Full or Part)". The AO submitted its response to the assessee's reponse with response type "Demand outstanding is correct and collectible" on 08 th September 2023 and the current status as available in Income Tax Login of the Assessee is "Pending Payment" |
| 2009-10 | Mandar Kishor Deo | 31st May, 2010 | 2010200910042391251T | INR 51,355 | INR 70,245 including interest of INR 51,355 | The Assessee submitted a response to the outstanding demand with the response type "Disagree with demand (Either in Full or Part)". The AO submitted its response to the assessee's reponse with response type "Demand outstanding is correct and collectible" on 24 th January 2018 and the current status as available in Income Tax Login of the Assessee is "Pending Payment" |
| 2010-11 | Mandar Kishor Deo | 30th March, 2012 | 2011201010076919942T | INR 43,419 | INR 78,799 including interest of INR 43,419 | The Assessee submitted a response to the outstanding demand with the response type "Disagree with demand (Either in Full or Part)". The AO submitted its response to the assessee's reponse with response type "Demand outstanding is correct and collectible" on 24 th January 2018 and the |



| | | | | | | |
|--|--|--|--|--|--|---|
| | | | | | | current status as available in Income Tax Login of the Assesse is "Pending Payment" |
|--|--|--|--|--|--|---|

Statutory/Regulatory Proceeding: **NIL**

Disciplinary action by SEBI or Stock Exchange against our Promoter: **NIL**

B. By our Promoters/Director

Civil Cases: **NIL**

Criminal Case: **NIL**

Tax Proceeding: **NIL**

Statutory/Regulatory Proceeding: **NIL**

I. Litigations Involving Our Group entities

A. Against Our Group Entities

Civil Case: **NIL**

Criminal Case: **NIL**

Tax Proceeding: **NIL**

Statutory/Regulatory Proceeding: **NIL**

B. By our Group Entities:

Civil Cases: **NIL**

Criminal Cases: **NIL**

Tax Proceeding: **NIL**

Statutory/Regulatory Proceeding: **NIL**

II. Litigations relating to the Subsidiary Company

A. Against Directors of our Subsidiary Company

Civil Cases: **NIL**

Criminal Cases: **NIL**

Tax Proceeding: **NIL**

Statutory/Regulatory Proceeding: **NIL**

B. BY Directors of our Subsidiary Company

Civil Cases: **NIL**

Criminal Cases: **NIL**

Tax Proceeding: **NIL**

Statutory/Regulatory Proceeding: **NIL**

V. Other litigations involving any other entities which may have a material adverse effect on the Company

NIL



VI. Details of the past penalties imposed on our Company / Directors

As of the date of the report, there are no cases in the last five years in which penalties have been imposed on the Company or the Directors of the company - NIL as per information provided by management.

VII. Outstanding dues to Creditors

As per the materiality policy of the Company for disclosing outstanding amounts to creditors. Based on the same, as on September 30, 2023, our Company had outstanding dues to creditors as follows:

(Amount in Lakhs)

| Particulars | September 30, 2023 | March 31,2023 | March 31,2022 | March 31,2021 |
|--------------------------------------|--------------------|---------------|---------------|---------------|
| Trade Payables | | | | |
| Micro, Small and Medium Enterprises* | - | - | - | - |
| Others* | 39.23 | 146.65 | 180.51 | 179.90 |
| Total | 39.23 | 146.65 | 180.51 | 179.90 |

* The details pertaining to outstanding dues to the material creditors, along with names and amounts involved for each such material creditors are available on the website of our Company at www.softtrust.com.

VIII. Material developments occurring after last balance sheet date, that is September 30, 2023.

Except as disclosed in the section titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” of our Company beginning on page number 259 there have been no material developments that have occurred after the last Balance sheet date.

We certify that except as stated herein above:

1. The Company, its Promoter, and other Companies with which Promoter are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.
2. There is no material regulatory or disciplinary action by a stock exchange or regulatory authority in the past years in respect of the Promoter of the Company, group company's entities, entities promoted by the Promoter of the Company.
3. Further, none of the Directors of the Company has been charge sheeted with serious crimes like murder, rape, forgery, economic offenses, etc.
4. There are no defaults in respect of payment of interest and/or principal to the debenture/bond/fixed deposit holders, banks, Financial Institutions by the Company, Promoter, group entities, companies promoted by the Promoter during the past three years.
5. There is no pending litigation against the Promoter/ Directors in their capacities and also involving the violation of statutory regulations or criminal offenses.
6. There are no pending proceedings initiated for economic offenses against the Directors Promoter, Companies, and firms promoted by the Promoter.
7. There is no outstanding litigation, defaults, etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
8. There are no litigations against the Promoter / Directors in their capacity.

9. There are no criminal cases filed or any investigation being undertaken concerning the alleged commission of any offense by any of the Directors. Further, none of the Directors has been charge-sheeted with serious crimes like murder, rape, forgery, economic offenses, etc.

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GOVERNMENT AND OTHER APPROVALS

In view of the licenses / permissions / approvals / no-objections / certifications / registrations, (collectively "Authorisations") listed below, our Company can undertake this Issue and our current business activities and to the best of our knowledge, no further approvals from any governmental or regulatory authority or any other entity are required to undertake this Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Prospectus. It must be distinctly understood that, in granting these approvals, the GoI, the RBI or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the chapter titled "Key Industry Regulation and Policies" beginning on page 182 of the Prospectus.

CORPORATE APPROVALS FOR THIS ISSUE

1. The Board of Directors have, pursuant to resolutions passed at its meeting held on December 01, 2023 has approved the Issue, subject to the approval by the shareholders of the Company under Section 62(1)(c) of the Companies Act 2013.
2. The Issue of Equity share has been authorized by a special resolution adopted pursuant to section 62(1)(c) of the Companies Act 2013, at an Annual General Meeting held on December 23, 2023.
3. Board of Directors has, pursuant to a resolution dated January 30, 2024 and March 19, 2024 authorized our Company to take necessary action for filing the Draft Red Herring Prospectus and Red Herring Prospectus respectively with NSE Emerge.

IN- PRINCIPLE APPROVAL

The Company has obtained approval from NSE vide its letter dated March 19, 2024 to use the name of NSE in this Offerdocument for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.

AGREEMENTS WITH NSDL AND CDSL

1. The Company has entered into an agreement dated January 15, 2024 with the Central Depository Services (India) Limited (CDSL), and the Registrar and Share Transfer Agent, who, in this case, is Bigshare Services Private Limited for the dematerialization of its shares.
2. The Company has also entered into an agreement dated January 17, 2024 with the National Securities Depository Limited (NSDL), and the Registrar and Share Transfer Agent, who, in this case, is Bigshare Services Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number (ISIN) is INE0SWN01019.

INCORPORATION DETAILS OF OUR COMPANY

| S.N. | Authorisation Granted | Issuing Authority | CIN/Registration No. | Date of Issue | Valid upto |
|------|--|-------------------|-----------------------|---------------|------------|
| 1. | Certificate of Incorporation in the name of — "Trust Systems and Software (India) Private Limited" | ROC, Mumbai | U72100MH1998PTC117470 | 15-12- 1998 | Perpetual |
| 2. | Fresh Certificate of Incorporation for conversion | ROC, Mumbai | U72100MH1998PLC117470 | | Perpetual |

| | | | | | |
|----|--|-------------|-----------------------|------------|-----------|
| | from Private to Public company in the name of "Trust Systems and Software (India) Limited" | | | 14-10-2023 | |
| 3. | Certificate of incorporation for change in name of company from "Trust Systems and Software (India) Private Limited" to "Trust Fintech Limited". | ROC, Mumbai | U72100MH1998PLC117470 | 14-12-2023 | Perpetual |

TAX RELATED AUTHORISATIONS

| S.No. | Authorization granted | Issuing Authority | Registration No./Reference No./License No. | Date of Issue | Validity |
|-------|---|---------------------------------|--|---------------|-----------|
| 1. | Permanent Account Number (PAN) | Income Tax Department, Gol | AABCT1859L | 15/12/1998 | Perpetual |
| 2. | Tax Deduction Account Number (TAN) | Income Tax Department, Gol | NGPT00897B | 15/12/1998 | Perpetual |
| 3. | GST Registration Certificate | Central Board of Indirect Taxes | 27AABCT1859L1ZY | 28/10/2017 | Perpetual |
| 4. | Professional Tax Certificate under State Business, Trade, Business & Employment Tax Act, 1976 | Profession Tax Department, | 27750007053C | 1/11/2023 | Perpetual |

GENERAL APPROVALS

| Sr. No. | Authorization Granted | Issuing Authority | Registration No./Reference No. / License No. | Date of Issue | Valid Upto |
|---------|---|---|--|---------------|------------|
| 1. | Importer-Exporter Code (IEC code) | Directorate General of Foreign Trade, Ministry of Commerce and Industry | 0300025319 | 10/08/2000 | Perpetual |
| 2. | Micro, Small and Medium Enterprises | Ministry of Micro, Small and Medium Enterprises | UDYAM-MH-20-0033382 | 02/06/2021 | Perpetual |
| 3. | Maharashtra Shops and Establishment (Regulation of Employment and Conditions of | Deputy Commissioner, Labour Department, Mumbai | 2310200318215320 | 30/06/2017 | Perpetual |



| | | | | | |
|----|--|---|------------------|------------|-----------|
| | Services) Act,2018 | | | | |
| 4. | Registration under Employees Provident Fund and Miscellaneous Act, 1952 | Employees Provident Fund Organization | NGNAG0062863000 | 31/03/2015 | Perpetual |
| 5. | Maharashtra Shops and Establishment (Regulation of Employment and Conditions of Services) Act,2018 | Additional Commissioner of Labour, Nagpur | 2452300318451356 | 14/12/2023 | Perpetual |
| 6. | Maharashtra Shops and Establishment (Regulation of Employment and Conditions of Services) Act,2018 | Deputy Commissioner of Labour, Pune | 2331000318200787 | 09/12/2017 | Perpetual |
| 7. | | | | | |

| Sr. No. | Authorization Granted | Issuing Authority | Registration No./ Reference No. / License No. | Valid Upto |
|---------|--|---|---|------------|
| 1. | Registration under Employees State Insurance Act, 1948 | Sub-Regional Office, Employees State Insurance Corporation, Government of Maharashtra | 23000044050000911 | Perpetual |





BUSINESS RELATED CERTIFICATIONS

Our Company has received the following significant government and other approvals pertaining to our business:



| Sr. No. | Authorization granted | Issuing Authority | Registration No. / Reference No. /License No. | Date of Issue | Valid Upto |
|---------|---------------------------------------|--|---|---------------|------------|
| 1. | NSIC Certificate | The National Small Industries Corporation Limited | NSIC/GP/NAG/2017/53246 | 06/06/2023 | 05/06/2025 |
| 2. | Software Technology Parks of India | Ministry of Electronics and Information Technology | STPIM/NAG/ESG/NSTP/Reg./2016-17/370 | 24/02/2017 | 23/02/2026 |
| 3. | CMMI Maturity Level 5 | UK Certification & Inspection Ltd | UQ-2021053129 | 31/05/2021 | 30/05/2024 |
| 4. | ISO 9001:2015 | DQS Inc. | 20005032 QM15 | 02/12/2021 | 08/10/2024 |
| 5. | ISO 27001:2013 | TNV Systems Certification P Ltd. | 200208059101 | 06/02/2023 | 07/02/2026 |
| 6. | Legal Entities Identifier Certificate | Legal Entity Identifier India Ltd | 98450041B3B5BDD96A07 | 17/01/2024 | 17/01/2025 |

INTELLECTUAL PROPERTY

Our Company has the following registered trademarks:

| S.NO | Original Trademark Name | Registration No. | Application No. | Class | Current Status |
|------|---|------------------|-----------------|----------------|----------------|
| 1. |  | - | 3734631 | 42 | Objected |
| 2. |  | - | 1463843 | 42 | Registered* |
| 3. |  | - | 6329092 | Under class 9 | Applied |
| 4. |  | - | 6329093 | Under class 35 | Applied |

*This trademark has been used since 15/12/1998 and valid upto 23/06/2016

| S.NO | Original Copyright Name | Registration No. | Application No. | Class | Current Status |
|------|---|------------------|-----------------|---------------|-------------------|
| 1. | "TRUST BANK CBS" | L-51512/2013 | - | - | Approval Received |
| 2. | "TRUST BANK SOFTWARE" | SW-3244/2006 | - | - | Approval Received |
| 3. | "MICROFINS" | L-51513/2013 | - | - | Approval Received |
| 4. | "POWER PLANT MONITORING SYSTEM (PPMS)" | SW-3420/2007 | - | - | Approval Received |
| 5. |  | - | 6329089 | Under class 9 | Applied |
| 6. |  | - | 6329090 | Under class 9 | Applied |



| | | | | | |
|----|--|---|---------|---------------|---------|
| 7. | MICROFINS Micro Finance | - | 6329091 | Under class 9 | Applied |
| 8. | TRUSTBANKCBS Core Banking System | - | 6329092 | Under class 9 | Applied |

Note- The given Intellectual Property details belongs to the Copyright.

The Details of Domain Names Registered in the Name of the Company:

| Sr. No. | Domain Name | Registrant Name and Registrant Organization | Registration Expiry Date |
|---------|---------------|---|------------------------------|
| 1. | softtrust.com | Quantum Link Communications Pvt. Ltd | 26 th April, 2024 |

APPLIED FOR GOVERNMENT APPROVALS;

| Sr. No. | Authorization granted | Issuing Authority | Application No. / Reference No. | Status and Date of Application |
|---------|--|--|---------------------------------|--------------------------------|
| 1. | Registration certificate under Contract Labor (Regulation & Abolition) Act, 1970 | Department of Labour, Govt. of Maharashtra | Maitri24ZK9049F | 11/01/2024 (Under Process) |

Material Licenses/approvals for which our Company yet to apply / Statutory Approvals/Licenses for the respective units- NIL, henceforth company does not required to apply for Government/Statutory Approvals/Licenses for the current establishment.

Material licenses/approvals for which our Company is yet to apply / Statutory Approvals/Licenses required for the proposed expansion are as follows: -

Our company required to get government approval/licenses for the establishment of units in the Mihan Special Economic Zone (SEZ) and the same will apply for government approval using the single-window clearing system. Therefore, the MIDC website will be used to apply for all requisite permissions, ensuring an efficient approval process.

| Material Approvals/ Licenses required | Expected Month of | |
|---|-------------------|----------|
| | Application | Approval |
| Land Acquisition Completion | | |
| 2. Final Allotment letter and Execution of Lease agreement | December 23 | March 24 |
| While construction of civil works | | |
| 2. (a) Plan Layout-Drawing Approval-Local office - MIHAN | March 24 | March 24 |
| (b) Construction permission – MIHAN | March 24 | April 24 |
| On Arrangement of Power, Water, Drainage Connection | | |
| 3. Temporary connection from Mihan for Power, Water, Drainage Connection | April 24 | April 24 |
| On installation of Hardware and Commencement of Operational Deployment | | |

| | | |
|--|----------|----------|
| 4. (a) Consent of Establishment | March 25 | April 25 |
| (b) Consent to Operate | | |

Note- The government approvals/licenses may vary according to the requirements of industry

IT MUST, HOWEVER BE, DISTINCTLY UNDERSTOOD THAT IN GRANTING THE ABOVE-MENTIONED APPROVALS, THE CENTRAL GOVERNMENT, STATE GOVERNMENT, RBI AND OTHER AUTHORITIES DO NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS.



SECTION XI – OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

- This Issue has been authorised by a resolution passed by our Board of Directors at its meeting held on December 01, 2023.
- The Shareholders of our Company have authorised this Issue by their Special Resolution passed pursuant to Section 62(1(c) of the Companies Act, 2013, at its AGM held on December 23, 2023 and authorized the Board to take decisions in relation to this Issue.
- The Company has obtained approval from NSE vide its letter dated March 19, 2024 to use the name of NSE in this Offer document for listing of equity shares on Emerge Platform of NSE. NSE is the Designated Stock Exchange.
- Our Board has approved the Draft Red Herring Prospectus through its resolution dated January 30, 2024.

We have also obtained all necessary contractual approvals required for this Issue. For further details, refer to the chapter titled “Government and Other Approvals” beginning on page no 279 of this Prospectus.

Prohibition by SEBI, RBI or other Governmental Authorities

- Our Company, our Promoter, our Directors and our Promoter Group, have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.
- The Companies with which our Promoter, our directors or persons in control of our Company are/ were associated as promoter, directors or persons in control have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.
- None of our Directors are in any manner associated with the securities market. Also, there has been no action taken by SEBI against any of our directors or any entity our directors are associated with as directors in the past five years.
- Neither of our Promoter nor any of our directors is declared as Fugitive Economic Offender.
- Neither our Company, nor our Promoter, or the relatives (as defined under the Companies Act) of our Promoter or Group Entities have been identified as wilful defaulters by the RBI or any other governmental authority.
- There are no violations of securities laws committed by them in the past or no proceedings thereof are pending against them.

Compliance with the Companies (Significant Beneficial Ownership) Rules, 2018

Our Company, Promoter, promoter group are in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018 (SBO Rules), and the General Circular No. 07/2018 dated September 06, 2018 and General Circular No. 08/2018 dated September 10, 2018 issued by the Ministry of Corporate Affairs, to the extent they are applicable on our Company, as on the date of filing of this Prospectus.

Eligibility for this Issue

Our Company is not ineligible in terms of Regulations 228 of SEBI ICDR Regulations for this Issue as:

- Neither our company, nor any of its promoters, promoter group or directors are debarred from accessing the capital market by the Board.
- Neither our promoters, nor any directors of our company are a promoter or director of any other company which is debarred from accessing the capital market by the Board
- Neither our Company, nor our Promoters or our directors, is a Willful Defaulter or a fraudulent borrower.
- Neither our Promoters nor any of our directors is declared as Fugitive Economic Offender.

Our Company is eligible for the Issue in accordance with Regulation 229(2) and other provisions of Chapter IX of the SEBI (ICDR) Regulations 2018, as we are an Issuer whose post issue face value paid-up capital will be more than ₹ 1,000 Lakh, and can issue Equity Shares to the public and propose to list the same on the Emerge Platform of NSE Limited.

We confirm that:

- In accordance with Regulation 260 of the SEBI (ICDR) Regulations, this Issue will be hundred percent underwritten and that the Book Running Lead Manager to the Offer will underwrite at least 15% of the Total Issue Size. For further details pertaining to said underwriting please refer to “General Information” on page 55 of this Prospectus.
- In accordance with Regulation 268 of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed Allottee’s in the issue shall be greater than or equal to fifty (50), otherwise, the entire application money will be refunded within 4 (Four) days of such intimation. If such money is not repaid within 4 (Four) days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 4 (Four) days, be liable to repay such application money, with interest at the rate 15% per annum. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.
- In accordance with Regulation 246 of the SEBI (ICDR) Regulations, the Book Running Lead Manager shall ensure that the Issuer shall file a copy of the Prospectus/Prospectus with SEBI along with a due diligence certificate including additional confirmations as required to SEBI at the time of filing the Prospectus/Prospectus with the Registrar of Companies.

However, as per Regulation 246 (2) of the SEBI (ICDR) Regulations, 2018, the SEBI shall not issue any observation on the offer document.

Further, in terms of Regulation 246 (4) of the SEBI (ICDR) Regulations, 2018 the prospectus will be displayed from the date of filling in terms of sub-regulation (1) on the website of the SEBI, the Book Running Lead Manager and the NSE.

- In accordance with Regulation 261 of the SEBI (ICDR) Regulations, the Lead Manager will ensure compulsory Market Making for a minimum period of three (3) years from the date of listing of equity shares offered in this Issue. For further details of market making arrangement, please refer to the section titled “General Information” on page 60 of this Prospectus.
- In accordance with Regulation 230 (1) (a) of the SEBI (ICDR) Regulations, Application is being made to NSE Limited and NSE Limited is the Designated Stock Exchange.
- In accordance with Regulation 230 (1) (b) of the SEBI (ICDR) Regulations, the Company has entered into agreement with depositories for dematerialisation of specified securities already issued and proposed to be issued. For more details please refer page 279 of this Prospectus.
- In accordance with Regulation 230 (1) (c) of the SEBI (ICDR) Regulations, all the present Equity share Capital fully Paid Up.
- In accordance with Regulation 230 (1) (d) of the SEBI (ICDR) Regulations, all the specified securities held by the promoters are already in dematerialised form.

NSE ELIGIBILITY NORMS

- 1. The Company has been incorporated under the Companies Act, 1956/ 2013 in India**

Our Company was incorporated on December 15, 1998 under the Companies Act, 1956.

- 2. The post issue paid up capital of the Company (face value) will not be more than ₹ 2,500.00 Lakh.**

| Particulars | Present Issued Capital | Proposed IPO | Post IPO Issued Capital |
|-------------|------------------------|--------------|-------------------------|
|-------------|------------------------|--------------|-------------------------|



| | | | |
|------------------------|--------------|-----------------------|--------------|
| | | (Fresh Equity Shares) | (assumed) |
| No. of Equity Shares | 1,75,43,200 | 62,82,000 | 2,38,25,200 |
| Face Value (In Rs.) | ₹ 10/- each | ₹ 10/- each | ₹ 10/- each |
| Paid-up Value (In Rs.) | 17,54,32,000 | 6,28,20,000 | 23,82,52,000 |

Hence, our Post Issue Paid up Share Capital will be ₹ 23.82 crores which is less than 25 crores.

3. Positive Net worth

Net worth of the Company as on September 30, 2023 is ₹ 3,446.55 Lakhs.

4. Track record

A. The company should have a (combined) track record of at least 3 years.

Our Company got incorporated on December 15, 1998 therefore our company satisfies the track record criteria of 3 years.

B. The Company should have operating profit (earnings before depreciation and tax) from operations for at least 2 out of 3 financial years preceding the application and its net worth is positive.

(Rs. In Lakhs)

| Particulars | As on September 30, 2023 | As on March 31, 2023 | As on March 31, 2022 | As on March 31, 2021 |
|--|--------------------------|----------------------|----------------------|----------------------|
| Operating profit (earnings before interest, depreciation* and tax) | 996.33 | 594.31 | 227.29 | 311.24 |

*Including amortization

(Rs. In Lakhs)

| Particulars | As on September 30, 2023 | As on March 31, 2023 | As on March 31, 2022 | As on March 31, 2021 |
|---------------------------|--------------------------|----------------------|----------------------|----------------------|
| Share Capital | 518.49 | 518.49 | 518.49 | 518.49 |
| Add: Reserves and Surplus | 2928.06 | 2200.11 | 997.90 | 864.25 |
| Net Worth | 3446.55 | 2718.60 | 1516.39 | 1382.73 |

Net worth includes Share Capital and Reserves (excluding revaluation reserves), Miscellaneous Expenditure not written-off, if any & Debit Balances of Profit and Loss Account not written-off, if any).

5. Other Requirements

- Issuer seeking listing shall ensure that none of the merchant bankers involved in the IPO should have instances of any of their IPO draft offer document filed with the Exchange being returned in the past 6 months from the date of application - **Not Applicable, The Issuer Company is applying for the first time for In Principal Approval.**
- It is mandatory for the company to have a website
The Company has a website – <https://www.softtrust.com/>
- It is mandatory for the company to facilitate trading in demat securities and enter into an agreement with both the depositories.

To facilitate trading in demat securities; the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

Tripartite agreement dated January 17, 2024 with NSDL, our Company and Registrar and Share Transfer Agent;
Tripartite agreement dated January 15, 2024 with CDSL, our Company and Registrar and Share Transfer Agent.

The Company's shares bear an **ISIN: INE0SWN01019**

- There should not be any change in the Promoters of the company in preceding one year from date of filing the application to NSE for listing under SME segment.
- None of our Promoters or Directors has been declared as fugitive economic offender under Economic Offenders Act, 2018.
- Further, except as mentioned in this Section titled "Outstanding Litigation and Material Developments" on page 271 there has been no violation of any Securities Law committed by any of them in the past and no such proceedings are currently pending against any of them.

6. Disclosure

1. The Company has not been referred to Board for Industrial and Financial Reconstruction and No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies
2. No petition for winding up is admitted by the NCLT or court.
3. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the company.

7. Rejection of Colling Off Period

The application of the applicant company should not have been rejected by the Exchange in last 6 complete months. – ***Not Applicable, The Issuer Company is applying for the first time for In Principal Approval.***

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

None of our Company, Promoters or Directors have been declared as a fraudulent borrower by any bank, financial institution or lending consortium, in accordance with the 'Master Directions on Fraud- Classification and Reporting by commercial banks and select FIs' dated July 1, 2016, as updated, issued by the RBI.

We further confirm that we shall be complying with all the other requirements as laid down for such an issue under Chapter IX of SEBI (ICDR) Regulations 2018, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE PROSPECTUS. THE BOOK RUNNING LEAD MANAGER, CORPORATE CAPITALVENTURES PRIVATE LIMITED, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE BOOK RUNNING LEAD MANAGER, CORPORATE CAPITALVENTURES PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, CORPORATE CAPITALVENTURES PRIVATE LIMITED, SHALL FURNISH TO SEBI A DUE DILIGENCE CERTIFICATE DATED MARCH 28, 2024 IN THE FORMAT PRESCRIBED UNDER SCHEDULE V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF SECURITIES AND DISCLOSURE



REQUIREMENTS) REGULATIONS, 2018.

THE FILING OF THIS OFFER DOCUMENT DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER THE COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE PROPOSED ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGER ANY IRREGULARITIES OR LAPSES IN THE OFFER DOCUMENT.

THE DUE DILIGENCE CERTIFICATE TO BE SUBMITTED AS PER FORM A OF SCHEDULE V INCLUDING ADDITIONAL CONFIRMATION AS PROVIDED IN FORM G OF SCHEDULE V IS PRODUCED AS UNDER:

WE, THE LEAD MERCHANT BANKER TO THE ABOVE-MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION, INCLUDING COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL WHILE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:
 - A. THE PROSPECTUS FILED WITH THE EXCHANGE/BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS WHICH ARE MATERIAL TO THE ISSUE;
 - B. ALL MATERIAL LEGAL REQUIREMENTS RELATING TO THE ISSUE AS SPECIFIED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
 - C. THE MATERIAL DISCLOSURES MADE IN THE PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS. **COMPLIED WITH**
5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE PROSPECTUS WITH THE BOARD/EXCHANGE TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS. **COMPLIED WITH**
6. WE CERTIFY THAT ALL APPLICABLE PROVISION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN AND SHALL BE DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.
7. WE UNDERTAKE THAT ALL APPLICABLE PROVISION OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 WHICH RELATE TO RECEIPT OF PROMOTERS CONTRIBUTION PRIOR TO OPENING OF THE ISSUE SHALL BE COMPLIED WITH. WE CONFIRM THAT

ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE AND THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD/EXCHANGE. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE.

– **NOT APPLICABLE**

8. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGE MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION –**NOTED FOR COMPLIANCE**
9. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
10. WE CERTIFY THAT ALL THE SHARES SHALL BE ISSUED IN DEMATERIALIZED FORM IN COMPLIANCE WITH THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013 AND THE DEPOSITORIES ACT, 1996, AND THE REGULATIONS MADE THEREUNDER.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL-INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE PROSPECTUS:
 - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
 - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018.
14. WE ENCLOSE A NOTE EXPLAINING THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US INCLUDING IN RELATION TO THE BUSINESS OF THE ISSUER, THE RISK IN RELATION TO THE BUSINESS, EXPERIENCE OF THE PROMOTERS AND THAT THE RELATED PARTY TRANSACTION ENTERED INTO FOR THE PERIOD DISCLOSED IN THE PROSPECTUS HAVE BEEN ENTERED INTO BY THE ISSUER IN ACCORDANCE WITH APPLICABLE LAWS.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.
16. WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR NO. CIR/CFD/DIL/7/2015 DATED OCTOBER 30, 2015.

ADDITIONAL CONFIRMATIONS/CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH ISSUE DOCUMENT REGARDING EMERGE PLATFORM OF NSE.

- (1) WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.



- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES ISSUED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.
- (3) WE CONFIRM THAT THE ABRIDGED RED HERRING PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 - COMPLIED WITH
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.
- (5) THE ISSUER HAS REDRESSED AT LEAST NINETY-FIVE PER CENT OF THE COMPLAINTS RECEIVED FROM THE INVESTORS TILL THE END OF THE QUARTER IMMEDIATELY PRECEDING THE MONTH OF FILING OF THE OFFER DOCUMENT WITH THE REGISTRAR OF COMPANIES. - **NOT APPLICABLE**.
- (6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 261 AND 262 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 HAVE BEEN MADE- **COMPLIED WITH**

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER

Our Company, its Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website <https://www.softtrust.com/> would be doing so at his or her own risk.

Caution

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue management, the Underwriting Agreement and the Market Making Agreement. Our Company, our Directors and the Book Running Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centers, etc. The Book Running Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and their respective associates in the ordinary course of business & have engaged, and may in future engage in the provision of financial services for which they have received, and may in future receive, compensation.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter 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 and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company and the Book Running 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 Equity Shares.

Price Information and the track record of the past Issues handled by the Book Running Lead Manager

For details regarding the price information and the track record of the past Issues handled by the Book Running Lead Manager to the Issue as specified in Circular reference no. CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by the SEBI, please refer to Disclosure of price information of latest ten issues handled by Corporate Capital Ventures Private Limited at page no 295 of this Prospectus and the website of the Book Running Lead Manager at <https://www.ccvindia.com/>

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Mutual Funds, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of ₹ 2,500 Lakh, pension funds with minimum corpus of ₹ 2,500 Lakh and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform him or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Delhi only. No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Prospectus had been filed with NSE EMERGE for its observations and NSE EMERGE gave its observations on the same. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Further, each Applicant where required agrees that such Applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

Disclaimer Clause of the Emerge Platform of NSE

As required, a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter Ref.: **NSE/LIST/3419** dated **March 19, 2024**, permission to the Issuer to use the Exchange's name in this Offer Document as one of the Stock Exchanges on which this Issuer's securities are proposed to be listed. The Exchange has scrutinized the offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Issuer. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the offer document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; nor does it warrant that this Issuer's securities will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of this Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer 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 any other reason whatsoever.

FILING

The Draft Red Herring Prospectus is being filed with NSE Limited, Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E), Mumbai - 400051.

A copy of the Red Herring Prospectus and Prospectus along with the material contracts and documents referred elsewhere in the Prospectus required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the Registrar of Companies, Mumbai, at least (3) three working days prior from the date of opening of the Issue.

Pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022, Draft Red Herring Prospectus shall not be submitted to SEBI, however, soft copy of Red Herring Prospectus and Prospectus with the Due Diligence Certificate shall be submitted to SEBI pursuant to Regulation 246(1),



and SEBI Circular Number SEBI/HO/CFD/DIL1/CIR/P/2018/011 dated January 19, 2018, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in> . SEBI will not issue any observation on the Issue document in term of Regulation 246(2) of the SEBI ICDR Regulations.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, which is reproduced below:

“Any person who:

- a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable to action under Section 447 of the Companies, Act 2013.

CONSENTS

Consents in writing of:(a) the Directors, Statutory Auditor & Peer Reviewed Auditor, the Company Secretary & Compliance Officer, Chief Financial Officer, Banker to the Company and (b) Book Running Lead Manager, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue to act in their respective capacities have been/or will be obtained (before filing final prospectus to ROC) and will be filed along with a copy of the Prospectus with the RoC, as required under Section 26 of the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report is not withdrawn up to the time of delivery of this Prospectus with NSE.

EXPERT OPINION

Except the report of the Peer Review Auditor on (a) the restated financial statements; (b) statement of tax benefits, Audit reports by Statutory Auditors for period ended on September 30,2023, March 31, 2023, March 31, 2022, and March 31, 2021 and Legal Advisor report on Outstanding Litigations and Material Developments, included in this Prospectus, our Company has not obtained any other expert opinion. All the intermediaries including Merchant Banker has relied upon the appropriacy and authenticity of the same.

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE INCORPORATION

We have not made any previous public issues since incorporation and are an —Unlisted Issuer in terms of the SEBI (ICDR) Regulations and this Issue is an Initial Public Offering in terms of the SEBI ICDR Regulations.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Other than as detailed under chapter titled - Capital Structure beginning on page 63 of the Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the IPO of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares in the five years preceding the date of this Prospectus.

PREVIOUS CAPITAL ISSUE DURING THE PREVIOUS THREE YEARS BY LISTED SUBSIDIARIES, GROUP COMPANIES AND ASSOCIATES OF OUR COMPANY

None of our Group Companies and Associates are listed. Further it has not undertaken any public or rights issue in the three (3) years preceding the date of this Prospectus.

PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/ RIGHTS ISSUE TO THE PUBLIC OF OUR COMPANY

Our Company has not undertaken any public issues, including any rights issues to the public in the five years preceding the date of this date of this Prospectus.

PERFORMANCE VIS-À-VIS OBJECTS-PUBLIC/ RIGHTS ISSUE OF THE LISTED SUBSIDIARIES OF OUR COMPANY

The Company does not have any subsidiary company.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of the Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

OPTION TO SUBSCRIBE

Equity Shares being offered through this Prospectus can be applied for in dematerialized form only.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an Unlisted Issuer in terms of the SEBI (ICDR) Regulations, and this issue is an Initial Public Issue in terms of the SEBI (ICDR) Regulations. Thus, there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Memorandum of Understanding between the Registrar and us will provide for retention of records with the Registrar for a period of at least one year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Offer may be addressed to the Registrar with a copy to the Company Secretary and Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted. All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Bid-cum-Application Form was submitted by the ASBA Bidders.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Offer or the SCSB in case of ASBA Bidders shall redress routine investor grievances. We estimate that the average time required by us or the Registrar to this Offer for the redressal of routine investor grievances will be 12 Working Days from the date of receipt of the complaint. In case of non- routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Ms. Deshana Keval Joshi as the Company Secretary and Compliance Officer and may be contacted at the following address:

Trust Fintech Limited

Plot no.11/4, I.T. Park, Gayatri Nagar
Parsodi, Nagpur, Maharashtra - 440022
Tel: +91 – 9909647348
Email: cs@softtrust.com
Website: <https://www.softtrust.com/>

Investors can contact the Company Secretary & Compliance Officer or the Registrar in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.



Pursuant to the press release no. PR. No. 85/2011 dated June 8, 2011, SEBI has launched a centralized web-based complaints redress system "SCORES". This would enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere. For more details, investors are requested to visit the website www.scores.gov.in

STATUS OF INVESTOR COMPLAINTS

We confirm that we have not received any investor complaint during the three years preceding the date of this Prospectus and hence there are no pending investor complaints as on the date of this Prospectus.

DISPOSAL OF INVESTOR GRIEVANCES BY LISTED COMPANIES UNDER THE SAME MANAGEMENT AS OUR COMPANY:

There is no listed company under the same management as on date.

EXEMPTION FROM COMPLYING WITH ANY PROVISIONS OF SECURITIES LAWS, IF ANY, GRANTED BY SEBI

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

PRICE INFORMATION OF LAST 10 (TEN) ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER Statement on Price Information of Past Issues handled by Corporate Capital Ventures Private Limited:

Price Information and the track record of the past Issues handled by the Book Running Lead Manager

| Sr. No. | Issue Name | Issue Size (Rs. In Cr.) | Issue Price (Rs.) | Listing Date | Opening Price on Listing Date (Rs.) | +/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 30th Calendar Days from Listing | +/- % Change in Closing Price, (+/- % Change in Closing Benchmark) 90th Calendar Days from Listing | +/- % Change in Closing Price (+/- % Change in Closing Benchmark) 180th Calendar Days from Listing |
|-------------------------|---|-------------------------|-------------------|--------------|-------------------------------------|--|--|--|
| SME BOARD ISSUES | | | | | | | | |
| 1. | Annapurna Swadisht Limited | 30.25 | 70.00 | 27.09.2022 | 120.00 | 118.07% | 80.57% | 151.57% |
| | | | | | | 4.22% | 4.63% | -0.36% |
| 2. | Swastik Pipe Limited | 62.52 | 100.00 | 12-10-2022 | 69.30 | -13.30% | 0.95% | -19.30% |
| | | | | | | 4.22% | 4.63% | 2.9% |
| 3. | Phantom Digital Effects Limited | 29.10 | 95.00 | 21-10-2022 | 315.05 | 186.53% | 138.89% | 143.37% |
| | | | | | | 4.16% | 3.35% | 0.24% |
| 4. | Droneacharya Aerial Innovations Limited | 33.96 | 54.00 | 23-12-2022 | 102.00 | 231.57% | 133.43% | 226.20 |
| | | | | | | 1.29% | -3.20% | 6.15% |
| 5. | Crayons Advertising Limited | 41.80 | 65.00 | 02-06-2023 | 90.00 | 143.23% | 141.69 | 147.08% |
| | | | | | | 3.53% | 3.88% | 7.67% |
| 6. | Oriana Power Limited*(1) | 59.65 | 118.00 | 11-08-2023 | 302.00 | 188.42% | 168.26% | 623.43% |
| | | | | | | 2.01% | -0.17% | 12.88% |
| 7. | Rockingdeals Circular Economy Limited(*1) | 21.00 | 140.00 | 30-11-2023 | 315.00 | 144.75% | 342.61% | N.A. |
| | | | | | | 7.99% | 9.88% | N.A. |
| 8. | Accent Microcell Limited(*2) | 78.40 | 140.00 | 15-12-2023 | 315.00 | 116.57% | 12.25% | N.A. |
| | | | | | | 2.99% | 3.22% | N.A. |
| 9. | Alpex Solar Limited* (2) | 74.52 | 115.00 | 15-02-2024 | 345.00 | 155.96% | N.A. | N.A. |
| | | | | | | 0.66% | N.A. | N.A. |
| 10. | Esconet Technologies Limited* (3) | 28.02 | 84.00 | 23-02-2024 | 290.00 | 127.38% | N.A. | N.A. |
| | | | | | | -0.52% | N.A. | N.A. |

| Sr. No. | Issue Name | Issue Size (Rs. In Cr.) | Issue Price (Rs.) | Listing Date | Opening Price on Listing Date (Rs.) | +/- % Change in Closing Price, | +/- % Change in Closing Price, | +/- % Change in Closing Price |
|--------------------------|---------------------|-------------------------|-------------------|--------------|-------------------------------------|--|--|---|
| | | | | | | (+/- % Change in Closing Price, Benchmark) 30th Calendar Days from Listing | (+/- % Change in Closing Price, Benchmark) 90th Calendar Days from Listing | (+/- % Change in Closing Price, Benchmark) 180th Calendar Days from Listing |
| MAIN BOARD ISSUES | | | | | | | | |
| 11. | Uma Exports Limited | 60.00 | 68.00 | 07-04-2022 | 80.00 | -8.68% | -24.49% | -29.78% |
| | | | | | | -6.96% | -9.35% | -1.96% |

Source: Price Information www.bseindia.com and www.nseindia.com , Issue Information from respective Prospectus.

Notes*:

1. The Listing date of Rockingdeals Circular Economy Limited and Accent Microcell Limited is November 30, 2023 and December 15, 2023. Since the company has not completed 180 calendar days. Hence, the information for the same has been kept blank.
2. Further, the Listing date of Alpex solar Limited and Esconet Technologies Limited is February 15, 2024 and February 23, 2024. Since the Company has not completed its 90, 180 Calendar days. Hence, the information for the same has been kept blank.

| Financial Year | Total No. of IPOs | Total Funds Raised (Rs. in Cr.) | Nos. of IPO trading at discount as on 30 th calendar day from listing date | | | Nos. of IPO trading at premium as on 30 th calendar day from listing date | | | Nos. of IPO trading at discount as on 180 th calendar day from listing date | | | Nos. of IPO trading at premium as on 180 th calendar day from listing date | | |
|----------------|-------------------|---------------------------------|---|----------------|---------------|--|----------------|---------------|--|----------------|---------------|---|----------------|---------------|
| | | | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% |
| 2023-24 | 6 | 303.39 | Nil | Nil | Nil | 6 | - | - | - | - | - | 2 | - | - |
| 2022-23 | 5 | 215.83 | Nil | Nil | 2 | 3 | Nil | Nil | Nil | 1 | 1 | 2 | Nil | Nil |
| 2021-22 | 1 | 34.20 | Nil | Nil | Nil | 1 | Nil | Nil | Nil | Nil | Nil | 1 | Nil | Nil |
| 2020-21 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2019-20 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2018-19 | 3 | 30.49 | Nil | Nil | 2 | Nil | Nil | 1 | Nil | Nil | 1 | Nil | Nil | 2 |
| 2017-18 | 4 | 40.60 | Nil | 1 | 2 | 1 | Nil | Nil | 1 | 1 | 1 | Nil | 1 | Nil |
| 2016-17 | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. | N.A. |

Summary Statement of Disclosure:

Notes*:

1. The BSE Sensex and Nifty are considered as the Benchmark Index
2. In case 30th/180th day is not a trading day, closing price of the next trading day has been considered
3. In case 30th/180th days, scrips are not traded then last trading price has been considered.
4. Designated Stock Exchange as disclosed by the respective Issuer at the time of the issue has been considered for disclosing the price information.
5. Rockingdeals and Accent has not completed its 180 Calendar days. Hence, the information for the same has been kept blank.
6. Alpex solar and Esconet Technologies has not completed its 90 and 180 Calander days. Hence, the information for the same has been kept blank.

For details regarding the price information and the track record of the past Issues handled by the Book Running Lead Manager to the Issue as specified in Circular reference no. CIR/CFD/DIL/7/2015 dated October 30, 2015, issued by the SEBI, please refer the website of the Book Running Lead Manager at <https://www.ccvindia.com/initial-public-offers>

Exemption from complying with any provisions of securities laws, if any, granted by SEBI:



As on date of the Prospectus, our Company has not availed any exemption from complying with any provisions of securities laws granted by SEBI.

Note:

Investors who apply in the Offer will be required to confirm and will be deemed to have represented to our Company and the Underwriters and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company and will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares in the Offer.

SECTION XII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being offered are subject to the provisions of the Companies Act, 2013, SCRR, 1957, SEBI (ICDR) Regulations, 2018, our Memorandum and Articles of Association, the terms of the Draft Red Herring Prospectus, Red Herring Prospectus, Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note (CAN), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the offer of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, the FIPB, the RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable.

For details in relation to Offer expenses, see “Objects of the Issue” on page 81.

Ranking of Equity Shares

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum & Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of allotment in accordance with Companies Act, 2013 and the Articles of Association of the Company.

Authority for the Issue

This Issue has been authorized by a resolution of the Board passed at their meeting held on December 01st, 2023, subject to the approval of shareholders through a special resolution to be passed pursuant to section 62 (1) (c) of the Companies Act, 2013. The shareholders have authorized the Issue by a special resolution in accordance with Section 62 (1) (c) of the Companies Act, 2013 passed at the AGM of the Company held on December 23rd, 2023.

Mode of Payment of Dividend

The declaration and payment of dividend will be as per the provisions of Companies Act, 2013 and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act, 2013. For further details, please refer to the chapter titled ‘Dividend Policy’ beginning on pages 224 of this Prospectus.

Offer for Sale

In the case of offer for sale, the dividend for the entire year shall be payable to the transferees and the company has to disclose the name of the entity bearing the cost of making offer for sale along with reasons. However, the present issue does not include offer for sale and hence the said disclosure is not applicable to us.

Face Value and Issue Price

The face value of each Equity Share is ₹ 10/-. The Issue Price of Equity Shares is ₹ 101 per Equity Share. The Issue Price shall be determined by our Company in consultation with the Lead Manager and is justified under the chapter titled Basis of Issue Price beginning on page 113 of this Prospectus.

Compliance with the disclosure and accounting norms

Our Company shall comply with all the applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholder

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:



- i. Right to receive dividend, if declared;
- ii. Right to attend general meetings and exercise voting powers, unless prohibited by law;
- iii. Right to vote on a poll either in person or by proxy or e-voting, in accordance with the provisions of the Companies Act;
- iv. Right to receive annual reports and notices to members;
- v. Right to receive offers for rights shares and be allotted bonus shares, if announced;
- vi. Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- vii. Right of free transferability, subject to applicable laws and regulations; and the Articles of Association of our Company; and
- viii. Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the Company.

For further details on the main provision of our Company's Articles of Association dealing with voting rights, dividend, forfeiture and lien, transfer and transmission and/or consolidation/splitting, etc., please refer to Section titled, "*Main Provision of Article of Association*", beginning on page 342 of this Prospectus.

Allotment only in Dematerialized Form

Pursuant to Section 29 of the Companies Act, the Equity Shares shall be allotted only in dematerialized form. As per SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialized form. In this context, two agreements have been signed by our Company with the respective Depositories and the Registrar to the Issue before filing this Prospectus:

- I. Tripartite agreement dated January 15, 2024 among CDSL, our Company and the Registrar to the Issue; and
- II. Tripartite agreement dated January 17, 2024 among NSDL, our Company and the Registrar to the Issue.

As per the provisions of the Depositories Act, 1996 & regulations made there under and Section 29 (1) of the Companies Act, 2013, the equity shares of a body corporate can be in dematerialized form i.e., not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode.

Minimum Application Value, Market Lot and Trading Lot

The trading of the Equity Shares will happen in the minimum contract size of 1200 Equity Shares and the same may be modified by the NSE Limited from time to time by giving prior notice to investors at large.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of 1200 Equity Shares subject to a minimum allotment of 1200 Equity Shares to the successful Applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Minimum Number of Allottees

Further in accordance with the Regulation 268(1) of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within two (2) working days of closure of Issue.

Joint Holders

Where 2 (two) or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Jurisdiction

Exclusive Jurisdiction for the purpose of this Issue is with the competent courts/authorities in India.

Further, the Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Nomination Facility to the Investor

In accordance with Section 72 of the Companies Act, 2013, read with Companies (Share Capital and Debentures) Rules, 2014, the sole Applicant, or the first Applicant along with other joint Applicants, may nominate any one person in whom, in the event of the death of sole Applicant or in case of joint Applicants, death of all the Applicants, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be titled to make afresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act shall upon production of such evidence, as may be required by the Board, elect either:

To register himself or herself as the holder of the equity shares; or to make such transfer of the equity shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the equity shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the equity shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Applicants require changing of their nomination, they are requested to inform their respective depository participant.

Restrictions, if any on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Issue capital of Promoters, Promoter Group, Public as provided in —Capital Structure on page 63 of this Prospectus and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, please refer —Main Provisions of Articles of Association on page 342 of this Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated herein above. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States, and may not be offered or sold within the United States, except pursuant to an exemption from or in a transaction not subject to, registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered or sold outside the United States in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdictions where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Withdrawal of the Issue

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Issue Opening



Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchange(s) on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment. If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Prospectus with Stock Exchange.

Offer Program

| Events | Indicative Dates |
|--|---------------------------------------|
| Bid/Offer Opening Date | Tuesday, March 26, 2024 |
| Bid/Offer Closing Date | Thursday, March 28, 2024 |
| Finalization of Basis of Allotment with the Designated Stock Exchange* | On or about Tuesday, April 02, 2024 |
| Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account orUPI ID linked bank account | On or about Wednesday, April 03, 2024 |
| Credit of Equity Shares to Demat accounts of Allottees | On or about Wednesday, April 03, 2024 |
| Commencement of trading of the Equity Shares on the Stock Exchange | On or about Thursday, April 04, 2024 |

**Please note that Friday, March 29, 2024 is a Public Holiday and Monday, April 01, 2024 is a Bank Holiday, hence T +1 is falling on Tuesday, April 02, 2024.*

Note - Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.

The above timetable is indicative and does not constitute any obligation on our Company or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 3 Working Days of the Bid/Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/Offer Period by Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bid-Cum- Application Forms and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (IST) during the Issue Period (except for the Bid/ Issue Closing Date). On the Bid/ Offer Closing Date, the Bid-Cum- Application Forms will be accepted only between 10.00 a.m. to 3.00 p.m. (IST) for retail and non-retail Bidders. The time for applying for Retail Individual Bidders on Bid/ Issue Closing Date maybe extended in consultation with the BRLM, RTA and NSE EMERGE taking into account the total number of applications received up to the closure of timings.

Due to the limitation of time available for uploading the Bid-Cum- Application Forms on the Bid/ Offer Closing Date, Bidders are advised to submit their applications one (1) day prior to the Bid/ Offer Closing Date and, in any case, not later than 3.00 p.m. (IST) on the Bid/ Offer Closing Date. Any time mentioned in this Prospectus is IST. Bidders are cautioned that, in the event a large number of Bid-Cum- Application Forms are received on the Bid/ Offer Closing Date, as is typically experienced in public Offer, some Bid-Cum- Application Forms may not get uploaded due to the lack of sufficient time. Such Bid-Cum-Application Forms that cannot be uploaded will not be considered for allocation under this Offer. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holidays). Neither our Company nor the BRLM is liable for any failure in uploading the Bid-Cum- Application Forms due to faults in any software/hardware system or otherwise.

In accordance with SEBI ICDR Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their application (in terms of the quantity of the Equity Shares or the Application amount) at any stage. Retail

Individual Bidders can revise or withdraw their Bid-Cum- Application Forms prior to the Bid/ Offer Closing Date. Allocation to Retail Individual Bidders, in this Issue will be on a proportionate basis.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid-Cum-Application Form, for a particular Bidder, the details as per the file received from Stock Exchange may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid-Cum- Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask the relevant SCSBs /RTAs / DPs / stock brokers, as the case may be, for the rectified data.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Offer Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly. The Floor Price shall not be less than the face value of the Equity Shares.

In case of revision in the Price Band, the Bid/ Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in 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 website of the BRLM and at the terminals of syndicate members.

Minimum Subscription

This Issue is not restricted to any minimum subscription level and is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law.

In accordance with Regulation 260 of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 268(1) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 267(2) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than ₹ 1,00,000 (Rupees One Lac only) per application.

Migration to Main Board

Our company may migrate to the main board of NSE at a later date subject to the following:

If the Paid up Capital of our Company is likely to increase above ₹ 2500 Lakh by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in- principal approval from the main board), our Company shall apply to NSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

If the paid-up Capital of our company is more than ₹ 1000 Lakh but below ₹ 2500 Lakh, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoters in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Any company voluntarily desiring to migrate to the Main board from the EMERGE Platform, amongst others, has to fulfill



following conditions:

- i. The paid-up equity capital of the applicant shall not be less than 10 crores and the capitalisation of the applicant's equity shall not be less than 25 crores.
- ii. The applicant company should have positive cash accruals (Earnings before Interest, Depreciation and Tax) from operations for each of the 3 financial years preceding the migration application and has positive PAT in the immediate Financial Year of making the migration application to Exchange.
- iii. The applicant should have been listed on SME platform of the Exchange for at least 3 years.
- iv. The applicant Company has not referred to the Board of Industrial & Financial Reconstruction (BIFR) &/OR No proceedings have been admitted under Insolvency and Bankruptcy Code against the issuer and Promoting companies.
- v. The company has not received any winding up petition admitted by a NCLT.
- vi. The net worth of the company should be at least 50 crores
- vii. Total number of public shareholders on the last day of preceding quarter from date of application should be at least 1000.

Market Making

The shares issued and transferred through this Offer are proposed to be listed on the Emerge Platform of NSE with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on the Emerge Platform of NSE. For further details of the market making arrangement please refer to chapter titled General Information beginning on page 55 of this Prospectus.

Arrangements for disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of 1200 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the Emerge Platform of NSE.

Application by Eligible NRIs, FPIs or VCFs registered with SEBI

It is to be understood that there is no reservation for Eligible NRIs, FPIs or VCF registered with SEBI. Such Eligible NRIs, FPIs or VCF registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

As per the extent Guidelines of the Government of India, OCBs cannot participate in this Offer.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

Allotment of Securities in Dematerialized Form

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange.

Pre-Offer Advertisement

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Prospectus with the ROC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in (i) All Editions of English National Newspaper, Financial Express; (ii) All editions of Hindi National Newspaper, Jansatta and (iii) the registered office of our company is situated in Nagpur (Maharashtra), therefore Marathi being regional language of Maharashtra, Tarun Bharat (Marathi) each with wide circulation. In the pre-Issue advertisement, we shall state the Bid/Offer Opening Date and the Bid/ Offer Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI

ICDR Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws and regulations, which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws and regulations.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company. Application by eligible NRIs, FPIs Registered with SEBI, VCFs, AIFs registered with SEBI and QFIs. It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

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ISSUE STRUCTURE

This Offer is being made in terms of Regulation 229 (2) of Chapter IX of SEBI (ICDR) Regulations, 2018, as amended from time to time, whereby, an issuer, whose post issue face value capital is more than ₹ 10 Crores and up to ₹ 25 Crores, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange (“SME Exchange”), in this case being the Emerge Platform of NSE i.e., NSE EMERGE. For further details regarding the salient features and terms of such an offer please refer chapter titled “Terms of the Issue” and “Issue Procedure” on page 298 and 309 of the DRHP.

This Issue comprise of up to 62,82,000 Equity Shares of Face Value of ₹10/- each fully paid (The “Equity Shares”) for cash at a price of ₹ 101 per Equity Shares (including a premium of ₹ 91 per equity share) aggregating to ₹ 6344.82 Lakhs (“the Issue / the Offer”) comprising of Fresh Issue of 62,82,000 Equity Shares aggregating up to ₹ 6344.82 Lakhs by our Company. The Offer and the Net Offer will constitute 26.37% and 25.03% respectively of the post Issue paid up Equity Share Capital of the Company.

The Issue is being made by way of Book Building Process.

| Particulars of the Offer ⁽²⁾ | Market Maker Reservation Portion | QIBs ⁽¹⁾ | Non-Institutional Applicants | Retail Investors | Individual Investors |
|---|--------------------------------------|---|--------------------------------------|---|---------------------------------------|
| Number of Equity Shares available for allocation | Not less than 3,18,000 Equity Shares | Not more than 29,80,800 Equity Shares | Not less than 8,95,200 Equity Shares | Not less than 20,88,000 Shares | Not less than 20,88,000 Equity Shares |
| Percentage of offer Size available for Allocation | 5.06% of the offer Size | Not more than 50% of the Net Offer being available for allocation to QIB Bidders. However, up to 5% of the Net QIB Portion will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining QIB Portion. The unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion | Not less than 15% of the Net Issue | Not less than 35% of the Net Issue | |
| Basis of Allotment (3) | Firm Allotment | Proportionate as follows (excluding the Anchor Investor Anchor Investor Portion): (a) Up to 59,640 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and (b) Up to 11,33,160 Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above. Up to 17,88,000 Equity | Proportionate | Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion and the remaining available Equity Shares if any, shall be allotted on a proportionate basis. For details see, “Issue Procedure” on page 309. | |

| Particulars of the Offer ⁽²⁾ | Market Maker Reservation Portion | QIBs ⁽¹⁾ | Non-Institutional Applicants | Retail Investors | Individual Investors |
|---|--|--|--|---|----------------------|
| | | Shares) may be allocated on a discretionary basis to Anchor Investors of which one-third shall be available for allocation to Domestic Mutual funds only, subject to valid Bid received from Mutual Funds at or above the Anchor Investor Allocation Price | | | |
| Mode of Bid | Only through the ASBA process. | ASBA Process only (excluding Anchor Investors) | Only through the ASBA process | Through ASBA Process Through Banks or by using UPI ID for payment | |
| Mode of allotment | Compulsorily in dematerialized form | | | | |
| Minimum Bid Size | 2,00,000 Equity Shares in multiple of 1200 Equity shares | Such number of Equity Shares and in multiples of 1200 Equity Shares that the Bid Amount exceeds | Such number of Equity shares in multiple of 1200 Equity shares that Bid size exceeds Rs 2,00,000 | 1200 Equity Shares | |
| Maximum Bid Size | 2,00,000 Equity Shares | Such number of Equity Shares in multiples of 1200 Equity Shares not exceeding the size of the Net Offer, subject to applicable limits. | Such number of Equity Shares in multiples of 1200 Equity Shares not Exceeding the size of the offer (excluding the QIB portion), subject to limits as applicable to the Bidder | Such number of Equity Shares in multiples of 1200 Equity Shares so that the Bid Amount does not exceed Rs. 2,00,000/- | |
| Trading Lot | 1200 Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations | 1200 Equity Shares and in multiples thereof | | | |
| Terms of Payment | Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder (other than Anchor Investors) or by the Sponsor Bank through the UPI Mechanism, that is specified in the ASBA Form at the time of submission of the ASBA Form. In case of Anchor Investors: Full Bid Amount shall be payable by the Anchor Investors at the time of submission of their Bids ⁽⁴⁾ | | | | |
| Mode of Bid | Only through the ASBA process (except for Anchor Investors) | | | | |

This Offer is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. For further details, please refer to "Issue Structure" on page 305 of the DRHP.

- (1) Our Company in consultation with the Book Running Lead Manager, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price Anchor Investor Allocation Price.
- (2) In terms of Rule 19(2) of the SCRR read with Regulation 252 of the SEBI (ICDR) Regulations, 2018 this is an Offer for at least 25% of the post offer paid-up Equity share capital of the Company. This Offer is being made through Book Building Process, wherein allocation to the public shall be as per Regulation 253 of the SEBI (ICDR) Regulations.



- (3) Subject to valid Bids being received at or above the Issue Price, undersubscription, if any, in any category, except in the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories of Bidders at the discretion of our Company in consultation with the Book Running Lead Manager and the Designated Stock Exchange, subject to applicable laws.
- (4) Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms provided that any difference between the Anchor Investor Allocation Price and the Anchor Investor Offer Price shall be payable by the Anchor Investor Pay-In Date as indicated in the CAN.

Bid/Offer Programme:

| Events | Indicative Dates |
|--|---------------------------------------|
| Bid/Offer Opening Date | Tuesday, March 26, 2024 |
| Bid/Offer Closing Date | Thursday, March 28, 2024 |
| Finalization of Basis of Allotment with the SE * | On or about Tuesday, April 02, 2024 |
| Initiation of Allotment / Refunds / Unblocking of Funds from ASBA Account orUPI ID linked bank account | On or about Wednesday, April 03, 2024 |
| Credit of Equity Shares to Demat accounts of Allottees | On or about Wednesday, April 03, 2024 |
| Commencement of trading of the Equity Shares on the Stock Exchange | On or about Thursday, April 04, 2024 |

**Please note that Friday, March 29, 2024 is a Public Holiday and Monday, April 01, 2024 is a Bank Holiday, hence T +1 is falling on Tuesday, April 02, 2024.*

Note - Our Company in consultation with the Book Running Lead Manager, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the SEBI ICDR Regulations.

Bids and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Offer Period at the Bidding Centres mentioned in the Bid cum Application Form.

Standardization of cut-off time for uploading of bids on the Bid/Offer closing date:

A standard cut-off time of 3.00 p.m. for acceptance of bids.

A standard cut-off time of 4.00 p.m. for uploading of bids received from other than retail individual applicants.

A standard cut-off time of 5.00 p.m. for uploading of bids received from only retail individual applicants, which may be extended up to such time as deemed fit by NSE after taking into account the total number of bids received up to the closure of timings and reported by BRLM to NSE within half an hour of such closure.

It is clarified that Bids not uploaded in the book, would be rejected. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical bid cum application form of that Bidder may be taken as the final data for the purpose of allotment.

Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Withdrawal of the Offer

In accordance with SEBI (ICDR) Regulations, the Company, in consultation with the Book Running Lead Manager, reserves the right not to proceed with the Issue at any time before the Bid/ Offer Opening Date, without assigning any reason thereof.

In case, the Company wishes to withdraw the Issue after Bid/ Issue Opening but before allotment, the Company will give public notice giving reasons for withdrawal of Issue. The public notice will appear in two widely circulated national newspapers (one each in English and Hindi) and one in regional newspaper.

The Book Running Lead Manager, through the Registrar to the Issue, will instruct the SCSBs, to unblock the ASBA Accounts

within one Working Day from the day of receipt of such instruction. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly. If our Company withdraws the Issue after the Bid/ Offer Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh Prospectus with the stock exchange where the Equity Shares may be proposed to be listed.

Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company will apply for only after Allotment; and (ii) the registration of Red Herring Prospectus/ Prospectus with RoC.

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ISSUE PROCEDURE

All Bidders should read the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular no. SEBI/HO/CFD/DIL1/CIR/P/2020/37 dated March 17, 2020 and the UPI Circulars (the "General Information Document") which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 2013 the SCRA, the SCRR and the SEBI ICDR Regulations which is part of the abridged prospectus accompanying the Bid cum Application Form. The General Information Document is available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer, including in relation to the process for Bids by UPI Bidders through the UPI Mechanism.

Additionally, all Bidders may refer to the General Information Document for information in relation to (i) Category of investors eligible to participate in the Offer; (ii) maximum and minimum Bid size; (iii) price discovery and allocation; (iv) Payment Instructions for ASBA Bidders; (v) Issuance of CAN and allotment in the Offer; (vi) General instructions (limited to instructions for completing the Bid cum Application Form); (vii) Submission of Bid cum Application Form; (viii) Other Instructions (limited to joint bids in cases of individual, multiple bids and instances when an application would be rejected on technical grounds); (ix) applicable provisions of the Companies Act, 2013 relating to punishment for fictitious applications; (x) mode of making refunds; (xi) Designated Date; (xii) disposal of applications; and (xiii) interest in case of delay in allotment or refund.

The SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 read with its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019, has introduced an alternate payment mechanism using Unified Payments Interface ("UPI") and consequent reduction in timelines for listing in a phased manner. From January 1, 2019, the UPI Mechanism for UPI Bidders applying through Designated Intermediaries was made effective along with the existing process and existing timeline of T+6 days. ("UPI Phase I"). The UPI Phase I was effective till June 30, 2019.

With effect from July 1, 2019, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 dated June 28, 2019, read with circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 with respect to Bids by RIBs through Designated Intermediaries (other than SCSBs), the existing process of physical movement of forms from such Designated Intermediaries to SCSBs for blocking of funds has been discontinued and only the UPI Mechanism for such Bids with existing timeline of T+6 days was mandated for a period of three months or launch of five main board public issues, whichever is later ("UPI Phase II"), with effect from July 1, 2019, by SEBI circular (SEBI/HO/CFD/DIL2/CIR/P/2019/76) dated June 28, 2019, read with circular (SEBI/HO/CFD/DIL2/CIR/P/2019/85) dated July 26, 2019. Subsequently, however, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice. The final reduced timeline of T+3 days will be made effective using the UPI Mechanism for applications by UPI Bidders ("UPI Phase III"), as may be prescribed by the SEBI. The Offer will be undertaken pursuant to the processes and procedures under UPI Phase II, subject to any circulars, clarification or notification issued by the SEBI from time to time. Further, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 ("UPI Streamlining Circular") read with SEBI circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021, SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 and SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 has introduced certain additional measures for streamlining the process of initial public offers and redressing investor grievances. This circular shall come into force for initial public offers opening on or after May 1, 2021, except as amended pursuant to SEBI circular SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021, and the provisions of this circular are deemed to form part of this Prospectus. Additionally, SEBI vide its circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/47 dated March 31, 2021 has reduced the time period for refund of applications money from 15 days to four days. However, SEBI vide its circular no. SEBI/HO/CFD/TPD1/CIR/P/2023/140 dated August 09, 2023 has further reduced the time period for refund of applications money from four days to two days from issue closing date viz. initiation not later than 09.30 am on T+2 day (T is issue Closing Date) and completion before 2.00 pm on T+2 day for fund transfer and completion before 4.00pm on T+2 day for unblocking.

Pursuant to SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022, applications made using the ASBA facility in initial public offerings (opening on or after September 1, 2022) shall be processed only after application monies are blocked in the bank accounts of investors (all categories).

Our Bank and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are

submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Prospectus.

Further, our Bank and the Members of Syndicate are not liable for any adverse occurrences consequent to the implementation of the UPI Mechanism for application in this Offer.

Book Building Procedure

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "SCRR") read with Regulation 252 of SEBI ICDR Regulations, 2018, 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 under Regulation 229(2) of Chapter IX of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 via book building process wherein not more than 50% of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and may, in consultation with the BRLM, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer shall be available for allocation to Retail Individual Investors in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, undersubscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM, and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spillover from other categories or a combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialised segment of the Stock Exchanges.

Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialized form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID, PAN and UPI ID, as applicable, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form. However, they may get the Equity Shares rematerialized subsequent to Allotment of the Equity Shares in the Offer, subject to applicable laws.

Phased implementation of Unified Payments Inter face

SEBI has issued a circular bearing number SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 1, 2018 and circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/50 dated April 3, 2019 circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/76 June 28, 2019, circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 and circular no. SEBI/HO/CFD/DCR2/CIR/P/2019/133 dated November 08, 2019 (collectively the "UPI Circulars") in relation to streamlining the process of public issue of equity shares and convertibles. Pursuant to the UPI Circulars, UPI will be introduced in a phased manner as a payment mechanism (in addition to mechanism of blocking funds in the account maintained with SCSBs under the ASBA) for applications by RIBs through intermediaries with the objective to reduce the time duration from public issue closure to listing from six working days to up to three working days. Considering the time required for making necessary changes to the systems and to ensure complete and smooth transition to the UPI Mechanism, the UPI Circular proposes to introduce and implement the UPI Mechanism in three phases in the following manner:

Phase I: This phase has become applicable from January 1, 2019 until March 31, 2019 or floating of five main board public issues, whichever is later. Subsequently, the timeline for implementation of Phase I was extended till June 30, 2019. Under this phase, a Retail Individual Applicant had the option to submit the Application Form with any of the intermediary and use his / her UPI ID for the purpose of blocking of funds. The time duration from public issue closure to listing continued to be six Working Days.

Phase II: This phase has become applicable from July 1, 2019 and was to initially continue for a period of three months or floating of five main board public issues, whichever is later. Subsequently, it was decided to extend the timeline for implementation of Phase II until March 31, 2020. Further, as per SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated



March 30, 2020, the current Phase II of Unified Payments Interface with Application Supported by Blocked Amount is continued till further notice. Under this phase, submission of the ASBA Form by RIIs through Designated Intermediaries (other than SCSBs) to SCSBs for blocking of funds will be discontinued and will be replaced by the UPI payment mechanism. However, the time duration from public issue closure to listing continues to be six Working Days during this phase. Subsequently, SEBI vide its circular no. SEBI/HO/CFD/DIL2/CIR/P/2020/50 dated March 30, 2020 extended the timeline for implementation of UPI Phase II till further notice.

Phase III: The commencement period of Phase III is yet to be notified. In this phase, the time duration from public issue closure to listing would be reduced to three Working Days. Accordingly, upon commencement of Phase III, the reduced time duration shall be applicable for the Offer.

The Offer will be made under UPI Phase II of the UPI Circulars, unless UPI Phase III of the UPI Circular becomes effective and applicable on or prior to the Bid/Offer Opening Date. If the Offer is made under UPI Phase III of the UPI Circular, the same will be advertised in shall be advertised in all editions of Financial Express , a widely circulated English national daily newspaper and all editions of Jansatta , a widely circulated Hindi national daily newspaper, as the registered office of our company is situated in Nagpur, therefore Marathi being regional language of Nagpur, Maharashtra each with wide circulation on or prior to the Bid/Offer Opening Date and such advertisement shall also be made available to the Stock Exchanges for the purpose of uploading on their websites.

All SCSBs offering the facility of making applications in public issues shall also provide the facility to make application using UPI. The Sponsor Bank to act as a conduit between the Stock Exchanges and NPCI in order to facilitate collection of requests and/ or payment instructions of the UPI Bidders using the UPI.

The processing fees for applications made by UPI Bidders using the UPI Mechanism may be released to the remitter banks (SCSBs) only after such banks make an application as prescribed in Annexure I of of SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and provide a written confirmation on compliance with SEBI Circular No: SEBI/HO/CFD/DIL2/P/CIR/2021/570 dated June 2, 2021 read with SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 and SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2022/51 dated April 20, 2022 and SEBI circular no. SEBI/HO/CFD/DIL2/P/CIR/2022/75 dated May 30, 2022.

Further, pursuant to SEBI Circular No: SEBI/HO/CFD/DIL2/CIR/P/2022/45 dated April 5, 2022, all Retail Individual Bidders applying in public issues where the application amount is up to ₹ 500,000 shall use UPI and shall also provide their UPI ID in the Bid cum Application Form submitted with any of the entities mentioned herein below:

- i. a syndicate member;
- ii. a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity);
- iii. a depository participant (whose name is mentioned on the website of the stock exchange as eligible for this activity);
- iv. a registrar to an issue and share transfer agent (whose name is mentioned on the website of the stock exchange as eligible for this activity).

For further details, refer to the “General Information Document” available on the websites of the Stock Exchanges and the BRLM.

Bid cum Application Form

Copies of the Bid cum Application Form (other than for Anchor Investors) and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the NSE, at least one day prior to the Bid/ Offer Opening Date.

Copies of the Anchor Investor Application Form will be available at the offices of the BRLM.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. ASBA Bidders must provide either (i) the bank account details and authorisation to block funds in the ASBA Form, or (ii) the UPI ID, as applicable, in the relevant space provided in the ASBA Form. The ASBA Forms that do not contain such details are liable to be rejected. Applications made by the RIIs using third party bank account or using third party linked bank account UPI ID are liable for rejection. Anchor Investors are not permitted to participate in the Offer through the ASBA process. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the relevant Designated Intermediary, submitted at the relevant Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected. Since the Offer is made under Phase II of the UPI Circulars, ASBA Bidders may submit the ASBA Form in the manner below:

- i. RIIs (other than the RIIs using UPI Mechanism) may submit their ASBA Forms with SCSBs (physically or online, as applicable), or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- ii. RIIs using the UPI Mechanism, may submit their ASBA Forms with the Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs, or online using the facility of linked online trading, demat and bank account (3 in 1 type accounts), provided by certain brokers.
- iii. QIBs and NIBs may submit their ASBA Forms with SCSBs, Syndicate, sub-syndicate members, Registered Brokers, RTAs or CDPs.

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

For Anchor Investors, the Anchor Investor Application Form will be available at the office of the BRLM. ASBA Bidders are also required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount which can be blocked by the SCSB.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

| Category | Colour* |
|---|---------|
| Anchor Investor** | White |
| Resident Indians and Eligible NRIs applying on a non-repatriation basis | White |
| Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis | Blue |

*Excluding Electronic Bid cum Application Form

** Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Designated Intermediaries (other than SCSBs) after accepting Bid Cum Application Form submitted by RIIs (without using UPI for payment), NIIs and QIBs shall capture and upload the relevant details in the electronic bidding system of stock exchange(s) and shall submit/deliver the Bid Cum Application Forms to respective SCSBs where the Bidders has a bank account and shall not submit it to any non-SCSB Bank.

Further, for applications submitted to designated intermediaries (other than SCSBs), with use of UPI for payment, after accepting the Bid Cum Application Form, respective intermediary shall capture and upload the relevant application details, including UPIID, in the electronic bidding system of stock exchange(s).

Bidders shall only use the specified Bid Cum Application Form for making an Application in terms of the Prospectus.

The Bid Cum Application Form shall contain information about the Bidder and the price and the number of Equity Shares that the Bidders wish to apply for. Bid Cum Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Application Amount can be blocked by the SCSB or Sponsor Bank at the time of submitting the Application.

An Investor, intending to subscribe to this Offer, shall submit a completed Bid Cum Application Form to any of the following intermediaries (Collectively called – “Designated Intermediaries”)

| Sr. No. Designated Intermediaries |
|-----------------------------------|
|-----------------------------------|

1. An SCSB, with whom the bank account to be blocked, is maintained



-
2. A syndicate member (or sub-syndicate member)

 3. A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')

 4. A depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

 5. A registrar to an Offer and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
-

Retails investors submitting application with any of the entities at (ii) to (v) above (hereinafter referred as "Intermediaries"), and intending to use UPI, shall also enter their UPI ID in the Bid Cum Application Form.

The aforesaid intermediary shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

In case of ASBA forms, the relevant Designated Intermediaries shall upload the relevant bid details in the electronic bidding system of the Stock Exchanges and the Stock Exchanges shall accept the ASBA applications in their electronic bidding system only with a mandatory confirmation on the application monies blocked. For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. For ASBA Forms (other than UPI Mechanism) Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB where the Bidder has an ASBA bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

For UPI Bidders using UPI Mechanism, the Stock Exchanges shall share the Bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to UPI Bidders for blocking of funds. The Sponsor Bank shall initiate request for blocking of funds through NPCI to UPI Bidders, who shall accept the UPI Mandate Request for blocking of funds on their respective mobile applications associated with UPI ID linked bank account. In accordance with NSE Circular No: 20220803-40 and NSE Circular No: 25/2022, each dated August 3, 2022, for all pending UPI Mandate Requests, the Sponsor Bank shall initiate requests for blocking of funds in the ASBA Accounts of relevant Bidders with a confirmation cut-off time of 5:00 pm on the Bid/Offer Closing Date ("Cut-Off Time"). Accordingly, UPI Bidders should accept UPI Mandate Requests for blocking off funds prior to the Cut- Off Time and all pending UPI Mandate Requests at the Cut-Off Time shall lapse. Further, modification of Bids shall be allowed in parallel during the Bid/Offer Period until the Cut-Off Time. The NPCI shall maintain an audit trail for every bid entered in the Stock Exchanges bidding platform, and the liability to compensate UPI Bidders (using the UPI Mechanism) in case of failed transactions shall be with the concerned entity (i.e. the Sponsor Bank, NPCI or the bankers to an issue) at whose end the lifecycle of the transaction has come to a halt. The NPCI shall share the audit trail of all disputed transactions/ investor complaints to the Sponsor Bank and the Bankers to the Offer. The BRLM shall also be required to obtain the audit trail from the Sponsor Bank and the Bankers to the Offer for analysing the same and fixing liability.

Availability of Red Herring Prospectus and Bid Cum Application Forms

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE (www.nseindia.com) at least one day prior to the Bid/ Offer Opening Date.

Bid cum application for Anchor Investor shall be made available at the Office of the BRLM.

Who can Bid?

Each Bidder should check whether it is eligible to apply under applicable law, rules, regulations, guidelines and policies. Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCI may not be allowed to apply in the Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Bidders is as follows:

- a) Indian nationals' resident in India who are not incompetent to contract under the Indian Contract Act, 1872, as amended, in single or as a joint application and minors having valid Demat account as per Demographic Details provided by the Depositories. Furthermore, based on the information provided by the Depositories, our Company shall have the right to accept the Applications belonging to an account for the benefit of minor (under guardianship);
- b) Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the application is being made in the name of the HUF in the Bid Cum Application Form as follows: —Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta||. Applications by HUFs would be considered at par with those from individuals;
- c) Companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- d) Mutual Funds registered with SEBI;
- e) Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than EligibleNRIs are not eligible to participate in this Offer;
- f) Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- g) FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI;
- h) Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- i) Sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals only under the Non-Institutional Bidder 's category;
- j) Venture Capital Funds and Alternative Investment Fund (I) registered with SEBI; State Industrial Development Corporations;
- k) Foreign Venture Capital Investors registered with the SEBI;
- l) Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- m) Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- n) Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- o) Provident Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- p) Pension Funds and Pension Funds with minimum corpus of ₹ 25 Crores and who are authorized under their constitution to hold and invest in equity shares;
- q) National Investment Fund set up by Resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- r) Multilateral and bilateral development financial institution;
- s) Eligible QFIs;
- t) Insurance funds set up and managed by army, navy or air force of the Union of India;
- u) Insurance funds set up and managed by the Department of Posts, India;
- v) Any other person eligible to apply in this Offer, under the laws, rules, regulations, guidelines and policies applicable to them.

Applications not to be made by:

1. Minors (except through their Guardians)
2. Partnership firms or their nominations
3. Foreign Nationals (except NRIs)
4. Overseas Corporate Bodies

As per the existing regulations, OCBs are not eligible to participate in this Offer. The RBI has however clarified in its circular, A.P. (DIR Series) Circular No. 44, dated December 8, 2003 that OCBs which are incorporated and are not under the adverse notice of the RBI are permitted to undertake fresh investments as 138 incorporated non-resident entities in terms of Regulation 5(1) of RBI Notification No.20/2000-RB dated May 3, 2000 under FDI Scheme with the prior approval of Government if the investment is through Government Route and with the prior approval of RBI if the investment is through Automatic Route on case by case basis. OCBs may invest in this Offer provided it obtains a prior approval from the RBI. On submission of such approval along with the Bid Cum Application Form, the OCB shall be eligible to be considered for share allocation.

MAXIMUM AND MINIMUM APPLICATION SIZE



1. For Retail Individual Bidders

The Application must be for 20,88,000 Equity Shares and in multiples of 1200 Equity Shares thereafter, so as to ensure that the Application Price payable by the Bidder does not exceed ₹ 2,00,000. In case of revision of Applications, the Retail Individual Bidders have to ensure that the Application Price does not exceed ₹ 2,00,000.

2. For Other than Retail Individual Bidders (Non-Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares that the Application Amount exceeds ₹ 2,00,000 and in multiples of 1200 Equity Shares thereafter. An application cannot be submitted for more than the Net Offer Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Bidder cannot withdraw its Application after the Offer Closing Date and is required to pay 100% QIB Margin upon submission of Application.

In case of revision in Applications, the Non-Institutional Bidders, who are individuals, have to ensure that the Application Amount is greater than ₹ 2,00,000 for being considered for allocation in the Non-Institutional Portion.

Bidders are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Prospectus.

The above information is given for the benefit of the Bidders. The Company and the BRLM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.

METHOD OF BIDDING PROCESS

Our Company in consultation with the BRLM will decide the Price Band and the minimum Bid lot size for the Offer and the same shall be advertised in all editions of the English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and the registered office of our company is situated in Nagpur (Maharashtra), therefore Marathi being regional language of Nagpur Tarun Bharat (Marathi), each with wide circulation at least two Working Days prior to the Bid / Offer Opening Date. The BRLM and the SCSBs shall accept Bids from the Bidders during the Bid / Offer Period.

- a) The Bid / Offer Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Bid/ Offer Period may be extended, if required, by an additional three Working Days, subject to the total Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid / Offer Period, if applicable, will be published in all editions of the English national newspaper Financial Express, all editions of Hindi national newspaper Jansatta and the registered office of our company is situated in Nagpur (Maharashtra), therefore Marathi being regional language of Nagpur Tarun Bharat (Marathi), each with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager.
- b) During the Bid/ Offer Period, Retail Individual Bidders, should approach the BRLM or their authorized agents to register their Bids. The BRLM shall accept Bids from Anchor Investors and ASBA Bidders in Specified Cities and it shall have the right to vet the Bids during the Bid/ Offer Period in accordance with the terms of the Red Herring Prospectus. ASBA Bidders should approach the Designated Branches or the BRLM (for the Bids to be submitted in the Specified Cities) to register their Bids.
- c) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled "Bids at Different Price Levels and Revision of Bids" below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Offer Price, the maximum number of Equity Shares Bid for by a Bidder/Applicant at or above the Offer Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Amount, will become automatically invalid.
- d) The Bidder / Applicant cannot Bid through another Bid cum Application Form after Bids through one Bid cum

Application Form have been submitted to a BRLM or the SCSBs. Submission of a second Bid cum Application Form to either the same or to another BRLM or SCSB will be treated as multiple Bid and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Offer. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph "Buildup of the Book and Revision of Bids".

- e) Except in relation to the Bids received from the Anchor Investors, the BRLM/the SCSBs will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, ("TRS"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form
- f) The BRLM shall accept the Bids from the Anchor Investors during the Anchor Investor Bid/ Offer Period i.e. one working day prior to the Bid/ Offer Opening Date. Bids by QIBs under the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.
- g) Along with the Bid cum Application Form, Anchor Investors will make payment in the manner described in "Escrow Mechanism - Terms of payment and payment into the Escrow Accounts" in the section "Issue Procedure" beginning on page 309 of the Red Herring Prospectus.
- h) Upon receipt of the Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form, prior to uploading such Bids with the Stock Exchange.
- i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchange.
- j) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and will enter each Bid option into the electronic bidding system as a separate Bid and generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Bidder on request.
- k) The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal/failure of the Offer or until withdrawal/rejection of the Bid cum Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Offer shall send an appropriate request to the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Bidders to the Public Offer Account. In case of withdrawal/failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

BIDS AT DIFFERENT PRICE LEVELS AND REVISION OF BIDS

- a. Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Offer Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the BRLM, will finalize the Offer Price within the Price Band, without the prior approval of, or intimation, to the Bidders.
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at the Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a



cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non- Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

- e. The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants.

Participation by Associates /Affiliates of BRLM and the Syndicate Members

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Neither the BRLM nor any persons related to the BRLM (other than Mutual Funds sponsored by entities related to the BRLM), Promoters and Promoter Group can apply in the Offer under the Anchor Investor Portion.

Option to Subscribe in the Offer

- a. As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be made in dematerialized form only. Investors will not have the option of getting allotment of specified securities in physical form.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single application from any investor shall not exceed the investment limit/minimum number of Equity Shares that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

Information for the Bidders:

1. Our Company and the Book Running Lead Manager shall declare the Offer Opening Date and Offer Closing Date in the Red Herring Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in a regional newspaper with wide circulation. This advertisement shall be in prescribed format.
2. Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) Working days before the Offer Opening Date.
3. Copies of the Bid Cum Application Form along with Abridge Prospectus and copies of the Red Herring Prospectus will be available with the, the Book Running Lead Manager, the Registrar to the Offer, and at the Registered Office of our Company. Electronic Bid Cum Application Forms will also be available on the websites of the Stock Exchange.
4. Any Bidder who would like to obtain the Red Herring Prospectus and/ or the Bid Cum Application Form can obtain the same from our Registered Office.
5. Bidders who are interested in subscribing for the Equity Shares should approach Designated Intermediaries to register their applications.
6. Bid Cum Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch, or the respective Designated Intermediaries. Bid Cum Application Form submitted by Applicants whose beneficiary account is inactive shall be rejected.
7. The Bid Cum Application Form can be submitted either in physical or electronic mode, to the SCSBs with whom the ASBA Account is maintained, or other Designated Intermediaries (Other than SCSBs). SCSBs may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account. The Retail Individual Applicants has to apply only through UPI Channel, they have to provide the UPI ID and

validate the blocking of the funds and such Bid Cum Application Forms that do not contain such details are liable to be rejected.

8. Bidders applying directly through the SCSBs should ensure that the Bid Cum Application Form is submitted to a Designated Branch of SCSB, where the ASBA Account is maintained. Applications submitted directly to the SCSB's or other Designated Intermediaries (Other than SCSBs), the relevant SCSB, shall block an amount in the ASBA Account equal to the Application Amount specified in the Bid Cum Application Form, before entering the ASBA application into the electronic system.
9. Except for applications by or on behalf of the Central or State Government and the Officials appointed by the courts and by investors residing in the State of Sikkim, the Bidders, or in the case of application in joint names, the first Bidder (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participating transacting in the securities market, irrespective of the amount of transaction. Any Bid Cum Application Form without PAN is liable to be rejected. The demat accounts of Bidders for whom PAN details have not been verified, excluding person resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Offer will be made into the accounts of such Bidders.
10. The Bidders may note that in case the PAN, the DP ID and Client ID mentioned in the Bid Cum Application Form and entered into the electronic collecting system of the Stock Exchange Designated Intermediaries do not match with PAN, the DP ID and Client ID available in the Depository database, the Bid Cum Application Form is liable to be rejected.

BIDS BY ANCHOR INVESTORS:

Our Company in consultation with the BRLM, may consider participation by Anchor Investors in the Offer for up to 60% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(ss) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XIII of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of undersubscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

- 1) Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
- 2) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is at least 200.00 Lakhs. A Bid cannot be submitted for over 60% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of 200.00 Lakhs
- 3) One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
- 4) Bidding for Anchor Investors will open one Working Day before the Bid/ Offer Opening Date and be completed on the same day.
- 5) Our Company in consultation with the BRLM, will finalize allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
 - where allocation in the Anchor Investor Portion is up to 200.00 Lakhs, maximum of 2 (two) Anchor Investors.
 - where the allocation under the Anchor Investor Portion is more than 200.00 Lakhs but upto 2500.00 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor; and
 - where the allocation under the Anchor Investor portion is more than 2500.00 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto 2500.00 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of 2500.00 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of 100.00 Lakhs per Anchor Investor.
- 6) Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Offer Period. The number of Equity



Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Offer Opening Date, through intimation to the Stock Exchange.

- 7) Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
- 8) If the Offer Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Offer Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 1 (one) Working Days from the Bid/ Offer Closing Date. If the Offer Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Offer Price.
- 9) At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
- 10) Fifty percent of the Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 90 and other fifty will be locked in for 30 days from the date of Allotment.
- 11) The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
- 12) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
- 13) Anchor Investors are not permitted to Bid in the Offer through the ASBA process.

BIDS BY ELIGIBLE NRI'S:

Eligible NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non- Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non- Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour).

BIDS BY FPI INCLUDING FII'S:

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Offer, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Offer, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the Offer of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10% of our post- Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limit an FII or sub account in our Company is 10% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Offer are advised to use the Bid cum Application Form for Non- Residents (blue in colour).

BIDS BY SEBI REGISTERED VCF'S, AIF'S AND FVCI'S:

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIF's.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

BIDS BY HUF

Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder should specify that the Application is being made in the name of the HUF in the Bid cum Application Form as follows: "Name of sole or first Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bid cum Applications by HUFs may be considered at par with Bid cum Applications from individuals.



BIDS BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

BIDS BY SYSTEMATICALLY IMPORTANT NON-BANKING FINANCIAL COMPANIES

In case of Applications made by Systemically Important Non-Banking Financial Companies, a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s), must be attached to the Bid cum Application Form. Failing this, our Company reserve the right to reject any Application, without assigning any reason thereof. Systemically Important Non-Banking Financial Companies participating in the Offer shall comply with all applicable legislations, regulations, directions, guidelines and circulars issued by RBI from time to time.

BIDS BY LIMITED LIABILITY PARTNERSHIPS

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof.

Limited liability, partnerships can participate in the Offer only through the ASBA process.

BIDS BY INSURANCE COMPANIES

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be. Insurance companies participating in this Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

BIDS UNDER POWER OF ATTORNEY:

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of ₹ 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of ₹ 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form
- e) Our Company in consultation with the BRLM in their absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that our Company and the BRLM may deem fit.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.

BIDS BY PROVIDENT FUNDS / PENSION FUNDS:

In case of Bids made by provident funds with minimum corpus of ₹ 25 Crore (subject to applicable law) and pension funds with minimum corpus of ₹ 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

BIDS BY BANKING COMPANY:

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a nonfinancial services company in excess of 10% of such investee company's paid-up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.



BIDS BY SCSB'S:

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum Applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE OFFER:

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Offer shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Offer.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

Offer Procedure for Application Supported by Blocked Account (ASBA) Bidders

In accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 all the Bidders have to compulsorily apply through the ASBA Process. Our Company and the Book Running Lead Manager are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid Cum Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>. For details on designated branches of SCSB collecting the Bid Cum Application Form, please refer the above-mentioned SEBI link.

Terms of payment

The entire Offer price of ₹ 101 per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Bidders.

SCSBs will transfer the amount as per the instruction of the Registrar to the Public Offer Account, the balance amount after transfer will be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, Banker to the Offer and the Registrar to the Offer to facilitate collections from the Bidders.

Payment mechanism

The Bidders shall specify the bank account number in their Bid Cum Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Bid Cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the Application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Bid Cum Application Form or for unsuccessful Bid Cum Application Forms, the Registrar to the Offer shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalization of the Basis of Allotment in the Offer and consequent transfer of the Application Amount to the Public Offer Account, or until withdrawal/ failure of the Offer or until rejection of the Application by the ASBA Bidder, as the case may be.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, all the investors applying in a public Issue shall use only Application Supported by Blocked Amount (ASBA) process for application providing details of the bank account which will be blocked by the Self-Certified Syndicate Banks (SCSBs) for the same. Further, pursuant to SEBI Circular No. SEBI/HO/CFD/DIL2/CIR/P/2018/138 dated November 01, 2018, Retail Individual Investors applying in public Issue have to

use UPI as a payment mechanism with Application Supported by Blocked Amount for making application.

Payment into Escrow Account for Anchor Investors

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the Book Running Lead Manager, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

- a. In case of resident Anchor Investors: — “TRUST FINTECH LIMITED - ANCHOR R A/C ”
- b. In case of Non-Resident Anchor Investors: — “TRUST FINTECH LIMITED - ANCHOR NR A/C ”

Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Offer to facilitate collections from the Anchor Investors.

Electronic Registration of Applications

1. The Designated Intermediaries will register the applications using the on-line facilities of the Stock Exchange.
2. The Designated Intermediaries will undertake modification of selected fields in the application details already uploaded before 1:00 pm of next Working Day from the Offer Closing Date.
3. The Designated Intermediaries shall be responsible for any acts, mistakes or errors or omissions and commissions in relation to,
 - a) the applications accepted by them,
 - b) the applications uploaded by them
 - c) the applications accepted but not uploaded by them or
 - d) With respect to applications by Bidders, applications accepted and uploaded by any Designated Intermediary other than SCSBs, the Bid Cum Application Form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Book Running Lead Manager nor our Company nor the Registrar to the Offer, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to,
 - (i) The applications accepted by any Designated Intermediaries
 - (ii) The applications uploaded by any Designated Intermediaries or
 - (iii) The applications accepted but not uploaded by any Designated Intermediaries
5. The Stock Exchange will offer an electronic facility for registering applications for the Offer. This facility will available at the terminals of Designated Intermediaries and their authorized agents during the Offer Period. The Designated Branches or agents of Designated Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Offer Closing Date, the Designated Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Book Running Lead Manager on a regular basis.
6. With respect to applications by Bidders, at the time of registering such applications, the Syndicate Bakers, DPs and RTAs shall forward a Schedule as per format given below along with the Bid Cum Application Forms to Designated Branches of the SCSBs for blocking of funds:

| S. No. | Details |
|--------|---------|
|--------|---------|



| | |
|-----|-------------------|
| 1. | Symbol |
| 2. | Intermediary Code |
| 3. | Location Code |
| 4. | Application No. |
| 5. | Category |
| 6. | PAN |
| 7. | DPID |
| 8. | Client ID |
| 9. | Quantity |
| 10. | Amount |

**Stock Exchanges shall uniformly prescribe character length for each of the above-mentioned fields*

7. With respect to applications by Bidders, at the time of registering such applications, the Designated Intermediaries shall enter the following information pertaining to the Bidders into the on-line system:
 - Name of the Bidder;
 - IPO Name;
 - Bid Cum Application Form Number;
 - Investor Category;
 - PAN (of First Bidder, if more than one Bidder);
 - DP ID of the demat account of the Bidder;
 - Client Identification Number of the demat account of the Bidder;
 - Number of Equity Shares Applied for;
 - Bank Account details;
 - Locations of the Banker to the Offer or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
 - Bank account number.
8. In case of submission of the Application by a Bidder through the Electronic Mode, the Bidder shall complete the above-mentioned details and mention the bank account number, except the Electronic ASBA Bid Cum Application Form number which shall be system generated.
9. The aforesaid Designated Intermediaries shall, at the time of receipt of application, give an acknowledgment to the investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form in physical as well as electronic mode. The registration of the Application by the Designated Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
10. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
11. In case of Non-Retail Bidders and Retail Individual Bidders, applications would not be rejected except on the technical grounds as mentioned in the Red Herring Prospectus. The Designated Intermediaries shall have no right to reject applications, except on technical grounds.
12. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Book Running Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our company; our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus, nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
13. The Designated Intermediaries shall, on daily basis and to be completed before 9.30am of next working day of closure of Offer Period i.e. on T+1 day (T is issue Closing Day), verify the DP ID and Client ID uploaded in the online IPO system during the Offer Period, after which the Registrar to the Offer will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable

to be rejected.

14. The SCSBs shall initiate not later than 9.30 am and shall complete before 2.00 pm on next working day from issue closer date i.e. T+2 day to send confirmation of Funds blocked (Final certificate) to the Registrar to the Offer.

15. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for applications.

Build of the Book

a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchange on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/ Offer Period.

b) Based on the aggregate demand and price for Bids registered on the Stock Exchange Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchange may be made available at the Bidding centers during the Bid/ Offer Period.

Withdrawal of Bids

a) RIIs can withdraw their Bids until Bid/ Offer Closing Date. In case a RII wishes to withdraw the Bid during the Bid/ Offer Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

b) The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

Price Discovery and Allocation

a) Based on the demand generated at various price levels, our Company in consultation with the BRLM, shall finalize the Offer Price and the Anchor Investor Offer Price.

b) The SEBI ICDR Regulations, 2018 specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.

c) Under-subscription in any category (except QIB Category) is allowed to be met with spillover from any other category or combination of categories at the discretion of the Issuer and the in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations. Unsubscribed portion in QIB Category is not available for subscription to other categories.

d) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an undersubscription applicable to the Issuer, Bidders may refer to the RHP.

e) In case if the Retail Individual Investor category is entitled to more than the allocated portion on proportionate basis, the category shall be allotted that higher percentage.

f) Allocation to Anchor Investors shall be at the discretion of our Company and in consultation with the BRLM, subject to compliance with the SEBI Regulations.

Illustration of the Book Building and Price Discovery Process: Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors. Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹20 to ₹ 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.



| Bid Quantity | Bid Amount (₹) | Cumulative Quantity | Subscription |
|--------------|----------------|---------------------|--------------|
| 500 | 24 | 500 | 16.67% |
| 1,000 | 23 | 1,500 | 50.00% |
| 1,500 | 22 | 3,000 | 100.00% |
| 2,000 | 21 | 5,000 | 166.67% |
| 2,500 | 20 | 7,500 | 250.00% |

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

Signing of Underwriting Agreement and Registering of Red Herring Prospectus/Prospectus with ROC

A copy of Red Herring Prospectus will be registered with the ROC and copy of Prospectus will be registered with ROC in terms of Section 32 of Companies Act, 2013 and Section 26 of Companies Act, 2013.

Pre- Offer Advertisement

Subject to Section 30 of the Companies Act 2013, our Company shall, after registering the Red Herring Prospectus with the ROC, publish a pre-Offer advertisement, in the form prescribed by the SEBI Regulations, in (i) English National Newspaper;

(ii) Hindi National Newspaper and (iii) the registered office of our company is situated in Nagpur (Maharashtra), therefore Marathi being regional language of Nagpur, each with wide circulation. In the pre- Offer advertisement, we shall state the Bid Opening Date and the Bid/ Offer Closing Date and the floor price or price band along with necessary details subject to regulation 250 of SEBI ICDR Regulations. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule X of the SEBI Regulations.

ADVERTISEMENT REGARDING OFFER PRICE AND PROSPECTUS:

Our Company will Offer a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Offer Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

GENERAL INSTRUCTIONS:

Please note that the NII's are not permitted to withdraw their bids or lower the size of Bids in terms of quantity of Equity Shares or Bid Amount) at any stage. Retail Individual Investor can revise their Bids during the Bid/ Offer period and withdraw their Bids until Bid/ Offer Closing date.

Anchor investors are not allowed to withdraw their Bids after Anchor Investors bidding date.

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that you (other than the Anchor Investors) have mentioned the correct details of your ASBA Account (i.e. bank account number or UPI ID, as applicable) in the Bid cum Application Form if you are not a UPI Bidder using the UPI Mechanism in the Bid cum Application Form and if you are a UPI Bidder using the UPI Mechanism ensure that you have mentioned the correct UPI ID (with maximum length of 45 characters including the handle), in the Bid cum Application Form;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Center (except in case of electronic Bids) within the prescribed time. Bidders (other than Anchor Investors) shall submit the Bid cum Application Form in the manner set out in the General Information Document;

6. RIBs Bidding shall ensure that they use only their own ASBA Account or only their own bank account linked UPI ID (only for UPI Bidders using the UPI Mechanism) to make an application in the Offer and not ASBA Account or bank account linked UPI ID of any third party;
7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;
8. UPI Bidders using UPI Mechanism, may submit their ASBA Forms with the Syndicate Member, Registered Brokers, RTAs or CDPs and should ensure that the ASBA Form contains the stamp of such Designated Intermediary;
9. In case of joint Bids, ensure that the First Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the First Bidder is included in the Bid cum Application Form;
10. Ensure that the signature of the first Bidder in case of joint Bids, is included in the Bid cum Application Forms. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
11. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
12. Ensure that you request for and receive a stamped Acknowledgment Slip in the form of a counterfoil or acknowledgment specifying the application number as a proof of having accepted the of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
13. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed, and obtain a revised Acknowledgment Slip;
14. UPI Bidders not using the UPI Mechanism, should submit their Bid cum Application Form directly with SCSBs and/or the designated branches of SCSBs;
15. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment;
16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the circular (No. MRD/DoP/Cir-20/2008) dated June 30, 2008 issued by the SEBI, may be exempt from specifying their PAN for transacting in the securities market, (ii) submitted by investors who are exempt from the requirement of obtaining/specifying their PAN for transacting in the securities market, and (iii) Bids by persons resident in the state of Sikkim, who, in terms of the SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the Income Tax Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
17. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
18. Ensure that the category and the investor status is indicated in the Bid cum Application Form to ensure proper upload of your Bid in the electronic Bidding system of the Stock Exchanges;
19. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trusts, etc., the relevant documents, including a copy of the power of attorney, if applicable, are submitted;
20. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;
21. Since the Allotment will be in demat form only, ensure that the depository account is active, the correct DP ID, Client ID, the PAN, and UPI ID (for UPI Bidders bidding through UPI mechanism) and PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID, UPI ID (for ASBA Bidders bidding through UPI mechanism) and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID, UPI ID (for UPI Bidders bidding through UPI mechanism) and PAN available in the Depository database;
22. In case of QIBs and NIBs, ensure that while Bidding through a Designated Intermediary, the ASBA Form is submitted to a Designated Intermediary in a Bidding Centre and that the SCSB where the ASBA Account, as



specified in the ASBA Form, is maintained has named at least one branch at that location for the Designated Intermediary to deposit ASBA Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>);

23. The ASBA Bidders shall use only their own bank account or only their own bank account linked UPI ID for the purposes of making Application in the Offer, which is UPI 2.0 certified by NPCI;
24. The ASBA bidders shall ensure that bids above ₹ 5,00,000, are uploaded only by the SCSBs;
25. Bidders (except UPI Bidders Bidding through the UPI Mechanism) should instruct their respective banks to release the funds blocked in the ASBA account under the ASBA process. In case of UPI Bidders, once the Sponsor Bank issues the UPI Mandate Request, the UPI Bidders would be required to proceed to authorize the blocking of funds by confirming or accepting the UPI Mandate Request to authorize the blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
26. UPI Bidders bidding using the UPI Mechanism should mention valid UPI ID of only the Bidder (in case of single account) and of the first Bidder (in case of joint account) in the Bid cum Application Form;
27. Ensure that when applying in the Offer using the UPI Mechanism, the name of your SCSB appears in the list of SCSBs displayed on the SEBI website which are live on UPI. Further, also ensure that the name of the app and the UPI handle being used for making the application is also appearing in Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019;
28. UPI Bidders who wish to revise their Bids using the UPI Mechanism, should submit the revised Bid with the Designated Intermediaries, pursuant to which UPI Bidders should ensure acceptance of the UPI Mandate Request received from the Sponsor Bank to authorize blocking of funds equivalent to the revised Bid Amount in the UPI Bidder's ASBA Account;
29. Anchor Investors should submit the Anchor Investor Application Forms to the BRLM;
30. FPIs making MIM Bids using MIM Structure and indicate the name of their investment managers in such confirmation which shall be submitted along with each of their Bid cum Application Forms. In the absence of such confirmation from the relevant FPIs, such MIM Bids shall be rejected;
31. Bids received from FPIs bearing the same PAN shall not be treated as multiple Bids in the event such FPIs utilise the MIM Structure and such Bids have been made with different beneficiary account numbers, Client IDs and DP IDs;
32. UPI Bidders Bidding through the UPI Mechanism shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorize the UPI Mandate Request using his/her/its UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, a UPI Bidder may be deemed to have verified the attachment containing the application details of the UPI Bidder in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
33. Ensure that you have accepted the UPI Mandate Request received from the Sponsor Bank prior to 5:00 p.m. of the Bid/ Offer Closing Date;
34. Bids by Eligible NRIs, HUFs and any individuals, corporate bodies and family offices who are FPIs and registered with SEBI for a Bid Amount of less than ₹ 200,000 would be considered under the Retail Category for the purposes of allocation and Bids for a Bid Amount exceeding ₹ 200,000 would be considered under the Non-Institutional Category for allocation in the Offer;
35. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB or the Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form, as the case may be, at the time of submission of the Bid. In case of UPI Bidders submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorize the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment; and
36. Ensure that the Demographic Details are updated, true and correct in all respects

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with. Application made using incorrect UPI handle or using a bank account of an SCSB or SCSBs which is not mentioned in the Annexure 'A' to the SEBI circular no. SEBI/HO/CFD/DIL2/CIR/P/2019/85 dated July 26, 2019 is liable to be rejected.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not submit a Bid using UPI ID, if you are not an UPI Bidder;
3. Do not Bid/revise the Bid Amount to less than the Floor Price or higher than the Cap Price;

4. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
6. Do not pay the Bid Amount in cheques, demand drafts, cash, money order, postal order or by stock invest;
7. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
8. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Bank;
9. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
10. Do not submit the Bid for an amount more than funds available in your ASBA account;
11. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder. Retail Individual Bidders can revise or withdraw their Bids on or before the Bid/Offer Closing Date;
12. Do not submit your Bid after 5.00 p.m. on the Bid/Offer Closing Date;
13. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediary;
14. If you are a QIB, do not submit your Bid after 4 p.m. on the QIB Bid / Offer Closing Date;
15. Do not Bid for Equity Shares in excess of what is specified for each category;
16. In case of ASBA Bidders (other than 3-in-1 Bids), Syndicate Members shall ensure that they do not upload any bids above ₹ 5,00,000;
17. In case of ASBA Bidders and UPI Bidders using UPI mechanism, do not submit more than one Bid cum Application Form per ASBA Account or UPI ID, respectively;
18. Do not make the Bid cum Application Form using third party bank account or using third party linked bank account UPI ID;
19. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a color prescribed for another category of Bidder;
20. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
21. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
22. Do not fill up the Bid cum Application Form such that the number of Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations, or under the terms of this Prospectus;
23. Do not submit the General Index Register (GIR) number instead of the PAN;
24. Do not submit incorrect details of the DP ID, Client ID, the PAN and UPI ID, if applicable, or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
25. Do not submit the ASBA Forms to any Designated Intermediary that is not authorized to collect the relevant ASBA Forms or to our Bank;
26. Do not submit Bids to a Designated Intermediary at a location other than at the relevant Bidding Centres. If you are UPI Bidder and are using UPI mechanism, do not submit the ASBA Form directly with SCSBs;
27. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are available for blocking in the relevant ASBA account;
28. Anchor Investors should not bid through the ASBA process;
29. Anchor Investors should submit Anchor Investor Application Form only to the BRLM;
30. Do not Bid on a Bid cum Application Form that does not have the stamp of a Designated Intermediary;
31. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;
32. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Bidders using the UPI Mechanism;
33. UPI Bidders Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB or a bank which is not mentioned in the list provided in the SEBI website is liable to be rejected;
34. Do not submit more than one Bid cum Application Form for each UPI ID in case of UPI Bidders Bidding using the UPI Mechanism;
35. Do not Bid if you are an OCB.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Other instructions for the Bidders Joint Bids

In the case of Joint Bids, the Bids should be made in the name of the Bidders whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first



Bidders would be required in the Bid cum Application Form/Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

Multiple Bids

Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

Investor Grievance

In case of any pre- Offer or post Offer related problems regarding demat credit / refund orders/ unblocking etc. the Investors can contact the Compliance Officer of our Company.

Nomination Facility to Bidders

Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

Submission of Bids

- (a) During the Bid/ Offer Period, Bidders may approach any of the Designated Intermediaries to register their Bids.
- (b) In case of Bidders (excluding NIIs and QIBs) Bidding at cut-off price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- (c) For details of the timing on acceptance and upload of Bids in the Stock Exchange platform Bidders are requested to refer to the RHP.

GROUPS OF TECHNICAL REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm assuch shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;

- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the RHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/ Offer Opening Date advertisement and the RHP and as per the instructions in the RHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant 's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges;
- Where no confirmation is received from SCSB for blocking of funds;
- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals; and
- Details of ASBA Account not provided in the Bid cum Application form.

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING



INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

- a) The SEBI (ICDR) Regulations specify the allocation or Allotment that may be made to various categories of Bidders in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, Unsubscribed portion in QIB Category is not available for subscription to other categories.
- c) In case of under subscription in the Offer, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Offer. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.

ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Offer. However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

BASIS OF ALLOTMENT

a. For Retail Individual Bidders

Bids received from the Retail Individual Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Offer Price.

The Offer size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to 20,88,000 Equity Shares at or above the Offer Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than 20,88,000 Equity Shares at or above the Offer Price, the Allotment shall be made on a proportionate basis up to a minimum of 1200 Equity Shares and in multiples of 1200 Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

b. For Non-Institutional Bidders

Bids received from Non-Institutional Bidders at or above the Offer Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Offer Price.

The Offer size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Offer at a price that is equal to or greater than the Offer Price. If the aggregate demand in this category is less than or equal to 8,95,200 Equity Shares at or above the Offer Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than 8,95,200 Equity Shares at or above the Offer Price, Allotment shall be made on a proportionate basis up to a minimum of 1200 Equity Shares and in

multiples of 1200 Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

c. For QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations or RHP / Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Offer Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Offer Price. Allotment may be undertaken in the following manner: Allotment shall be undertaken in the following manner:

- a) In the first instance allocation to Mutual Funds for 5% of the QIB Portion shall be determined as follows:
- In the event that Bids by Mutual Fund exceeds 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5% of the QIB Portion.
 - In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Offer Price.
 - Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;
- b) In the second instance Allotment to all QIBs shall be determined as follows:
- In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Offer Price shall be allotted Equity Shares on a proportionate basis, up to a minimum of 1200 Equity Shares and in multiples of 1200 Equity Shares thereafter for 95% of the QIB Portion.
 - Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of 1200 Equity Shares and in multiples of 1200 Equity Shares thereafter, along with other QIB Bidders.
 - Under-subscription below 5% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than 29,80,000.
 - Equity Shares.

d. ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

- a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements:
- a) not more than 60% of the QIB Portion will be allocated to Anchor Investors;
 - b) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
 - c) allocation to Anchor Investors shall be on a discretionary basis and subject to:
 - a maximum number of two Anchor Investors for allocation up to ₹ 2 crores;
 - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors



for allocation of more than ₹ 2 crores and up to ₹ 25 crores subject to minimum allotment of ₹ 1 crores per such Anchor Investor; and

- in case of allocation above twenty-five crore rupees; a minimum of 5 such investors and a maximum of 15 such investors for allocation up to twenty-five crore rupees and an additional 10 such investors for every additional twenty-five crore rupees or part thereof, shall be permitted, subject to a minimum allotment of one crore rupees per such investor.
- b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

c) **In the event that the Offer Price is higher than the Anchor Investor Allocation Price:**

Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Offer Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors

d) In the event the Offer Price is lower than the Anchor Investor Allocation Price:

Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

e) **Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over Subscribed Offer:**

In the event of the Offer being Over-Subscribed, the Issuer may finalize the Basis of Allotment in consultation with the NSE EMERGE (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e., the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category multiplied by number of Shares applied for).
- b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e., Total number of Shares applied for into the inverse of the over subscription ratio).
- c) For Bids where the proportionate allotment works out to less than 1200 equity shares the allotment will be made as follows:
 - Each successful Bidder shall be allotted 1200 equity shares; and
 - The successful Bidder out of the total bidders for that category shall be determined by draw of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- d) If the proportionate allotment to a Bidder works out to a number that is not a multiple of 1200 equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of 1200 equity shares subject to a minimum allotment of 1200 equity shares.
- e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining

after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 1200 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Offer specified under the Capital Structure mentioned in this Prospectus.

Retail Individual Investor' means an investor who applies for shares of value of not more than ₹2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Offer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

Issuance of Allotment Advice

- 1) Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2) On the basis of approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the allotment and credit of equity shares. Bidders are advised to instruct their Depository Participants to accept the Equity Shares that may be allotted to them pursuant to the Offer.

The Book Running Lead Manager or the Registrar to the Offer will dispatch an Allotment Advice to their Bidders who have been allocated Equity Shares in the Offer. The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bidder.

- 3) Issuer will make the allotment of the Equity Shares and initiate corporate action for credit of shares to the successful Bidders Depository Account within 4 working days of the Offer Closing date. The Issuer also ensures the credit of shares to the successful Bidders Depository Account is completed within one working Day from the date of allotment, after the funds are transferred from ASBA Public Offer Account to Public Offer account of the issuer.

Designated Date:

On the Designated date, the SCSBs shall transfer the funds represented by allocations of the Equity Shares into Public Offer Account with the Bankers to the Offer.

The Company will Offer and dispatch letters of allotment/ or letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 4 working days of the Bid/ Offer Closing Date. The

Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under relevant provisions of the Companies Act, 2013 or other applicable provisions, if any

Instructions for Completing the Bid Cum Application Form

The Applications should be submitted on the prescribed Bid Cum Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Bid Cum Application Form. Applications not so made are liable to be rejected. Applications made using a third-party bank account or using third party UPI ID linked bank account are liable to be rejected. Bid Cum Application Forms should bear the stamp of the Designated Intermediaries. ASBA Bid Cum Application Forms, which do not bear the stamp of the Designated Intermediaries, will be rejected.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Bid Cum Application Forms in public issues using the stock broker (broker) network of Stock Exchanges, who may not be syndicate members in an Offer with effect from January 01, 2013. The list of Broker Centre is available on the websites of NSE i.e. www.nseindia.com With a view to broad base the reach of Investors by substantial, enhancing the points for submission of applications, SEBI vide Circular No. CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Bid Cum Application Forms in Public Offer with effect from January 01, 2016. The List of ETA and DPs centers for collecting the application shall be disclosed is available on the websites of NSE i.e., www.nseindia.com



Bidder's Depository Account and Bank Details

Please note that, providing bank account details, PAN No's, Client ID and DP ID in the space provided in the Bid Cum Application Form is mandatory and applications that do not contain such details are liable to be rejected.

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid Cum Application Form as entered into the Stock Exchange online system, the Registrar to the Offer will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Bidders including mailing of the Allotment Advice. The Demographic Details given by Bidders in the Bid Cum Application Form would not be used for any other purpose by the Registrar to the Offer.

By signing the Bid Cum Application Form, the Bidder would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

Submission of Bid Cum Application Form

All Bid Cum Application Forms duly completed shall be submitted to the Designated Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the Bid Cum Application Form, in physical or electronic mode, respectively.

Communications

All future communications in connection with Applications made in this Offer should be addressed to the Registrar to the Offer quoting the full name of the sole or First Bidder, Bid Cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid Cum Application Form, name and address of the Designated Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Offer in case of any pre- Offer or post Offer related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

Disposal of Application and Application Moneys and Interest in Case of Delay

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within 2 (two) working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at NSE EMERGE where the Equity Shares are proposed to be listed are taken within 3 (Three) working days from Offer Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 3 (Three) days of the Offer Closing Date;
2. Giving of Instructions for refund by unblocking of amount via ASBA not later than 2(Two) working days of the Offer Closing Date, would be ensured; and
3. If such money is not repaid within prescribed time from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of prescribed time, be liable to repay such application money, with interest as prescribed under SEBI (ICDR) Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with Section 40 of the Companies Act, 2013, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case

Right to Reject Applications

In case of QIB Bidders, the Company in consultation with the BRLM may reject Applications provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who applied, the Company has a right to reject Applications based on technical grounds.

Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who—

- (a) Makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) Makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) Otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

Undertakings by Our Company

We undertake as follows:

- 1) That the complaints received in respect of the Offer shall be attended expeditiously and satisfactorily;
- 2) That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading on Stock Exchange where the Equity Shares are proposed to be listed within three working days from Offer Closure date.
- 3) That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Offer by our Company;
- 4) Where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within three Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 5) That our Promoter's contribution in full has already been brought in;
- 6) That no further Offer of Equity Shares shall be made till the Equity Shares Issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, undersubscription etc.;
- 7) That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment;
- 8) If our Company does not proceed with the Offer after the Bid/ Offer Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/ Offer Closing Date. The public notice shall be issued in the same newspapers where the Pre- Offer advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 9) If our Company withdraws the Offer after the Bid/ Offer Closing Date, our Company shall be required to file a fresh Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Offer;
- 10) If allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/ unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations



and applicable law for the delayed period.

Utilization of Offer Proceeds

The Board of Directors of our Company certifies that:

- 1) All monies received out of the Offer shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act 2013;
- 2) Details of all monies utilized out of the Offer referred above shall be disclosed and continue to be disclosed till the time any part of the Offer proceeds remains unutilized, under an appropriate head in our balance sheet of our company indicating the purpose for which such monies have been utilized;
- 3) Details of all unutilized monies out of the Offer, if any shall be disclosed under the appropriate separate head in the balance sheet of our company indicating the form in which such unutilized monies have been invested and
- 4) Our Company shall comply with the requirements of SEBI Listing Regulations, 2015 in relation to the disclosure and monitoring of the utilization of the proceeds of the Offer.
- 5) Our Company shall not have recourse to the Offer Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.
- 6) The Book Running Lead Manager will attend the complaints or comments received in respect of the Offer will be attended expeditiously and satisfactorily.

Equity Shares in Dematerialized Form with NSDL or CDSL

To enable all shareholders of our Company to have their shareholding in electronic form, the Company has signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a) Tripartite Agreement dated January 17, 2024 between NSDL, the Company and the Registrar to the Offer;
- b) Tripartite Agreement dated January 15, 2024 between CDSL, the Company and the Registrar to the Offer;

The Company's equity shares bear an **ISIN No. INE0SWN01019**

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 ("FEMA"). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India ("RBI") and Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India ("DPIIT").

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment ("FDI") through press notes and press releases. The DPIIT, has issued consolidated FDI Policy Circular of 2020 ("FDI Policy 2020"), effective from October 15, 2020, which consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2020 will be valid until the DIPP issues an updated circular.

The RBI also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI and Master Direction – Foreign Investment in India (updated upto March 08, 2019). In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular and Master Direction. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

In case of investment in sectors through Government Route, approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2020 has to be obtained.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP / RBI, from time to time.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

Investment conditions/restrictions for overseas entities

Under the current FDI Policy 2020 and amendments from time to time thereupon, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, 10 and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017 as amended from time to time. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral /statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral /statutory cap.



Investment by FPIs under Portfolio Investment Scheme (PIS)

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or less than 10% 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 FPIs put together shall not exceed 24% of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10% and 24% will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

Investment by NRI or OCI on repatriation basis:

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as "Capital Instruments") of a listed Indian company on a recognized stock exchange in India by Non- Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 as amended from time to time. The total holding by any individual NRI or OCI shall 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 shall not exceed 10% of the total paid-up equity capital on a fully diluted basis or shall not exceed 10% of the paid-up value of each series of debentures or preference shares or share warrants; provided that the aggregate ceiling of 10% may be raised to 24% if a special resolution to that effect is passed by the general body of the Indian company.

Investment by NRI or OCI on non-repatriation basis

As per current FDI Policy 2020, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non- repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.

Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION XIII – MAIN PROVISION OF ARTICLES OF ASSOCIATION

THE COMPANIES ACT, 2013 (COMPANY LIMITED BY SHARES) ARTICLES OF ASSOCIATION OF TRUST FINTECH LIMITED*

INTERPRETATION

- 1) In these Regulations: -
 - a) "The Act" means the Companies Act, 2013,
 - b) "Company" means TRUST FINTECH LIMITED*
 - c) "The Seal" means the Common Seal of the Company.
- 2) Unless the context otherwise requires words or expressions contained in these regulations shall bear the same meaning as in the Act, or any statutory modification thereof in force at the date at which these regulations become binding on the Company.

PUBLIC COMPANY

- 3) The Company is a public company within the meaning of Section 2(71) of the Companies Act, 2013 and accordingly:
 - a) is not a private company;
 - b) has a minimum paid-up share capital of five lakh rupees or such higher paid-up capital, as may be prescribed:

Provided that a company which is a subsidiary of a company, not being a private company, shall be deemed to be public company for the purposes of this Act even where such subsidiary company continues to be a private company in its articles;
 - c) It is nowhere mention regarding the minimum number of members for public company (i.e., seven).

SHARE CAPITAL AND VARIATION OF RIGHTS

- 4) The Authorised Share Capital of the Company shall be such amount and be divided into such shares as may, from time to time, be provided in Clause V of the memorandum of Association of the Company, payable in the manner as may be determined by the Directors from time to time, with powers to increase, reduce, sub-divide or repay the same or to divide the same into several classes and to attach thereto any rights and to consolidate or subdivide or reorganize the Shares and to vary such rights as may be determined in accordance with the regulations of the Company. The minimum paid up capital of the Company shall be Rs. 100,000 (Rupees One lakh only).
- 5) Subject to the provisions of the Act and these Articles, the shares in the capital of the company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think it.
- 6)
 - (i) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided,-



**Subject to confirmation of Central Government, name of the Company was changed from "Trust Systems and Software (India) Limited" to "Trust Fintech Limited" vide Special Resolution passed at the Extraordinary General Meeting of the Company held on November 22, 2023.*

- a. one certificate for all his shares without payment of any charges; or
 - b. several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.
- (ii) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.
- (iii) In respect of any share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

7)

- (i) If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.

- (ii) The provisions of Articles (2) and (3) shall mutatis mutandis apply to debentures of the company.

- 8) Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

9)

- (i) The company may exercise the powers of paying commissions conferred by subsection (6) of section 40, provided that the rate per cent, or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made thereunder

- (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under subsection (6) of section 40.

- (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other

10)

- (i) If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class) may, subject to the provisions of section 48, and whether or not the company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

- (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.
- (iii) The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

11)

- (i) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its shares and to offer shares in a dematerialized form pursuant to the Depositories Act, 1996.
- (ii) Notwithstanding anything contained in, these Articles, and subject to the provisions of law for the time being in force, the Company shall on a request made by a beneficial owner, re-materialize the shares, which are in dematerialized form.
- (iii) Every person subscribing to the shares offered by the Company shall have the option to receive share certificates or to hold the shares with a Depository. Such a person who is the beneficial owner of the shares can at any time opt out of Depository, if permitted by the law, in respect of any shares in the manner provided by the Depositories Act, 1996 and the Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of shares.
- (iv) All shares held by a Depository shall be dematerialized and shall be in a fungible form.
 - a. Notwithstanding anything to the contrary contained in the Act or these Articles of Association of the Company, as amended from time to time (the "Articles"), a Depository shall be deemed to be the registered owner for the purposes of effecting any transfer of ownership of shares on behalf of the beneficial owners.
 - b. Save as otherwise provided in (a) above, the Depository as the registered owner of the shares shall not have any voting rights or any other rights in respect of shares held by it.
 - c. Every person holding Shares of the Company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be the owner of such shares and shall also be deemed to be a shareholder of the Company. The beneficial owner of the shares shall be entitled to all the liabilities in respect of his shares which are held by a Depository
- (v) Notwithstanding anything in the Act or these Articles to the contrary, where shares are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or disks or any other mode as prescribed by law from time to time.
- (vi) Nothing contained in the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of who are entered as beneficial owners in the records of a Depository.
- (vii) Notwithstanding anything in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities
- (viii) Nothing contained in the Act or these Articles regarding the necessity to have distinctive numbers for securities issued by the Company shall apply to securities held with a Depository.



- 12) Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

LIEN

- 13) (i) The company shall have a first and paramount lien-
- a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
 - b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause

- c) The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

- 14) The company may sell, in such manner as the Board thinks fit, any shares on which the company has a lien:

Provided that no sale shall be made-

- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency;

15)

- (i) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.
- (ii) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (iii) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

16)

- (i) The proceeds of the sale shall be received by the company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.
- (ii) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.

CALLS ON SHARES

17)

- (i) The Board may, from time to time, make calls upon the members in respect of any monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions of allotment thereof made payable at fixed times, provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- (ii) Each member shall, subject to receiving at least fourteen days' notice specifying the time or times and place of payment, pay to the company, at the time or times and place so specified, the amount called on his shares.

- (iii) A call may be revoked or postponed at the discretion of the Board.
- 18) A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments.
- 19) The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 20)
- (i) If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent, per annum or at such lower rate, if any, as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest wholly or in part.
- 21)
- (i) Any sum which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall, for the purposes of these regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.
- (ii) In case of nonpayment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 22) The Board-
- a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and
- b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, twelve per cent, per annum, as may be agreed upon between the Board and the member paying the sum in advance.

TRANSFER OF SHARES

- 23)
- (i) The instrument of transfer of any share in the company shall be executed by or on behalf of both the transferor and transferee.
- (ii) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.
- 24) The Board may, subject to the right of appeal conferred by section 58 decline to register-
- a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve or
- b) any transfer of shares on which the company has a lien.
- 25) The Board may decline to recognize any instrument of transfer unless-



- a) the instrument of transfer is in the form as prescribed in rules made under sub-section (7) of section 56;
 - b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and
 - c) the instrument of transfer is in respect of only one class of shares.
- 26) On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine:

Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty five days in the aggregate in any year.

TRANSMISSION OF SHARES

27)

- (i) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the company as having any title to his interest in the shares.
- (ii) Nothing in clause (i) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

28)

- (i) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either-
 - a) to be registered himself as holder of the share; or
 - b) to make such transfer of the share as the deceased or insolvent member could have made.
- (ii) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

29)

- (i) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.
- (iii) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

- 30) A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered

himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all monies payable in respect of the share, until the requirements of the notice have been complied with.

FORFEITURE OF SHARES

- 31) If a member fails to pay any call, or instalment of a call, on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.
- 32) The notice aforesaid shall-
- a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
 - b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.
- 33) If the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
- 34)
- (i) A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
 - (ii) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- 35)
- (i) A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.
 - (ii) The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.
- 36)
- (i) A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the company, and that a share in the company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share;
 - (ii) The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of;
 - (iii) The transferee shall thereupon be registered as the holder of the share; and
 - (iv) The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.
- 37) The provisions of these regulations as to forfeiture shall apply in the case of nonpayment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL

- 38) The company may, from time to time, by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.



- 39) Subject to the provisions of section 61, the company may, by ordinary resolution, -
- a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - d) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

40) Where shares are converted into stock, -

- e) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

- f) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
- g) Such of the regulations of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stock-holder" respectively.

41) The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorised and consent required by law, -

- h) its share capital;
- i) any capital redemption reserve account; or
- j) any share premium account.

CAPITALISATION OF PROFITS

42)

- (i) The company in general meeting may, upon the recommendation of the Board, resolve-
 - a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards-
 - A. paying up any amounts for the time being unpaid on any shares held by such members respectively;
 - B. paying up in full, unissued shares of the company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;

- C. partly in the way specified in sub-clause (A) and partly in that specified in sub-clause (B);
- D. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares;
- E. The Board shall give effect to the resolution passed by the company in pursuance of this regulation.

43)

- (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall-
 - a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
 - b) Generally, do all acts and things required to give effect thereto.
- (ii) The Board shall have power-
 - a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of shares becoming distributable in fractions; and
 - b) to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares; (iii) Any agreement made under such authority shall be effective and binding on such members.

BUY-BACK OF SHARE

- 44) Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.

GENERAL MEETINGS

- 45) All general meetings other than annual general meeting shall be called extraordinary general meeting.

46)

- (i) The Board may, whenever it thinks fit, call an extraordinary general meeting.
- (ii) If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

PROCEEDINGS AT GENERAL MEETINGS

47)

- (i) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- (ii) Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

- 48) The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.



- 49) If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
- 50) If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

ADJOURNMENT OF MEETING

- 51)
- (i) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
 - (ii) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
 - (iii) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
 - (iv) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING RIGHTS

- 52) Subject to any rights or restrictions for the time being attached to any class or classes of shares, -
- a) on a show of hands, every member present in person shall have one vote; and
 - b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.
- 53) A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once
- 54)
- (i) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders
 - (ii) For this purpose, seniority shall be determined by the order in which the name stand in the register of members.
- 55) A member of unsound mind, or in respect of whom an order has been made by any court havin9 jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.
- 56) Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.
- 57) No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid

58)

- (i) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- (ii) Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

PROXY

- 59) The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarized copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.
- 60) An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.
- 61) A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given:

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

BOARD OF DIRECTORS

- 62)
 - 1. At the time of adoption of these new set of Articles, the Directors of the Company are:
 - i. **HEMANT PADMANABH CHAFALE**
 - ii. **MANDAR KISHOR DEO**
 - iii. **HERAMB RAMKRISHNA DAMLE**
 - iv. **ANAND SHANKER KANE**
 - 2. Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
 - 3. The Directors shall not be required to hold any qualification shares in the Company.
- 63)
 - (i) The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day today.
 - (ii) In addition to the remuneration payable to them in pursuance of the Act, the directors may be paid all travelling, hotel and other expenses properly incurred by them-
 - a) in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or
 - b) in connection with the business of the company.
- 64) The Board may pay all expenses incurred in getting up and registering the company.



- 65) The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.
- 66) All cheque, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.
- 67) Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
- 68)
- (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles.
 - (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.
 - (iii) The Board may appoint Alternate Directors to act for a Director ("Original Director") during his absence. The Original Director shall have a right to recommend, subject to appointment by the Board, any other person to be his alternate. The alternate Director shall not hold office for a period longer than the term of the Original Director.

PROCEEDINGS OF THE BOARD

- 69) Proceeding of the board
- (i) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.
 - (ii) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.
- 70)
- (i) Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
 - (ii) In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.
- 71) The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.
- (i) The Board may elect a chairperson of its meetings and determine the period for which he is to hold office.

- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their number to be Chairperson of the meeting.

72)

- (i) The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- (ii) Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

73)

- (i) A committee may elect a chairperson of its meetings.
- (ii) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

74)

- (i) A committee may meet and adjourn as it thinks fit
- (ii) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

75) All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.

76) Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY, CHIEF FINANCIAL OFFICER

77) Subject to the provisions of the Act, -

- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
- (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.

78) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.

THE SEAL

79) The seal

- (i) The Board shall provide for the safe custody of the seal.



- (ii) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

- 80) The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
- 81) Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.
- 82)
 - (i) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
 - (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- 83)
 - (i) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
 - (ii) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
 - (iii) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
- 84) The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
- 85)
 - (i) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
 - (ii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- 86) Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.



SECTION XIV- OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Prospectus to be delivered to the RoC for filing and also the documents for inspection referred to hereunder, may be inspected at the Registered office: Plot No.11/4, I.T. Park, Gayatri Nagar, Parsodil, Nagpur, Maharashtra-440022 from the date of filing this Prospectus with RoC to Issue Closing Date on working days from 11.00 a.m. to 5.00 p.m.

MATERIAL CONTRACTS

1. Issue Agreement dated January 12, 2024 between our company and the Lead Manager.
2. Registrar Agreement dated January 18, 2024 between our company and the Registrar to the Issue.
3. Cash Escrow and Sponsor Bank Agreement dated March 15, 2024 among our Company, the Lead Manager, The Banker to the Issue/Public Issue Bank/Sponsor Bank and the Registrar to the Issue.
4. Underwriting Agreement dated March 15, 2024 between our company and the Underwriters.
5. Market making Agreement dated March 15, 2024 between our company, the Lead Manager and the Market Maker.
6. Agreement among NSDL, our company and the registrar to the issue dated January 17, 2024.
7. Agreement among CDSL, our company and the registrar to the issue dated January 15, 2024.

MATERIAL DOCUMENTS FOR THE ISSUE

1. Certified true copy of Certificate of Incorporation (s), the Memorandum of Association and Articles of Association of our Company, as amended.
2. Resolutions of the Board of Directors dated December 01, 2023 in relation to the Issue and other related matters.
3. Shareholders' resolution dated December 23, 2023 in relation to the Issue and other related matters.
4. Consents of Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, the Book Running Lead Manager, Registrar to the Issue, Peer review Auditor and Legal Advisor to act in their respective capacities.
5. Peer Review Auditors Report dated January 07, 2024 on Restated Financial Statements of our Company for the period ended September 30, 2023 and for the year ended March 31, 2023, 2022 and 2021.
6. The Report dated January 07, 2024 from the Peer Reviewed Auditors of our Company, confirming the Statement of Possible Tax Benefits available to our Company and its Shareholders as disclosed in the Draft Red Herring Prospectus.
7. Certificate of Key Performance Indicators (KPIs) dated January 25, 2024 issued by peer reviewed auditor, M/s Abhijit kelkar & Co., Chartered Accountants.
8. The Report dated January 30, 2024 by Legal Advisor to the Company confirming status of Outstanding Litigation and Material Development.
9. Copy of approval from NSE Emerge vide letter dated March 19, 2024 to use the name of NSE in this offer document for listing of Equity Shares on Emerge Platform of NSE.
10. Due diligence certificate dated March 28, 2024 from Lead Manager to the Issue.
11. Addendum to the Draft Red Herring Prospectus dated March 15, 2024.
12. Board Resolution dated January 30, 2024 for approval of Draft Red Herring Prospectus, March 19, 2024 for approval of Red Herring Prospectus and Board Resolution dated March 28, 2024 for approval of the Prospectus.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so, required in the interest of our Company or if required by other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, hereby declare that, all the relevant provisions of the Companies Act, 2013 and the guidelines/regulations issued by the Government of India or the guidelines/regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with no statement made in the Prospectus is contrary to the provisions of the Companies Act, 1956, notified provisions of Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations/guidelines issued, as the case may be. We further certify that all the statements made in this Prospectus are true and correct.

| Signed by the Directors of our Company | | | | |
|---|--------------------------|-----------------|-------------------------|------------------|
| Sr. No. | Name | Category | Designation | Signature |
| 1. | Hemant Padmanabh Chafale | Executive | Managing Director | Sd /- |
| 2. | Mandar Kishor Deo | Executive | Whole Time Director | Sd /- |
| 3. | Heramb Ramkrishna Damle | Executive | Whole time Director | Sd /- |
| 4. | Anand Shankar Kane | Executive | Director | Sd /- |
| 5. | Sandhya Narendra Gulhane | Non- Executive | Director | Sd /- |
| 6. | Nitin Dattatraya Alshi | Non- Executive | Independent Director | Sd/- |
| 7. | Kapil D. Chandrayan | Non- Executive | Independent Director | Sd/- |
| 8. | Prasad A Dongarkar | Non- Executive | Independent Director | Sd/- |
| Signed by the Chief Financial Officer and Company Secretary of our Company | | | | |
| 9. | Anand Shankar Kane | Whole – Time | Chief Financial Officer | Sd /- |
| 10. | Deshana Keval Joshi | Whole – Time | Company Secretary | Sd /- |

Place: Nagpur

Date: March 28, 2024